

Ownership of Land

All Ownership Interest in Past 20 Years

A description of all ownership interests, including easements, options, encumbrances and other interests, for the past 20 years and across the relevant two tracts of land is detailed below:

104.536 Acre Tract

1. Description of all Ownership Interests in the Land for the Past Twenty Years:
 - a. Deed made by Avon Capital Corporation, a Delaware Corporation, to Interchange Commerce Center Associates, a New York general partnership, dated April 16, 1986, and recorded April 22, 1986 in Liber 2505, Page 83, Orange County Clerk's Office;
 - b. Deed made by Interchange Commerce Center Associates, a New York Partnership, to O&R Development, Inc., a Delaware corporation, dated August 4, 1994, and recorded August 11, 1994 in Liber 4089, Page 170, Orange County Clerk's Office;
 - c. Deed made by O&R Development, Inc., a Delaware corporation, to Woodbury Development LLC, a New York limited liability company, dated January 22, 2003, and recorded February 6, 2003, in Liber 6183, Page 287, Orange County Clerk's Office;
 - d. Deed made by Woodbury Development LLC, a New York limited liability company, to Woodbury Real Estate Group, LLC, dated July 12, 2012, and recorded April 23, 2013, in Liber 13549, Page 1157, Orange County Clerk's Office;
 - e. Option Agreement for Purchase of Real Property, by and between Woodbury Real Estate Group, LLC, as seller, and Flaum Management Company Inc., as purchaser, dated as of February 24, 2014 (unrecorded); and
 - f. Option to Ground Lease by and between Flaum Management Company Inc. and WGLNS, LLC, as lessor, and Woodbury Casino, LLC, as lessee, dated June 27, 2014 (unrecorded).
2. Easements, Options, Encumbrances and Other Interests:
 - a. Agreement between Mary W. Harriman and Erie Railroad Company, dated July 11, 1911, and recorded in Liber 547, Page 237, Orange County Clerk's Office;
 - b. Indenture between William Averell Harriman and Marie N. Harriman, and The Harriman Industrial Corporation, dated March 25, 1942, and recorded in Liber 882, Page 425, Orange County Clerk's Office;
 - c. Grant of easement from William Averell Harriman to Central Hudson Gas & Electric Corporation, dated January 10, 1950, and recorded in Liber 1147, Page 538, Orange County Clerk's Office;

- d. Indenture between William Averell Harriman and Marie N. Harriman, and The Trustees of Columbia University in the City of New York, dated November 6, 1950, and recorded in Liber 1189, Page 153, Orange County Clerk's Office;
- e. Agreement between William Averell Harriman and Orange & Rockland Electric Company, dated May 22, 1951, and recorded in Liber 1198, Page 207, Orange County Clerk's Office;
- f. Indenture between William Averell Harriman and Marie N. Harriman, and The People of the State of New York, dated December 28, 1953, and recorded in Liber 1292, Page 477, Orange County Clerk's Office;
- g. Indenture between William Averell Harriman and Marie N. Harriman, and The People of the State of New York, dated November 16, 1954, and recorded in Liber 1330, Page 558, Orange County Clerk's Office;
- h. Indenture between Elbridge T. Gerry, Sr., and John B. Madden, as trustees under Agreement of Trust dated May 3, 1971, made by William Averell Harriman, for the benefit of certain descendants of William Averell Harriman, and Avon Products, Inc., dated November 5, 1971, and recorded in Liber 1891, Page 418, Orange County Clerk's Office;
- i. Notice of Appropriation of Property by the People of the State of New York (New York State Department of Transportation, dated September 29, 1982, and recorded in Liber 2234, Page 842, Orange County Clerk's Office;
- j. New York State Department of Transportation Appropriation of Property by the People of the State of New York. Served to Avon Products, Inc, dated March 14, 1983, and recorded in Liber 2249, Page 479, Orange County Clerk's Office;
- k. Map of interchange Commerce Center, dated October 27, 1987, and recorded as Map No. 9811, Orange County Clerk's Office;
- l. Indenture between Clark M. Clifford and Paul C. Warnke, successor trustees, for the benefit of David Harriman Mortimer, Jay Lawrence Mortimer, Averell Harriman Mortimer, and Robert Carter Fisk; and Michael V. Forrestal and Charles Mc Kay Ganson, Jr., successor trustees for the benefit of Kathleen Lawrence Fisk (now Ames); and Bruce Slovin, successor trustee for the benefit of Averell Harriman Fisk, all acting as such Successor Trustees under six Trust Agreements made by W. Averell Harriman as Grantor, and all dated August 19, 1960; and Clark M. Clifford and Paul C. Warnke, acting as successor trustees under a certain Agreement of Trust dated May 3, 1971 made by William Averell Harriman, as Settlor, for the benefit of certain descendants of said William Averell Harriman; parties of the first part, and Arden Properties, Inc., party of the second part, dated November 9, 1987, and recorded in Liber 2855, Page 89, Orange County Clerk's Office;
- m. Grant of Easement between Interchange Commerce Center Associates, and the Village of Harriman, dated January 26, 1990, and recorded in Liber 3465, Page 187, Orange County Clerk's Office;
- n. Irrevocable Offer of Dedication made by Interchange Commerce Center Associates, and Village of Harriman, dated January 31, 1990, and recorded in Liber 3465, Page 163, Orange County Clerk's Office;

- o. Declaration and Covenant made by Interchange Commerce Center Associates, dated March 22, 1990, and recorded in Liber 3269, Page 262, Orange County Clerk's Office;
- p. Release of Restrictive Covenants between Arden Properties, Inc., and Interchange Commerce Center Associates, dated May 20, 1990, and recorded in Liber 3317, Page 238, Orange County Clerk's Office;
- q. Restrictive Covenants placed by Interchange Commerce Center Associates and the Village of Harriman, dated April 10, 1992, and recorded in Liber 3616, Page 196, Orange County Clerk's Office, as partially released by Release of Restrictive Covenant, dated October 21, 1994, and recorded in Liber 4132, Page 192, and as further partially released by Release of Restrictive Covenant, dated October 21, 1994, and recorded in Liber 4137, Page 337;
- r. Declaration of Protective Covenants and Restrictions for Interchange Commerce Center, made by O&R Development, Inc., dated October 26, 1994, and recorded in Liber 4132, Page 182, Orange County Clerk's Office;
- s. Declaration of Protective Covenants and Restrictions for Interchange Commerce Center, made by O&R Development, Inc., dated October 26, 1994, and recorded in Liber 4137, Page 331, Orange County Clerk's Office;
- t. Corrected Release of Restrictive Covenants between Arden Properties, Inc., and O&R Development, dated as of November 28, 1994, and recorded in Liber 4151, Page 313, Orange County Clerk's Office;
- u. Notice of Appropriation of Property by the People of the State of New York (New York State Department of Transportation), dated July 10, 1995, and recorded in Liber 4266, Page 164, Orange County Clerk's Office;
- v. Notice of Appropriation of Property by the People of the State of New York (New York State Department of Transportation), dated November 1, 1996, and recorded in Liber 4495, Page 317, Orange County Clerk's Office;
- w. Modification of Offers of Dedication between O&R Development, Inc., as successor to Interchange Commerce Center Associates, and the Village of Harriman, dated as of March 10, 1999, and recorded in Liber 5100, Page 179, Orange County Clerk's Office;
- x. Sewer Easement Agreement by and among O&R Development, Inc., and Woodbury Center LLC, and SC-WC, Inc., dated as of June 23, 1999, and recorded in Liber 5101, Page 28, Orange County Clerk's Office;
- y. Affidavit of Service re: Appropriation of Property by the People of the State of New York, dated as of March 15, 2001, and recorded in Liber 5591, Page 313, Orange County Clerk's Office;
- z. Bargain and Sale Deed between O&R Development, Inc., as grantor, and Woodbury Development LLC, as grantee, dated January 22, 2003, and recorded in Liber 6183, Page 287, Orange County Clerk's Office;

aa. The following mortgages, as consolidated, were assigned by The Stillwater Asset Backed Fund, L.P., to Woodbury Real Estate Group LLC (present fee owner), by assignment dated October 2, 2008, and recorded October 27, 2009 in Liber 12745, Page 261.

- \$2,500,000 Mortgage made by Woodbury Development LLC, as mortgagor, in favor of O & R Development, Inc., mortgagee, dated January 22, 2003, and recorded in Liber 10219, Page 169, Orange County Clerk's Office, as assigned by an Assignment from O & R Development, Inc., as assignor, in favor of Clove Development Corporation, assignee, dated as of January 22, 2003, and recorded in Liber 10219, Page 198, Orange County Clerk's Office, as further assigned by an Assignment from Clove Development Corp., as assignor, in favor of The Stillwater Asset Backed Fund, LP, as assignee, dated as of October 30, 2006, and recorded in Liber 12387, Page 36, Orange County Clerk's Office;
- \$1,800,000 Gap Mortgage made by Woodbury Development LLC, as mortgagor, in favor of The Stillwater Asset Backed Fund, LP, as mortgagee, dated as of October 30, 2006, and recorded in Liber 12387, Page 43, Orange County Clerk's Office;
- Mortgage Assumption, Consolidation, Modification and Extension Agreement (re: above mortgages), made by Woodbury Development LLC, as mortgagor, in favor of The Stillwater Asset Backed Fund, LP, as mortgagee, dated as of October 30, 2006, and recorded in Liber 12387, Page 55, Orange County Clerk's Office;
- Assignment of Leases and Rents made by Woodbury Development LLC, as assignor, in favor of The Stillwater Asset Backed Fund, LP, assignee, dated as of October 30, 2006, and recorded in Liber 12387, Page 83, Orange County Clerk's Office, as assigned by the Assignment of Lease Assignment made by The Stillwater Asset Backed Fund, LP, as assignor, in favor of Woodbury Real Estate Group LLC, assignee, dated as of October 2, 2008, and recorded in Liber 12745, Page 265, Orange County Clerk's Office;
- \$4,300,000 Amended and Restated Mortgage made by Woodbury Development LLC, as mortgagor, in favor of The Stillwater Asset Backed Fund, LP, as mortgagee, dated as of October 30, 2006, and recorded in Liber 12387, Page 107, Orange County Clerk's Office;
- Assignment of Consolidated Mortgage made by The Stillwater Asset Backed Fund, LP, as assignor, in favor of Woodbury Real Estate Group LLC, assignee, dated as of October 2, 2008, and recorded in Liber 12745, Page 261, Orange County Clerk's Office.

bb. Lis Pendens Filed August 20, 2008, Index Number 9079-2008, action entitled, The Stillwater Asset Backed Fund, LP, Plaintiff, against Woodbury Development LLC, et al., Defendants. Pleadings amended pursuant to Order of the Court to reflect Woodbury Real Estate Group LLC, as Assignee of The Stillwater Asset Backed Fund, LP, as Plaintiff. Action to Foreclose Mortgage as recorded in Liber 12387, Page 107. Judgment of Foreclosure and Sale filed 1/19/12.

10.686 Acre Tract

3. Description of all Ownership Interests in the Land for the Past Twenty Years:
 - a. Deed made by Thomas F. Patton and Ralph S. Tyler, Jr., as Trustees of the Property of Erie Lackawanna Railway Company, to Consolidated Rail Corporation, a Pennsylvania corporation, dated March 31, 1976, and recorded September 21, 1978 in Liber 2110, Page 852, Orange County Clerk's Office;
 - b. Deed made by Consolidated Rail Corporation, a Pennsylvania corporation, to Pennsylvania Lines LLC, a Delaware limited liability company, dated June 1, 1999, and recorded June 5, 1999 in Liber 5119, Page 132, Orange County Clerk's Office;
 - c. Pennsylvania Lines LLC merged into PRR Newco, Inc., a Virginia corporation on August 27, 2004;
 - d. PRR Newco, Inc., merged into Norfolk Southern Railway Company, a Virginia corporation, on August 27, 2004;
 - e. Lease Agreement by and between Norfolk Southern Railway Company, as lessor, and WGLNS, LLC, as lessee, dated May 22, 2014 (unrecorded); and
 - f. Option to Ground Lease by and between Flaum Management Company and WGLNS, LLC, as lessor, and Woodbury Casino, LLC, as lessee, dated June 27, 2014, 2014 (unrecorded).

4. Easements, Options, Encumbrances and Other Interests:
 - a. Deed made by Erie Lackawanna Railway Company, Thomas F. Patton and Ralph S. Tyler, Jr., as trustees, to Consolidated Rail Corporation, recorded September 21, 1978 in Liber 2110, Page 852, Orange County Clerk's Office;
 - b. Deed made by Consolidated Rail Corporation to Pennsylvania Lines LLC, recorded June 5, 1999 in Liber 5119, Page 132;
 - c. Deed made by John M. Bull to The New York & Erie Rail-Road Company, recorded July 26, 1841 in Liber 71, Page 25.



Ownership of Land

Status of Land

Woodbury Casino, LLC ["Caesars"] plans to construct the Gaming Facility upon a parcel of land located in Woodbury, New York containing approximately 104.536 acres ["Primary Parcel"] and may choose to construct the hotel, which will be a part of the Gaming Facility, upon the Primary Parcel or upon an adjacent parcel of land consisting of approximately 10.686 acres, also located in Woodbury, New York ["Adjacent Parcel", and together with the Primary Parcel, "Land"].

Flaum Management Company Inc. ["Flaum"] is currently the holder of an exclusive option ["Fee Option"] to purchase the Primary Parcel from Woodbury Real Estate Group, LLC exercisable at any time on or before August 23, 2015, and WGLNS, LLC ["WGLNS"] is currently the holder of an exclusive option ["NSRC Option to Lease"] to lease the Adjacent Parcel from Norfolk Southern Railway Company for a term of seventy years commencing upon the occurrence of both Caesars having been awarded the license and Flaum or its affiliate acquiring the Primary Parcel. Caesars holds an exclusive option to ground lease ["Ground Lease Option"] the Land from Flaum and WGLNS collectively ["Landlord"] on the terms set forth in the ground lease attached to the Ground Lease Option ["Ground Lease"]. The initial term of the Ground Lease shall be seventy years commencing on the later of (i) the date Caesars is awarded the gaming license and (ii) the date Flaum or its affiliate acquires title to the Primary Parcel which shall not be later than 45 days following the award of the gaming license to Caesars. Caesars has the option to extend the term of the Ground Lease for three additional fifteen year periods subject to certain conditions.

Caesars may exercise the Ground Lease Option at any time during the term of such option, which expires on the earlier of the expiration of the Fee Option (valid through August 23, 2015 after extension) and the fifth day after Caesars is awarded the gaming license. If Caesars is awarded the gaming license, at Caesars' direction, within one business day of the date of such award, Flaum is obligated to or to cause its affiliate to exercise the Fee Option and must close on such purchase within 45 days following the award of the gaming license to Caesars. Upon Caesars' exercise of the Ground Lease Option, Caesars and Landlord will execute the Ground Lease and the initial seventy year term shall commence upon Flaum's or its affiliate's acquisition of the Primary Parcel.

The full terms of the agreement governing the Ground Lease Option, the Ground Lease form, the agreements governing the Fee Option and the NSRC Option to Lease, including legal descriptions for the Primary Parcel and the Adjacent Parcel, are attached hereto as Attachments VIII.C.2.b_A1, VIII.C.2.b_A2, VIII.C.2.b_A3, and VIII.C.2.b_A4, respectively.

Attachment VIII.C.2.b_A1

OPTION AGREEMENT

This Option Agreement ("Agreement"), dated as of June 27, 2014 but effective as of April 19, 2014 (the "Effective Date"), is entered into by and between FLAUM MANAGEMENT COMPANY INC., a New York corporation ("Flaum") and WGLNS, LLC, a New York limited liability company ("WGLNS" and together with Flaum, "Optionor"), and Woodbury Casino, LLC, a Delaware limited liability company ("Optionee").

RECITALS

A. (i) Flaum is the holder of an exclusive option to purchase thirty-four contiguous parcels of real property (the "Fee Option") comprising approximately 121.39 acres located in the County of Orange, State of New York, as more specifically described in Exhibit A-1 attached hereto (the "Fee Property") pursuant to that certain Option Agreement for Purchase of Real Property, dated as of February 24, 2014, by and between Woodbury Real Estate Group, LLC ("Fee Owner") and Flaum (the "Fee Option Agreement") and (ii) WGLNS is the holder of an exclusive option to ground lease approximately 10.686 acres located in the Village of Woodbury, County of Orange, State of New York, as more specifically described in Exhibit A-2 attached hereto (the "Leased Property" and together with the Fee Property, the "Property") pursuant to that certain Lease Agreement, dated as of May 22, 2014, by and between Norfolk Southern Railway Company ("NSRC") and WGLNS (the "NSRC Option to Lease").

B. Optionee is bidding to obtain a casino gaming facility license in the Catskill/Hudson Valley Region ("Region 1") in the State of New York (the "Region 1 License") for the proposed development of a gaming facility and certain ancillary facilities that are ordinarily part of a casino development (i.e. hotels, restaurants, entertainment, retail, bars and similar facilities) (collectively, the "Project") to be constructed on (i) twenty-five contiguous parcels of real property comprising approximately 104.536 acres contained within the Fee Property located only within the Village of Woodbury, Orange County, New York and (ii) the Leased Property (collectively, the "Project Site"), which Project Site is more particularly described on Exhibit A-3 attached hereto.

C. Optionee desires to acquire, and Optionor has agreed to grant, an exclusive option to lease the Property from Optionor for the consideration and upon the terms, covenants and conditions set forth herein.

AGREEMENT

NOW THEREFORE, in consideration of Ten Dollars (\$10) and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Article I

OPTION TO LEASE

1.1 Option. Optionor hereby grants to Optionee an exclusive option (the “Option”) to enter into a ground lease with Optionor, in the form of that certain ground lease attached hereto as Exhibit B (the “Ground Lease”), whereby Optionor would lease the Property to Optionee for an initial period of seventy (70) years pursuant to the terms, covenants and conditions set forth in such Ground Lease. Such Option may be exercised by Optionee, at Optionee’s sole discretion, at any time prior to the expiration of the Option Term but subject to consummation of the Fee Closing Date (as defined below), pursuant to the procedures set forth in Article III hereof.

1.2 Option Term. The term of the Option shall commence on the Effective Date and terminate on the earlier to occur of (i) the expiration or termination of the Fee Option Agreement, after taking into account the exercise of any term extensions under the Fee Option Agreement, (ii) Optionee’s delivery of written notice to Optionor of its decision to discontinue pursuit of the Region 1 License, (iii) Optionee’s delivery of written notice to Optionor of its termination of this Option as a result of a Licensing Event attributable to Optionor or its Affiliates, (iii) the fifth business day after Optionee is awarded the Region 1 License, and (iv) the date that the two available Region 1 Licenses have been awarded to a party other than Optionee or its related party and all potential and actual legal challenges to the award of the Region 1 Licenses to such parties have either expired, or been brought to final judicial resolution in favor of such parties such that the award is non-appealable. As used in this Agreement, “Option Term” shall mean the term of the Option set forth in this Section 1.2.

(a) For purposes of this Agreement:

(i) “Affiliate” means, with respect to any person or entity, any other person or entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person or entity, provided, however, that, with respect to Optionee, the term “Affiliate” includes only Optionee’s Parent and its direct and indirect controlled subsidiaries and does not include any shareholder or director of Optionee’s Parent or any Affiliate of any such shareholder or director of Optionee’s Parent other than an Affiliate that is Optionee’s Parent and its direct or indirect controlled subsidiaries. For purposes of this definition, the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

(ii) “Anti-Terrorism Laws” means all present and future statutes, laws, rules, regulations, orders, ordinances, codes or other legal requirements of any federal, state or local Governmental Authority, court, administrative agency, board of fire underwriters and similar quasi-governmental authority addressing or in any way relating to acts of war, terrorist acts, financing of terrorist activities, drug trafficking, money laundering or similar activities that threaten the security of the United States of America, including (a) The United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act; (b) The Trading with the Enemies Act; (c) all rules and regulations

issued by the U.S. State Department or U.S. Treasury Department's Office of Foreign Assets Control; (d) Executive Orders 13224 issued by the President of the United States, and similar executive orders; and (e) OFAC Regulations.

(iii) "Caesars' Related Entities" means Caesars Entertainment Corporation, a Delaware corporation and its direct and indirect controlled subsidiaries.

(iv) "Competitor" means any Person (other than Optionee, Optionee's Parent or their respective Affiliates or a Caesars' Related Entity) that is engaged, or is a controlling Affiliate of a Person that is engaged, in the ownership, management, development or operation of any gaming or racing business or a racetrack.

(v) "Gaming Authority" means any New York Gaming Authority or Other Gaming Authority, as applicable.

(vi) "Gaming Laws" means all federal, national, state, local or foreign applicable law, statute, ordinance, rule, regulation, permit, consent, registration, finding of suitability, approval, license, judgment, order, decree, injunction or other authorization (including any condition or limitation placed thereon and including liquor laws) governing or relating to current or contemplated casino, racing, hotel or gaming activities (including video lottery terminals) or operations (including all applicable laws relating to related activities such as liquor, cabaret, betting on horses and dogs and the like).

(vii) "Licensing Event" means (a) a notice or communication (whether oral or in writing) by or from any Gaming Authority to Optionee or any of its Affiliates or any Caesars' Related Entities or other action by any Gaming Authority that indicates that such Gaming Authority may find that the association of any Optionor Party with Optionee or any of its Affiliates or any Caesars' Related Entities (i) could result in a disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain, or otherwise put in jeopardy, any registration, application or license or any other rights or entitlements held or desired to be held by Optionee or any of its Affiliates or any Caesars' Related Entities under any Gaming Law or (ii) could violate any Gaming Law to which Optionee or any of its Affiliates or any Caesars' Related Entities is subject; (b) a good faith determination by Optionee or the compliance committee of Optionee's Parent or a Caesars Related Entity (in each case in its sole and exclusive judgment) that any Optionor Party is a Prohibited Person; or (c) any Optionor Party is required to be licensed, registered, qualified or found suitable under any Gaming Law, and such Person is not or does not remain so licensed, registered, qualified or found suitable or, after becoming so licensed, registered, qualified or found suitable, fails to remain so.

(viii) "New York Gaming Authorities" means any gaming control board or regulatory or any successor governmental authorities established by the State of New York, all to the extent they regulate any gaming operations in the State of New York, including without limitation, the Board; and

(ix) "Non-Qualified Person" means (a) a Person who is a "designated national," "specially designated national," "specially designated terrorist," "specially designated global terrorist," "foreign terrorist organization," "specially designated narcotics

trafficker” or “blocked person,” within the definitions set forth in the OFAC Regulations, or who otherwise appears on the list of Specially Designated Nationals and Blocked Persons included in the OFAC Regulations, (bi) the government, including any Governmental Authority, of any country against which the United States maintains economic sanctions or embargos, (c) a Person acting or purporting to act, directly or indirectly, on behalf of, or any entity owned or controlled by, any of the Persons listed in clauses (a) or (b) above, (d) a Person in violation of any other civil or criminal federal or state law or Anti-Terrorism Laws, or (e) a Person on any other export control, terrorism or drug trafficking related list administered by any Governmental Authority as that list may be amended, adjusted or modified from time to time.

(x) “OFAC Regulations” means the regulations applicable to the Office of Foreign Assets Control of the US Department of the Treasury, codified at 31 C.F.R., Subtitle B, Chapter V, as amended.

(xi) “Optionor Party” means Optionor and any of its respective Affiliates and such entity’s directors, officers, partners, employees, agents or representatives.

(xii) “Other Gaming Authorities” means all authorities governing gaming in states or countries in which Optionee, Optionee’s Parent or their respective Affiliates or a Caesars’ Related Entity currently conduct or in the future may conduct gaming operations, but do not include the New York Gaming Authorities or any gaming authority established by any Native American tribe.

(xiii) “Person” means an individual, corporation, limited liability company, partnership of any type, joint venture, estate, trust, unincorporated association, other entity and all Governmental Authorities.

(xiv) “Prohibited Person” means any Person that (a) is a Competitor, (b) is a Non-Qualified Person, or (c) is a Person (i) that in the good-faith determination of Optionee or the compliance committee of Optionee’s Parent or a Caesars Related Entity (in each case in its sole and exclusive judgment) whose association with Optionee or any of its Affiliates or any Caesars Related Entity could jeopardize, create a material negative issue with respect to, result in any material restrictions on, result in a disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain, any registration, application or license or any other rights or entitlements held, required to be held or being pursued by Optionee or any of its Affiliates or any Caesars Related Entity under any United States, state, local or foreign laws or regulations relating to gaming or the sale of alcohol (including any Gaming Laws), (iv) whose association or relationship with Optionee or any of its Affiliates or any Caesars Related Entity could be anticipated to violate any United States, state, local or foreign laws or regulations relating to gaming or the sale of alcohol (including any Gaming Laws) to which Optionee or any of its Affiliates or any Caesars Related Entity is subject or (v) who may be found to be “unsuitable” within the meaning of any gaming license held by, or any Gaming Laws applicable to, Optionee or any of its Affiliates or any Caesars Related Entity.

1.3 Option Payments. So long as this Agreement is in effect, Optionee shall pay to Optionor the amount of \$20,000 per month for the purpose of funding Flaum's required option payments under the Fee Option Agreement (each, an "Option Payment" and collectively, the "Option Payments"). Optionor covenants and agrees to use each Option Payment made by Optionee for the purpose specified in the preceding sentence and any failure by Optionor to apply an Option Payment for such purpose shall be a default by Optionor under this Agreement.

1.4 Option Payments Non-Refundable. Any Option Payment which is made to Optionor shall be non-refundable to Optionee. In the event of any such default by Optionor hereunder, in addition to any other remedies available to Optionee at law or in equity, Optionee may terminate this Agreement by written notice of such termination to Optionor. The provisions of this Section 1.4 shall survive the termination of this Agreement.

Article II

OPTIONOR'S COVENANTS

2.1 Optionor's Covenants. Optionor hereby covenants that, at all times during the Option Term, Optionor (or, as applicable, Flaum or WGLNS):

2.1.1 shall, and, to the extent Optionor has the ability or right to do so under the Fee Option Agreement, the NSRC Option to Lease or otherwise, cause Fee Owner and NSRC, as applicable, to, comply in all material respects with all laws, statutes, rules, regulations and ordinances that are applicable to the Property and the use, occupation, ownership and conveyance thereof, including, without limitation, federal, state and local laws, statutes, rules, regulations and ordinances pertaining to health, industrial hygiene and environmental conditions on, under or about the Property (all of the foregoing, collectively, the "Applicable Laws");

2.1.2 shall not, and, to the extent Optionor has the ability or right to do so under the Fee Option Agreement, the NSRC Option to Lease or otherwise, cause Fee Owner and NSRC, as applicable, not to, commit waste with respect to the Property;

2.1.3 shall, and, to the extent Optionor has the ability or right to do so under the Fee Option Agreement, the NSRC Option to Lease or otherwise, cause Fee Owner and NSRC, as applicable, to, take reasonable actions to preserve intact and unimpaired any and all rights of way, easements, grants and appurtenances in favor or constituting any portion of the Property;

2.1.4 shall, and, to the extent Optionor has the ability or right to do so under the Fee Option Agreement, the NSRC Option to Lease or otherwise, cause Fee Owner and NSRC, as applicable, to, cooperate with Optionee in Optionee's efforts to obtain access to governmental agencies that have approval authority concerning the development of the Property. Any costs or fees imposed by such governmental agencies in connection with further processing of entitlements at Optionee's request shall be borne by Optionee. Optionor shall cause (i) Fee Owner to reasonably cooperate with Optionee in obtaining any lot line adjustments requested by Optionee and (ii) NSRC to seek a separate tax lot for the Leased Property if requested by Optionee or its lenders;

2.1.5 shall, and, to the extent Optionor has the ability or right to do so under the Fee Option Agreement, the NSRC Option to Lease or otherwise, cause Fee Owner and NSRC, as applicable, to, comply at its sole expense with, and to require any party gaining access to the Property to comply with, all Environmental Statutes (as defined in the Ground Lease) governing or applicable to Regulated Substances (as defined in the Ground Lease);

2.1.6 shall not itself and, to the extent Optionor has the ability or right to do so under the Fee Option Agreement, the NSRC Option to Lease or otherwise, cause Fee Owner and NSRC, as applicable, to, take any of the following actions with respect to the Property without consulting Optionee and obtaining Optionee's prior written consent, which may be withheld in Optionee's sole discretion:

(a) lease, sublease, license or otherwise permit any occupancy of any portion of the Property;

(b) prior to Fee Closing, mortgage, encumber, pledge, hypothecate or otherwise transfer or dispose of all or any portion of the Fee Property or the Leased Property or any interest therein (or permit any such event to occur with respect to the Property), and shall not extend, amend or otherwise modify any existing encumbrance affecting the Property or take any action (or permit any action to be taken) which could give rise to any encumbrance upon the Property;

(c) enter into any contract or agreement regarding the operation, management, repair or improvement of the Property (or any portion thereof), which would be binding upon Optionee or the Property (or any portion thereof) after Optionee's exercise of the Option;

(d) alter the physical condition of the Property in such a manner that would adversely affect the use of the Property in the manner contemplated by the Ground Lease;

(e) directly or indirectly solicit, initiate, assist or encourage submission of proposals or offers from any person or entity relating to any acquisition, purchase, lease or sublease of all or any portion of the Property (or any interest therein), nor participate in any negotiations regarding the acquisition, purchase, lease or sublease of all or any portion of the Property (or any interest therein);

(f) use (or permit or suffer the use of) the Property in a manner which results, or which could reasonably be expected to result, in the release of any Regulated Substances in or on any part of the Property or in the soil, groundwater or soil vapor on or under the Property in violation of any Environmental Statute;

(g) use, generate, manufacture, produce, store, or release, on or under the Property, or transfer to or from the Property, any Regulated Substances or permit or suffer any third party to do any of the foregoing with respect to the Property, in each case in violation of any Environmental Statute;

2.1.7 shall not take any action, or omit to take any action, in each case to the extent that the same would cause or result in any of the representations or warranties of Optionor

in Section 6.2 or Section 10.3 to no longer be true and correct at any time during the Option Term if such representations and warranties were remade as of each day of the Option Term;

2.1.8 shall maintain the Fee Option Agreement in full force and effect and enforceability and in good standing, including without limitation continuing to make any required payments and exercising any extensions of any option exercise periods;

2.1.9 shall maintain the NSRC Option to Lease in full force and effect and enforceability and in good standing, including, without limitation, continuing to make any required payments and exercising any term extensions;

2.1.10 shall promptly deliver or convey to Optionee any and all notices given to or received from the Fee Owner, NSRC or any other party in connection with the Fee Option Agreement, the NSRC Option to Lease or the Property;

2.1.11 shall use all commercially reasonable efforts to obtain amendments to the Fee Option Agreement and NSRC Option to Lease requiring the Fee Owner and NSRC, as applicable, to give Optionee notice of default and cure rights if Optionor fails to make payments due thereunder;

2.1.12 shall use all commercially reasonable efforts, at Optionor's sole cost and expense (excluding, however, any litigation initiated by Optionee, which shall be conducted at the cost and expense of Optionee), to obtain a release of the deed restriction on the Fee Property prohibiting the operation of a hotel or motel on the Fee Property and shall provide Optionee regular status updates as to discussions and any progress made in connection with such release. Optionee shall be permitted to participate in any such discussions or meetings with respect to such release upon Optionee's request;

2.1.13 shall immediately notify Optionee of any issue it becomes aware of concerning the feasibility of developing any portion of the Property; and

2.1.14 shall fully cooperate with Optionee in a timely manner in regards to Optionee's application to obtain the Region 1 License and seeking permits and approvals for development of the Property and shall timely submit any applications required by the Board on behalf of Optionor or its affiliates in its capacity as landlord under the Ground Lease.

Article III

EXERCISE OF OPTION

3.1 Optionee's Payment and Flaum's Exercise of Fee Option. Within one (1) business day of the exercise of the Option by Optionee during the Option Term, Optionee shall pay to Flaum the amount of \$6,000,000, which amount shall be, at Optionee's sole election, either (i) immediately paid to Flaum and thereafter, Flaum shall immediately exercise its option to purchase the Fee Property under the Fee Option Agreement and shall proceed to close on such purchase as soon as possible, but in no event later than forty-five (45) days following the award of the Region 1 License to Optionee or (ii) held in an interest bearing escrow account at a bank or escrow agent mutually acceptable to Flaum and Optionee until such time as any and all

potential and actual legal challenges to the award of the Region 1 License have either expired, or been brought to final judicial resolution in favor of Optionee such that the award is non-appealable, at which time the \$6,000,000 and all interest earned thereon (if any) shall be released to Flaum and Flaum shall immediately exercise its right to purchase the Fee Property under the Fee Option Agreement and proceed to close on such purchase as soon as possible, but in no event later than forty-five (45) days following the release of such funds to Flaum. The date upon which Flaum acquires the fee interest in the Fee Property is herein referred to as the “Fee Closing Date”.

3.2 Exercise of Option. Upon the exercise of the Option by Optionee during the Option Term, Optionee shall deliver the following to Optionor:

3.2.1 written notice of Optionee’s exercise of the Option (the “Notice of Exercise”), in the manner provided in Section 3.4 hereof;

3.2.2 four (4) original counterparts of the Ground Lease, duly executed by Optionee; and

3.2.3 three (3) original counterparts of a memorandum of Ground Lease in the form of Exhibit C hereto (the “Memorandum of Lease”), duly executed by Optionee.

3.3 Execution by Optionor. If Optionee exercises the Option pursuant to the terms hereof, then Optionor shall do the following:

3.3.1 execute all four (4) counterparts of the Ground Lease and all three (3) counterparts of the Memorandum of Lease which have been executed and delivered by Optionee;

3.3.2 return two (2) fully executed counterparts of the Ground Lease and two (2) fully executed counterparts of the Memorandum of Lease to Optionee in the manner set forth in Section 3.4 below within three (3) days after receiving items 3.2.1 through 3.2.3; and

3.3.3 execute and deliver to any title company selected by Optionee such owner’s affidavits, authority documentation and other materials as such title company may require in order to issue to Optionee and Optionee’s lender (if any) Form 2006 extended coverage policies of title insurance with regard to the Property, free and clear of all liens except liens permitted under the terms of the Ground Lease.

The Commencement Date (as such term is defined in the Ground Lease) of the Ground Lease shall be the Fee Closing Date. Optionor shall insert such date on page 1 of both counterparts of the Ground Lease prior to delivering same to Optionee. Optionor’s failure to deliver the executed Ground Lease in accordance with the terms hereof shall be a default by Optionor under this Agreement.

3.4 Notices. All notices, consents, waivers, requests, demands, and other communications that are required or may be given under this Agreement must be sent in writing and will be deemed to have been duly given (a) when transmitted if transmitted by facsimile upon receipt of telephonic or electronic confirmation, provided, however, that a copy is mailed by regular mail, return receipt requested or overnight delivery in accordance with clause (b) or (c) of this Section, (b) the day after it is sent, if sent for next-day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express), or (c) upon receipt, if sent by certified or registered mail, return receipt requested. In each case notice must be sent to:

If to Optionor: Flaum Management Company Inc.
400 Andrews Street, Suite 500
Rochester, New York 14604
Attn: Asher Flaum
Fax No: (585) 325-6058

With a Copy to: James H. Messenger, Jr.
441 South Salina Street, Suite 211
Syracuse, New York 13202
Fax No. (315) 471-3030

If to Optionee: Woodbury Casino, LLC
One Caesars Palace Drive
Las Vegas, Nevada 89119
Attn: General Counsel
Fax No: (702) 407-6284

With a Copy to: Latham & Watkins LLP
885 Third Avenue
New York, New York 10022
Attn: Dara Denberg
Fax No. (212) 751-4864

or to such other place and with such other copies as either party may designate as to itself by written notice to the others.

Article IV

INSPECTION RIGHTS

4.1 Inspection Rights. Subject to any limitations or restrictions in the Fee Option Agreement and the NSRC Option to Lease, at any time, and from time to time, during the Option Term, Optionee and Optionee's employees, engineers, architects, agents, contractors, suppliers, vendors and other guests (all such parties, collectively with the Optionee, the "Optionee Parties") (i) may (at Optionee's request or invitation) enter upon the Property for the purpose of performing inspections or geologic, environmental and other physical testing and surveying of the Property (including, without limitation, invasive physical testing, provided that Optionee

promptly restores the Property as nearly as practicable to its condition immediately preceding such testing), and (ii) shall have access to, and upon request Optionor shall provide Optionee with copies of, all documents and information relating to the Property (including, without limitation, existing surveys, permits and other documentation) which are in the possession of Optionor or Optionor's Affiliates, agents, contractors or consultants (all such parties, collectively with the Optionor, the "Optionor Parties"). Optionee agrees that it will use commercially reasonable efforts to inform Fee Owner and NSRC, as applicable, and Optionor of any planned entry onto the Property by any Optionee Parties by contacting Asher J. Flaum ("Optionor's Representative") by telephone at (585) 546-4866 (or by leaving a voice message for Optionor's Representative regarding such planned entry during the hours of 8am and 4:30pm New York time) at least two business days prior to such planned entry, or such longer period of time as may be required under the Fee Option Agreement and NSRC Option to Lease, as applicable. Optionor shall share with Optionee any and all records provided to Optionor by or on behalf of Fee Owner or NSRC or by any governmental agencies and authorities regarding the Property, and Optionor shall obtain such records at Optionee's request. In addition, at Optionee's request, Optionor shall make inquiries of Fee Owner, NSRC and any governmental authorities about the existence or status of violations of any governmental requirements at the Property to facilitate the exercise of the Fee Option and the option under this Agreement. Optionor shall use all commercially reasonable efforts to cause Fee Owner and NSRC, as applicable, to permit the Optionee Parties access to the Property in accordance with this paragraph.

4.2 Indemnification. Optionee shall indemnify and hold harmless Fee Owner, NSRC and Optionor from and against any loss, claim, liability, obligation, mechanics' lien, personal injury or other damage arising directly as a result of any Optionee Party's entry upon, and inspection of, the Property; provided, however, that Optionee shall not be liable for the mere discovery of any existing condition of the Property, including, but not limited to, Regulated Substances, or any personal injury or other damage arising from (i) any condition of the Property not caused by Optionee and/or (ii) the acts or omissions of any Optionor Party or Fee Owner or NSRC or any of their respective agents, employees or contractors.

4.3 Insurance. Prior to Optionee's initial entry onto the Property during the Option Term, Optionee shall obtain and deliver to Fee Owner and NSRC, as applicable, and Optionor a certificate of insurance naming Fee Owner and NSRC, as applicable, and Optionor as an additional insured, evidencing general public liability and property damage insurance with combined single limits of liability for bodily injury and property damage of One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the aggregate.

Article V

TENANT LICENSE APPLICATION OBLIGATIONS

5.1 Application Payments. Optionee represents that it has paid in full the \$1,000,000 gaming application payment (the "Initial Applicable Payment") required by the New York State Gaming Commission and the Gaming Facility Location Board (collectively, the "Board") in connection with Optionee's pursuit of the Region 1 License. Optionee covenants and agrees to make any additional application payments when due as required by the Board (each, an

“Additional Application Payment” and together with the Initial Application Payment, the “Application Payments”).

Article VI

REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of Optionee. Optionee represents and warrants to Optionor that, as of the date of this Agreement, the following statements are true and correct:

6.1.1 Authority. The execution and delivery of this Agreement has been duly authorized and approved by all requisite action of Optionee, and no other authorizations or approvals are necessary in order to enable Optionee to enter into or to comply with the terms of this Agreement.

6.1.2 Binding Effect of Documents. This Agreement and the other documents to be executed by Optionee hereunder, upon execution and delivery thereof by Optionee, will have been, duly entered into by Optionee, and will constitute when executed legal, valid and binding obligations of Optionee. Neither this Agreement, nor anything provided to be done under this Agreement, violates or shall violate any contract, document, understanding, agreement or instrument to which Optionee is a party or by which it is bound.

6.2 Representations and Warranties of Optionor. Optionor represents and warrants to Optionee that, as of the date of this Agreement, the following statements are true and correct:

6.2.1 Authority. The execution and delivery of this Agreement has been duly authorized and approved by all requisite action of Optionor, and no other authorizations or approvals are necessary in order to enable Optionor to enter into or to comply with the terms of this Agreement.

6.2.2 Binding Effect of Document. This Agreement and the other documents to be executed by Optionor hereunder, upon execution and delivery thereof by Optionor, will have been duly entered into by Optionor, and constitute, or when executed will constitute, legal, valid and binding obligations of Optionor. Neither this Agreement nor anything provided to be done under this Agreement, violates or shall violate any contract, document, understanding, agreement or instrument to which Optionor is a party or by which it is bound.

6.2.3 Agreements; No Default. The execution and delivery of this Agreement by Optionor, the execution and delivery of every other document and instrument delivered pursuant hereto by or on behalf of Optionor, and the consummation of the transactions contemplated hereby do not and will not (i) constitute or result in the breach of or default under any oral or written agreement to which Optionor is a party or which affects the Property, including the Fee Option Agreement and the NSRC Option to Lease; (ii) constitute or result in a violation of any order, decree, or injunction with respect to which the Optionor and/or the Property is bound; (iii) cause or entitle any party to have a right to accelerate or declare a default under any oral or written agreement to which Optionor is a party or which affects the Property; and/or (iv) to Optionor’s knowledge, violate any provision of any municipal, state or federal law, statutory or otherwise, to which Optionor or the Property is or may be subject.

6.2.4 Pending Transactions, Suits or Proceedings. There are no transactions, suits, arbitrations, litigation, condemnation, or investigations pending or, to Optionor's knowledge, threatened against or affecting Optionor, Optionor's performance under this Agreement, Flaum's performance under the Fee Option Agreement, WGLNS's performance under the NSRC Option to Lease, or the Property, or which will, or could reasonably be expected to, result in a lien, charge, encumbrance or judgment against any portion of or any interest in the Property.

6.2.5 Compliance with Laws. Optionor has received no notice of any violation of Applicable Law, ordinance, rule, regulation or requirement of any governmental agency, body or subdivision affecting or relating to the Property, including, without limitation, any subdivision, building, use or environmental law, ordinance, rule, requirement or regulation, and Optionor is not aware of any condition or circumstance which would constitute any such violation. Optionor shall promptly provide Optionee with copies of any such notices that Optionor may receive during the Option Term.

6.2.6 Regulated Substances. To Optionor's knowledge, (i) there are no Regulated Substances in existence on or below the surface of the Property, including, without limitation, contamination of the soil, subsoil, or groundwater, and (ii) there are not now, nor have there ever been, any underground storage tanks on the Property. To Optionor's knowledge, neither Fee Owner, in the case of Flaum, nor NSRC, in the case of WGLNS, (or either of their tenants, subtenants or licensees) has stored or caused to be stored upon the Property any Regulated Substances and, Optionor has no actual knowledge that any of Fee Owner's, in the case of Flaum, or NSRC's, in the case of WGLNS, predecessors-in-interest (or their tenants, subtenants or licensees) stored or caused to be stored any Regulated Substances on the Property or that any Regulated Substances now exist in, on or under the Property.

6.2.7 Unrecorded Encumbrances. To Optionor's knowledge, there are no liens, encumbrances, agreements or other matters affecting the Property or any interest therein, except for such matters as are disclosed in the official records of the Orange County Clerk's Office.

6.2.8 Fee Option Agreement.

- (a) The Fee Option Agreement is in full force and effect;
- (b) Flaum has complied with all obligations under the Fee Option Agreement, including, without limitation, sending all notices required under the Fee Option Agreement and making all payments under the Fee Option Agreement, each in a timely manner;
- (c) Flaum has not received any notices asserting or claiming any breach, default or failure to comply from the Fee Owner under the Fee Option Agreement;
- (d) To Flaum's knowledge, Fee Owner is in full compliance with all of its obligations under the Fee Option Agreement and Flaum has not waived any material obligations of Fee Owner under the Fee Option Agreement;
- (e) The Fee Option Agreement is enforceable against the Fee Owner in accordance with its terms, except as limited by bankruptcy, insolvency, moratorium,

reorganization, fraudulent conveyance or other laws relating to or affecting the enforcement of creditors' rights generally, and subject to general principles of equity, regardless of whether considered in a proceeding at law or in equity; and

(f) No other approvals or consents are required for the conveyance of the Fee Property pursuant to the terms of the Fee Option Agreement, except as expressly stated in the Fee Option Agreement.

6.2.9 NSRC Option to Lease.

(a) The NSRC Option to Lease is in full force and effect;

(b) WGLNS has complied with all obligations under the NSRC Option to Lease, including, without limitation, sending all notices required under the NSRC Option to Lease and making all payments under the NSRC Option to Lease, each in a timely manner;

(c) WGLNS has not received any notices asserting or claiming any breach, default or failure to comply from NSRC under the NSRC Option to Lease;

(d) To WGLNS's knowledge, NSRC is in full compliance with all of its obligations under the NSRC Option to Lease and WGLNS has not waived any material obligations of NSRC under the NSRC Option to Lease;

(e) The NSRC Option to Lease is enforceable against NSRC in accordance with its terms, except as limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws relating to or affecting the enforcement of creditors' rights generally, and subject to general principles of equity, regardless of whether considered in a proceeding at law or in equity; and

(f) No other approvals or consents are required for WGLNS to enter into the Ground Lease with Optionee for the Leased Property, except as expressly stated in the NSRC Option to Lease.

Article VII

REMEDIES

7.1 If Optionor defaults under any of its obligations under this Agreement, including without limitation, under Section 3.1, Optionee shall be entitled to the remedy of specific performance of Optionor's obligations and shall have the right, but not the obligation, to perform on behalf of Optionor as Optionor's agent, including without limitation, acquiring the Fee Property, and deduct from any amounts due Optionor by Optionee under this Agreement and the Ground Lease an amount equal to (x) all costs and expenditures incurred by Optionee in connection with performing Optionor's obligations multiplied by (y) three. The parties agree that it would be impractical and extremely difficult to estimate the damages which Optionee may suffer upon any breach by Optionor. The parties agree that such payment represents a reasonable estimate of the total net detriment that Optionee would suffer upon such breach by Optionor. Such liquidated and agreed damages are not intended as forfeiture or a penalty within the

meaning of Applicable Law. Further, if (i) the above remedy is not an available remedy to Optionee for any reason, (ii) a Licensing Event occurs any aspect of which is attributable to an Optionor Party which in the reasonable opinion of Optionee restricts or prohibits Optionee from being able to exercise the Option at the time Optionee elects to exercise the Option and to enter into the Ground Lease with Optionor or (iii) any other breach by Optionor occurs hereunder which would jeopardize Flaum's right to acquire the Fee Property or WGLNS's right to lease the Leased Property and subsequently enter into the Ground Lease with Optionee, then, in either case, Flaum acknowledges and agrees that it shall immediately assign the Fee Option and WGLNS acknowledges and agrees that it shall immediately assign the NSRC Option to Lease to Optionee and Flaum shall exercise best efforts to cause the Fee Owner and WGLNS shall exercise best efforts to cause NSRC to consent to such assignment to the extent its respective consent is required under the Fee Option and NSRC Option to Lease, respectively, and Optionee shall be entitled to any other remedies that may be available to Optionee at law or in equity. Optionor acknowledges and agrees that the Property is unique and other rights and remedies would not be sufficient in the event that the Optionee is not permitted to enter into the Ground Lease with Optionor.

Article VIII

RECORDATION OF MEMORANDUM

8.1 Concurrently with the execution of this Agreement, Optionor and Optionee shall execute a memorandum of this Agreement in recordable form (the "Memorandum"), and Optionor shall use commercially reasonable efforts to cause Fee Owner and NSRC to consent to Optionee filing such Memorandum of record in the official land records of the county in which the Property is located.

Article IX

ASSIGNMENT

9.1 Neither party may assign this Agreement or any of its rights or obligations hereunder without first obtaining the prior written consent of the other party. Notwithstanding the foregoing, the Optionee may assign this Agreement to (i) any entity owned, directly or indirectly, by Caesars Acquisition Company, a Delaware corporation, or (ii) to Caesars Entertainment Corporation, a Delaware corporation ("CEC"), or any entity owned, directly or indirectly, by CEC, or (iii) as collateral or security to any lender providing any financing pertaining to the Property or the development thereof (a "Financing"). Following any such assignment, Optionee shall promptly deliver a notice thereof to Optionor, which notice shall contain assignee's name and contact information. At Optionee's request, Optionor shall execute such documentation, including any collateral assignments or pledge agreements, as may be necessary or desirable to assist Optionee in connection with any Financing. Notwithstanding the foregoing, the Optionor may assign this Agreement to (i) any entity which is majority owned and controlled, directly or indirectly, by David M. Flaum and/or his immediate family members, and/or an inter vivos family or testamentary trust for the benefit of David Flaum and/or his spouse, children or grandchildren so long as David Flaum and/or his spouse or a child or children is the trustee or trustees of such trust with the power to act on behalf of and control the actions of

such trust or (ii) as collateral or security to any lender providing any financing pertaining to the Property on behalf of Optionor (an “Optionor Financing”). Following any such assignment, (a) Optionor shall promptly deliver a notice thereof to Optionee, which notice shall contain assignee’s name and contact information. At Optionor’s request, Optionee shall execute such documentation, including any collateral assignments or pledge agreements, as may be necessary or desirable to assist Optionor in connection with any Optionor Financing. Notwithstanding anything herein to the contrary, (i) any assignment of this Agreement (whether permitted or requiring consent hereunder) shall be subject to all Gaming Laws and continued compliance with the Suitability provisions under Article X hereto and (ii) prior to any such assignment, Optionor shall submit a background information form as required by Lessee and any other requested information required for its suitability analysis in accordance with Section 10.2 below, and Optionor shall have received written confirmation from Optionee that such transferee has been approved by the compliance committee of Optionee’s Parent.

Article X SUITABILITY

10.1 Gaming Matters. Optionor acknowledges that Optionee and its Affiliates and Caesars’ Related Entities (1) conduct business in an industry that is subject to and exists because of privileged licenses issued by governmental authorities in multiple jurisdictions, (2) are subject to extensive gaming regulation and oversight, and are required to adhere to strict laws regarding vendor and other business relationships, and (3) have adopted strict internal controls and compliance policies governing their own activities and those of certain parties with whom they do business.

10.2 Compliance with Laws. At all times during the Option Term, each party and its representatives shall act in all material respects in accordance with all applicable law in jurisdictions in which such party or its representative conducts business. In addition, and without limiting the foregoing, Optionor shall, and shall cause each Optionor Party to, obtain and maintain any and all registrations, applications or licenses or any other rights or entitlements required by any Gaming Law to be held by Optionor or such Optionor Party. Optionor acknowledges that certain casino-gaming licenses are currently issued to and held by Optionee, its Affiliates and Caesars’ Related Entities in various states, and that Optionee, its Affiliates and Caesars’ Related Entities may in the future apply for gaming licenses in additional states or foreign countries. Such jurisdiction’s laws may require that Optionee, its Affiliates or Caesars’ Related Entities disclose private or otherwise confidential information about Optionor or one or more Optionor Party or certain other related persons or entities (including, in the case of any trusts or similar persons, the direct or indirect beneficiaries of such trusts or similar persons) (the “Subject Group”). Accordingly, Optionor shall refrain from all conduct that may negatively affect such licenses or license applications. Gaming operations are highly regulated by authorities governing gaming in states or countries in which Optionee, its Affiliates and Caesars’ Related Entities currently conduct or in the future may conduct gaming operations and such regulations impose upon Optionee, its Affiliates and Caesars’ Related Entities an affirmative duty to investigate the backgrounds of entities or individuals with whom Optionee, its Affiliates and Caesars’ Related Entities do business. Furthermore, such regulations require that Optionee, its Affiliates and Caesars’ Related Entities subject themselves to rigorous investigation. The Gaming Authorities may request information regarding entities and persons with whom Optionee

does business. Accordingly, if requested by the Gaming Authorities, or if reasonably and in good faith needed by Optionee, its Affiliates or Caesars' Related Entities to comply with gaming licenses or approvals, Optionor shall, and shall cause members of its Subject Group (including new investors, direct or indirect, in Optionor) to, supply any requested information from time to time.

10.3 Optionor Representation. Optionor represents and warrants to Optionee as follows: Optionor and its principals, directors, officers, shareholders, key managers and Affiliates are of good repute. No Optionor Party has ever withdrawn, been denied, or had revoked a gaming license or related finding of suitability by a governmental authority or Gaming Authority within the last five (5) years. To Optionor's knowledge, as of the date hereof, there are no facts that if known to any Gaming Authority would (1) be reasonably likely to result in the denial, revocation, limitation, or suspension of a gaming license currently held or other gaming approval, or (2) result in a negative outcome to any finding of suitability proceedings currently pending, or under the suitability proceedings in connection with the consummation of the transactions contemplated herein.

10.4 Breach. Any breach of the provisions or representations and warranties of this Article 10 during the Option Term shall be a default by Optionor under this Agreement and Optionee may exercise any of the remedies available hereunder.

Article XI EXCLUSIVITY

11.1 Scope. (a) During the term of this Agreement, Optionor shall not, directly or indirectly (including through any of its Affiliates or other related entities or persons, or any partner, member, director, officer, manager, employee, agent or representative) negotiate or enter into any agreement or understanding with, discuss, solicit, consult with or provide information to, any other person or entity (other than Optionor's representatives, advisors and agents) with respect to (i) any transaction to lease, sublease or sell, in the case of Flaum, the Fee Property or, in the case of WGLNS, the Leased Property or to assign any right in the Fee Option Agreement or the NSRC Option to Lease, (ii) any transaction to lease or sell any other property in Region 1 of the State of New York owned, leased or held by Optionor or any Optionor Party for use in gaming opportunities in the State of New York or (iii) any other transaction with regard to gambling and gaming opportunities in Region 1 of the State of New York.

(b) During the term of this Agreement, Optionee shall not, directly or indirectly (including through any of its Affiliates or other related entities or persons, or any partner, member, director, officer, manager, employee, agent or representative) negotiate or enter into any agreement or understanding with, discuss, solicit, consult with or provide information to, any other person or entity (other than Optionee's representatives, advisors and agents) with respect to the development of a gaming facility within Region 1 of the State of New York.

11.2 Breach. In the event of breach of Section 11.1(a) by Optionor, Optionor agrees to pay to Optionee, as liquidated damages, an amount equal to \$25,000,000. The parties agree that it would be impractical and extremely difficult to estimate the damages which Optionee may suffer upon any breach by Optionor. The parties agree that such payment represents a reasonable

estimate of the total net detriment that Optionee would suffer upon such breach by Optionor. Such liquidated and agreed damages are not intended as forfeiture or a penalty within the meaning of applicable law. In the event of breach of Section 11.1(b) by Optionee, Optionee agrees to pay to Optionor, as liquidated damages, an amount equal to \$25,000,000, allocated \$24,500,000 as to Flaum and \$500,000 as to WGLNS. The parties agree that it would be impractical and extremely difficult to estimate the damages which Optionor may suffer upon any breach by Optionee. The parties agree that such payment represents a reasonable estimate of the total net detriment that Optionor would suffer upon such breach by Optionee. Such liquidated and agreed damages are not intended as forfeiture or a penalty within the meaning of applicable law.

Article XII MISCELLANEOUS

12.1 Successors. Subject to any restriction on assignment herein, this Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, executors, successors, and assigns of the parties.

12.2 Waivers. No waiver of any breach of a provision in this Agreement shall be deemed a waiver of any other provision. No waiver shall be valid unless in writing and executed by the waiving party.

12.3 Headings. The section headings in this Agreement are included in this Agreement for convenience of reference only and do not constitute a part of this Agreement for any other purpose

12.4 Construction. The captions and paragraph headings are for convenience only and are not a part of this Agreement and must not be used in construing it. Unless the context of this Agreement otherwise requires, (a) words of any gender include each other gender, (b) words using the singular or plural number also include the plural or singular number, respectively, (c) the terms “hereof,” “herein,” “hereby” and derivative or similar words refer to this entire Agreement, (d) the terms “Article” or “Section” refer to the specified Article or Section of this Agreement, (e) the word “including” (and variations thereof) mean “including, without limitation,” (f) the word “or” is disjunctive but not exclusive, and (g) the words “made available” mean that the information referred to has been made available if requested by the party to whom such information is to be made available.

12.5 Further Assurances. Whenever requested to do so by the other party, each party shall execute, acknowledge, and deliver any further conveyances, agreements, confirmations, satisfactions, releases, instruments of further assurance, approvals, consents, and any further instruments and documents as may reasonably be necessary, expedient, or proper, in order to complete any conveyances, transfers, sales, and agreements contemplated by this Agreement, and to do any other acts and to execute, acknowledge, and deliver any documents as so requested in order to carry out the intent and purpose of this Agreement.

12.6 No Obligation to Third Parties. The parties' execution and delivery of this Agreement do not confer any rights upon, or obligate any of the parties to, any person or entity not a party to this Agreement.

12.7 Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes and revokes all prior agreements, representations, warranties, statements, promises, and understandings, whether oral or written, with respect to the matters set forth herein. No party will be bound by or charged with any oral or written agreements, representations, warranties, statements, promises, or understandings relating to such matters that are not specifically set forth in this Agreement. No party has in any way relied upon any oral or written agreements, representations, warranties, statements, promises, or understandings relating to such matters not specifically set forth in this Agreement.

12.8 Execution by Counterparts. This Agreement may be executed in any number of counterparts, each of which will be treated as an original, and all of which, when taken together, will constitute one agreement. Delivery of an executed signature page of this letter by facsimile transmission or other electronic transmission (i.e., a "pdf" or "tif") is effective as delivery of a manually executed counterpart hereof.

12.9 Amendment. This Agreement may not be amended, supplemented or otherwise modified without each party's prior written consent.

12.10 Partial Invalidity. Any provision of this Agreement that is unenforceable or invalid or the inclusion of which would adversely affect the validity, legality, or enforcement of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

12.11 Attorney's Fees. If any action is instituted between Optionor and Optionee in connection with this Agreement, each party shall be responsible for all of its costs and expenses, including without limitation, reasonable attorney's fees and costs as fixed by the court therein.

12.12 Governing Law and Dispute Resolution. This Agreement (and any claims or controversies arising out of or relating to this Agreement) is governed by the laws of the State of New York without regard to conflicts of laws principles that would result in the application of any laws other than the Laws of the State of New York. Each party hereto consents and voluntarily submits to personal jurisdiction in the State of New York and in the courts in such state and the United States District Court for the Southern District of New York in any proceedings arising out of or relating to this Agreement and agrees that all claims in respect of any such proceeding may be heard and determined in any such court. Each party hereto agrees that any action instituted by it against another party with respect to this Agreement will be instituted exclusively in the United States District Court for the Southern District of New York, or, if such court does not have jurisdiction to adjudicate such action, in the courts of the State of New York. Each party hereto irrevocably and unconditionally waives and agrees not to plead, to the fullest extent permitted by any applicable law, any objection that it may now or hereafter have to the laying of venue or the convenience of the forum of any action with respect to this letter agreement in the United States District Court for the Southern District of New York and the courts of the State of New York. Each party hereto agrees that a final judgment, subject to

appeal rights, in any proceeding so brought will be conclusive and may be enforced by suit on the judgment or in any other manner provided by law or in equity.

12.13 WAIVER OF TRIAL BY JURY. EACH PARTY WAIVES TRIAL BY JURY IN ANY LITIGATION OR OTHER DISPUTE THAT RELATES TO THIS AGREEMENT, OR ANY RIGHTS, OBLIGATIONS, OR CLAIMS ARISING BETWEEN THE PARTIES THAT RELATE TO ANY OF THE FOREGOING.

12.14 Confidentiality.

12.14.1 Each party shall provide each other party with an advance copy of any proposed disclosure, press release, or public announcement (any one, a "Disclosure") concerning this Agreement within a reasonable time before such party's Disclosure and will consult with the other party concerning the contents of such Disclosure. If any Disclosure mentions any party or any of its Affiliates or direct or indirect shareholders, such press release will be subject to the prior written approval of such other party.

12.14.2 No party shall make any Disclosure or otherwise make available this Agreement or any part of it to the public, or publicly file any copies of this Agreement, other than (1) to advisors, legal counsel, accountants, regulatory authorities, agents or representatives in connection with this Agreement's purposes, lenders (and the Persons to whom such lenders may be permitted to make disclosures pursuant to the applicable loan documents), or Optionee's investors (current or prospective), (2) Disclosures required by applicable law or by a governmental authority or in any judicial process, (3) Disclosures that are public, non-confidential or non-proprietary in nature, or (4) Disclosures otherwise agreed upon by each party in writing. In addition, any party that receives any information that is non-public, confidential, or proprietary in nature, including as such information may be presented in whole or in part in reports, analysis, compilations, data, studies, or other documents ("Information") directly or indirectly from another Party or its representatives, lenders or prospective lenders, or financing sources, shall keep such Information strictly confidential and shall not, without the disclosing party's prior written consent, disclose such Information to any other person in any manner whatsoever, in whole or in part, and shall not use such Information for any purpose other than the purposes set forth in this Agreement; provided, however, that if any party is advised by its counsel that it is legally obligated or otherwise required by a governmental authority or in connection with any judicial process to release the Information, such party may do so after notice to and consultation with the other party.

12.15 Negation of Partnership. Nothing in this Agreement shall be construed to constitute the relationship of the parties to one another as partners or joint venturers.

12.16 Brokers and Finders. Each party represents and warrants to the other that it has not engaged or dealt with any broker or finder in connection with this Agreement or the transaction contemplated hereby for which the other party could become liable, and agrees to defend, indemnify and hold the other party harmless from all claims, losses, damages, costs and expenses, including reasonable attorneys' fees, arising from or related to any assertion to the contrary by any such broker or finder, which obligation shall survive termination of this Agreement.

12.17 Business Day. As used herein, “business day” means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which national banks in the City of New York, New York are authorized, or obligated, by law or executive order, to close.

12.18 Expenses. Any cost and/or fees incurred by Optionor or Optionee in executing this Agreement shall be borne by the respective party incurring such cost and/or fee.


12.19 Exhibits/Schedules. All Exhibits and Schedules attached hereto are incorporated herein by this reference.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

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

OPTIONOR:

FLAUM MANAGEMENT COMPANY INC.

By:  _____

Name: David M. Flaum

Title: CEO

WGLNS, LLC

By:  _____

Name: David M. Flaum

Title: CEO 

OPTIONEE:

WOODBURY CASINO, LLC, a Delaware limited liability company

By: Caesars Growth Partners, LLC, its sole member

By: Caesars Acquisition Company, its Managing Member

By: _____

Name:

Title:

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

OPTIONOR:

FLAUM MANAGEMENT COMPANY INC.

By: _____
Name: David M. Flaum
Title: CEO

WGLNS, LLC

By: _____
Name: David M. Flaum
Title: CEO

OPTIONEE:

WOODBURY CASINO, LLC, a Delaware limited liability company

By: Caesars Growth Partners, LLC, its sole member

By: Caesars Acquisition Company, its Managing Member

By: 
Name: CRAIG C. WILLIAMS
Title: CFO

EXHIBIT A-1

Description of the Fee Property

In general, the legal description is as follows:

ALL THAT LAND, situate in the Town of Monroe, Village of Woodbury and the Village of Harriman, County of Orange, State of New York, bound and described as follows:

BEGINNING at a set 5/8" iron rod with a plastic I.D. cap at the intersection of the southeasterly bounds of State Highway No. 115, with the southwesterly bounds of Lands of reputedly of Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, said iron rod also being opposite of the intersection with Maple Street;

THENCE from said place of beginning and along the bounds of the Pennsylvania Lines, LLC, the following courses and distances namely:

On a curve to the right, having a radius of Two Thousand Eight Hundred Twenty-One and Thirty Hundredths Feet (2,821.30') along an arc length of Two Hundred Fifty-Two and Eight Hundredths Feet (252.08') having a chord of South Thirty-Six Degrees, Nineteen Minutes, Ten Seconds East (S36°19'10"E), Two Hundred Fifty-Two and Zero Hundredths Feet (252.00');

THENCE South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Seventy-Four and Zero Hundredths Feet (74.00'), South Thirty-Nine Degrees, Eighteen Minutes, Thirty-Five Seconds East (S39°18'35"E), Thirty-Seven and Thirty Hundredths Feet (37.30'), South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), One Hundred Eighty-Two and Ten Hundredths Feet (182.10'), South Thirty-Seven Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S37°45'35"E), One Hundred and Twenty Hundredths Feet (100.20'), South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Seventy-Three and Ninety-Three Hundredths Feet (73.93') to a set 5/8" iron rod with a plastic I.D. cap, at the presumed boundary of the Village of Harriman with the Town of Woodbury;

THENCE continuing along the Lands of Pennsylvania Lines, LLC, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03') to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30');

THENCE along the Lands of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, North Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds West (N78°40'42"W), passing over a found marble monument, 6" above grade at One Hundred Ten and Fifty-Five Hundredths Feet (110.55') along the way, for a total distance of Six Hundred Sixty and Seventy-Two Hundredths Feet (660.72') to a found marble monument 4" above grade;

THENCE continuing along Metro North Commuter Rail Road, South Eleven Degrees, Fifteen Minutes, Eleven Seconds West (S11°15'11"W), Four Hundred Sixty-Five and Four Hundredths Feet (465.04') to a found marble monument flush in the ground;

THENCE South Fourteen Degrees, Eight Minutes, Forty-Two Seconds East (S14°08'42"E), Three Hundred Forty-Three and Forty-Four Hundredths Feet (343.44') to a found marble monument, flush in the ground, South Twenty-Six Degrees, One Minute, Thirty-Six Seconds West (S26°01'36"W), Three Hundred Ninety-Two and Sixty-Five Hundredths Feet (392.65'), to a found marble monument, flush in the ground, South Ten Degrees, Fifty-Six Minutes, Two Seconds West (S10°56'02"W), One Hundred Eighty and One Hundredths Feet (180.01'), to a found marble monument, 6" above grade, and South Forty Degrees, Five Minutes, Twenty-Two Seconds West (S40°05'22"W), passing over a found copper weld at Ninety-Eight and Eighteen Hundredths Feet (98.18') along the

way, for a total distance of One Hundred Six and Thirteen Hundredths Feet (106.13') to the easterly bounds of New York State Route 17, State Highway No. 8256;

THENCE along said road bounds, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet (469.26'), North Twenty Degrees, Sixteen Minutes, Twenty-One Seconds West (N20°16'21"W), Three Hundred Seven and One Hundredths Feet (307.01'), North Five Degrees, Two Minutes, Fifteen Seconds West (N05°02'15"W), Seventy-Seven and Seventy-Nine Hundredths Feet (77.79'), North Five Degrees, Thirty Minutes, Twenty-Seven Seconds West (N05°30'27"W), One Hundred Twenty and Eighty-Four Hundredths Feet (120.84'), North Two Degrees, Twenty Minutes, Thirteen Seconds East (N02°20'13"E), Two Hundred Ninety-Seven and Thirty-Six Hundredths Feet (297.36'), North Five Degrees, Twenty-Six Minutes, Forty-Three Seconds East (N05°26'43"E), Three Hundred Forty-Nine and Eighty-Seven Hundredths Feet (349.87'), North One Degree, Twenty-Eight Minutes, Twenty-Four Seconds East (N01°28'24"E), One Hundred and Twenty-Four Hundredths Feet (100.24'), North Two Degrees, Fifty-Five Minutes, Thirty-Four Seconds West (N02°55'34"W), Two Hundred Fifteen and Fifty-Seven Hundredths Feet (215.57'), North Nine Degrees, Twenty-Nine Minutes, Forty-Six Seconds West (N09°29'46"W), One Hundred Forty-One and Fifteen Hundredths Feet (141.15'), North Sixteen Degrees, Nineteen Minutes, Twelve Seconds West (N16°19'12"W), Four Hundred Fifty-Nine and Eighty-One Hundredths Feet (459.81'), North Twenty Degrees, Eighteen Minutes, Thirty-Three Seconds West (N20°18'33"W), Ninety-Four and Nine Hundredths Feet (94.09'), North Sixteen Degrees, Fifty-Seven Minutes, Fifty-Three Seconds West (N16°57'53"W), One Thousand Seventy-Three and Thirteen Hundredths Feet (1,073.13'), North Seventeen Degrees, Fifty-Two Minutes, Twenty-One Seconds West (N17°52'21"W), Eighty-Nine and Ten Hundredths Feet (89.10');

THENCE along the easterly bounds of State Highway No. 115, the following courses and distances namely:

North Thirteen Degrees, Fifteen Minutes, Thirty-Six Seconds West (N13°15'36"W), One Hundred Ninety-Nine and Fifty-Six Hundredths Feet (199.56'), North One Degree, Thirty-Nine Minutes, Thirty Seconds East (N01°39'30"E), passing over a found copper weld monument flush in the ground at One Hundred Thirty-Nine and Fifty-Six Hundredths Feet (139.56'), for a total distance of Four Hundred Ninety-Six and Forty-Eight Hundredths Feet (496.48'), North Five Degrees, Thirty-Eight Minutes, Fifty-Two Seconds East (N05°38'52"E), Three Hundred Thirty-Two and Sixty-Eight Hundredths Feet (332.68'), North One Degree, Thirty-Nine Minutes, Twenty-One Seconds East (N01°39'21"E), One Hundred Thirteen and Two Hundredths Feet (113.02'), North Thirty-Nine Degrees, Twenty-Eight Minutes, Eleven Seconds East (N39°28'11"E), Twenty-One and Thirty-Six Hundredths Feet (21.36') North Sixty Degrees, Forty-Five Minutes, Fifty-Five Seconds West (N60°45'55"W), Twenty-Eight and Eighty-Four Hundredths Feet (28.84'), to a found concrete highway monument, 6" above grade, North Six Degrees, Thirty-Seven Minutes, Thirteen Seconds East (N06°37'13"E), Two Hundred Twenty-Three and Seventy-One Hundredths Feet (223.71'), to a found concrete highway monument, 3" above grade, North Twenty-One Degrees, Forty-Eight Minutes, Six Seconds East (N21°48'06"E), Three Hundred Thirteen and Ninety-Three Hundredths Feet (313.93') to a found concrete highway monument, 11" above grade, North Thirty Degrees, Twenty-Five Minutes, Forty-Two Seconds East (N30°25'42"E), One Hundred Fifty-Seven and Forty Hundredths Feet (157.40') and North Thirty-Five Degrees, Forty-Five Minutes, Forty Seconds East (N35°45'40"E), Ninety-Seven and Sixty-Three Hundredths Feet (97.63') to the place of beginning;

CONTAINING 122.635 gross acres of land, as surveyed by Mercurio-Norton-Tarolli, 45 Main Street, Pine Bush, New York 12566, in April of 2005;

SUBJECT to that land located within the above described premises, known as a cemetery and together with rights of others in and to the same and to cross the premises to go to and from the same and there are rights to the remains interred therein to remain unmolested. The location of the cemetery is more particularly bound and described as follows;

COMMENCING at a point at the intersection of the easterly bounds of NYS Route 17, State Highway No. 8256, with the westerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point of beginning being South Forty Degrees, Five Minutes, Twenty-Two Seconds West (S40°05'22"W), Seven and Ninety-Five Hundredths Feet (7.95') from a found copper weld on the property line between Metro North Commuter Rail Road and Woodbury Development, LLC;

THENCE from said place of commencement, and along the easterly bounds of NYS Route 17, State Highway No. 8256, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet; (469.26')

THENCE over and through the Lands of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287, and along the northerly bounds of a 20' wide temporary access easement, with future permanent easement to be provided in accordance with the requirements of the Town of Woodbury Town Board, North Seventy-Four Degrees, Forty-Nine Minutes, Fifty-Nine Seconds East (N74°49'59"E), One Hundred Sixteen and Eighty-Seven Hundredths Feet (116.87') to the westerly most corner of the herein described cemetery;

THENCE along the bounds of the cemetery, the following courses and distances namely:

1. North Seventy Degrees, Forty-Two Minutes, Forty-One Seconds East (N70°42'41"E), Seventy-Eight and One Hundredths Feet (78.01');
2. North Eighty-Six Degrees, Forty-Three Minutes, Thirty-One Seconds East (N86°43'31"E), Fifty-Five and Fifty-Five Hundredths Feet (55.55');
3. South Eleven Degrees, Eleven Minutes, Fifty-Nine Seconds East (S11°11'59"E), One Hundred Eleven and Thirty-Five Hundredths Feet (111.35');
4. South Thirty-Two Degrees, Thirty-Two Minutes, One Second West (S32°32'01"W), One Hundred Ten and Thirty-Seven Hundredths Feet (110.37');
5. North Forty Degrees, One Minute, Fifty-Nine Seconds West (N40°01'59"W), Ninety-One and Sixty-Eight Hundredths Feet (91.68'), and;
6. North Seventeen Degrees, Twenty-Six Minutes, Twenty-Nine Seconds West (N17°26'29"W), One Hundred Eight and Ten Hundredths Feet (108.10') to the place of beginning.

THE area of the cemetery contains 0.442 acres of land, leaving a net area of 122.193 acres of land.

SUBJECT to easements, covenants, restrictions and reservations of record, if any.

SUBJECT to that land within the bounds of NYS Route 17 for use as a public highway.

SUBJECT to all notes and details pertaining to a map entitled "Site A Commercial Subdivision Platt" filed in the Orange County Clerk's Office in February 8, 1990. Designated as filed map no. 9811.

TOGETHER with all right title and interest, if any, in and to any street and roads abutting the premises to the centerlines thereof.

SUBJECT to the rights, if any, in favor of any electric light or telephone company to maintain guy wires extending from the premises to poles located on the roads abutting the premises.

SUBJECT to underground encroachments and easements, if any, including pipes and drains, in such rights as may exist of entry upon the premises to maintain, and repair the same.

SUBJECT to any details pertaining to a map prepared by Ericson and Schmidt Engineers, PC., dated October 1, 1988, under filed no. G8P-045. A copy of this map was not found. The above described premises is subject to any details that may affect this property.

SUBJECT to riparian rights, if any, in favor of or burdening the premises.

SUBJECT to the rights of others to drain through creeks or streams, if any, which cross the premises and the natural flow thereof.

SUBJECT to an irrevocable offer of dedication and easement as described in Liber 3465 of Deeds, Page 163.

SUBJECT to the declaration of covenants and restricts as described in Liber 4132 of Deeds, Page 182 and Liber 4137 of Deeds, Page 331.

SUBJECT to filed maps that show detention or retention ponds within the bounds of the premises. The maintenance, repair and replacement of which show pass to the then owners.

SUBJECT to all notes, easements, restrictions, rights-of-way, covenants and similar matters, various lots, roads, etc., pertaining to Site A on a map "Interchanged, Commerce Center Associates", dated October 27, 1987, filed in the Orange County Clerk's Office as map no. 9811, (63 sheets).

SUBJECT to covenants, restrictions, and easements of record.

SUBJECT to municipal and governmental regulations, if any, provided it is not the intent of the parties to make them restrictive covenants.

SUBJECT to procreations in Liber 2234, Page 842, Liber 4495, Page 317 and Liber 5591, Page 313.

SUBJECT to sewer rights as described in Liber 6183 of Deeds, Page 290, 291 and 292.

SUBJECT to an easement in favor of the County of Orange as described in Liber 792 of Deeds, Page 374, and shown on State Highway 115 taking map 10-A,B.

INTENDED to be the same premises conveyed to Woodbury Development, LLC, recorded in the Orange County Clerk's Office in Liber 6183 of Deeds at Page 287.

EXHIBIT A-2

Description of the Leased Property

ALL THAT LAND, situate in the Village of Woodbury, County of Orange, State of New York, bound and described as follows:

BEGINNING at set 5/8" iron rod with a plastic I.D. cap, on the municipal boundary between the Villages of Harriman and Woodbury, said iron rod being on the westerly bounds of Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, and the easterly bounds of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287;

THENCE from said place of beginning and along the easterly bounds of Woodbury Development, LLC, the following courses and distances, namely, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03'), to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30') to a point on the northerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point being South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), One Hundred Ten and Fifty-Five Hundredths Feet (110.55') from a found marble monument, 6" above grade;

THENCE over and through the Lands of Pennsylvania Lines, LLC, aforementioned, South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), Fifty-Eight and Sixty-Four Hundredths Feet (58.64');

THENCE continuing along a line measured 4.5' westerly of the existing centerline of the existing railroad track, the following courses and distances namely, North Nine Degrees, Fifty-Two Minutes, Seven Seconds East (N09°52'07"E), One Hundred Two and Ninety-Six Hundredths Feet (102.96'), North Nine Degrees, Fifty-Two Minutes, Thirty-Eight Seconds East (N09°52'38"E), One Hundred Sixty-Three and Eight Hundredths Feet (163.08'), North Eight Degrees, Twenty-Two Minutes, Thirty Seconds East (N08°22'30"E), One Hundred Eight and Eighteen Hundredths Feet (108.18'), North Six Degrees, Eleven Minutes, Forty-Two Seconds East (N06°11'42"E), One Hundred Nine and Fifty-Nine Hundredths Feet (109.59'), North Four Degrees, Thirty-Four Minutes, Twenty-Three Seconds East (N04°34'23"E), Sixty-Nine and Fifty-Six Hundredths Feet (69.56'), North Two Degrees, Fifty-Eight Minutes, Nine Seconds East (N02°58'09"E), One Hundred Ten and Thirty-Two Hundredths Feet (110.32'), North Zero Degrees, Fifty Minutes, Fifty-Three Seconds East (N0°50'53"E), One Hundred Fifteen and Sixty-Four Hundredths Feet (115.64'), North One Degree, Twenty-Two Minutes, Thirty-Two Seconds West (N01°22'32"W), One Hundred Four and Fifty-One Hundredths Feet (104.51'), North Two Degrees, Fifty-Four Minutes, Fifty Seconds West (N02°54'50"W), Eighty-Seven and Forty-Two Hundredths Feet (87.42'), North Four Degrees, Seventeen Minutes, Nine Seconds West (N04°17'09"W), One Hundred Nine and Forty-Two Hundredths Feet (109.42'), North Six Degrees, Twenty-Six Minutes, Thirty-Six Seconds West (N06°26'36"W), One Hundred Seventy and Seventy-Five Hundredths Feet (170.75'), North Eight Degrees, Thirty-Six Minutes, Forty-Three Seconds West (N08°36'43"W), One Hundred Twenty and Seventy-Four Hundredths Feet (120.74'), North Ten Degrees, Twenty-Five Minutes, Twenty-Four Seconds West (N10°25'24"W), One Hundred Twenty and Four Hundredths Feet (120.04'), North Twelve Degrees, Fourteen Minutes, Two Seconds West (N12°14'02"W), One Hundred Twenty-Five and Five Hundredths Feet (125.05'), North Fourteen Degrees, Eleven Minutes, Three Seconds West (N14°11'03"W), One Hundred Twenty-Five and Seventy-Seven Hundredths Feet (125.77'), North Fifteen Degrees, Thirty-Three Minutes, Thirty Seconds West (N15°33'30"W), Sixty-Two and Fifty-Two Hundredths Feet (62.52'), North Seventeen Degrees, Six Minutes, Twenty-Eight Seconds West (N17°06'28"W), One Hundred Twenty-Three and Eighty-Seven Hundredths Feet (123.87'), North Nineteen Degrees, Thirty-Four

Minutes, Forty-One Seconds West (N19°34'41"W), One Hundred Twenty-Five and Forty-Two Hundredths Feet (125.42'), North Twenty-One Degrees, Twenty-Six Minutes, Forty-Three Seconds West (N21°26'43"W), One Hundred Nineteen and Ninety-Nine Hundredths Feet (119.99'), North Twenty-Three Degrees, Twenty Minutes, Twenty-Three Seconds West (N23°20'23"W), One Hundred Eighteen and Eighty-Four Hundredths Feet (118.84'), North Twenty-Five Degrees, Six Minutes, Forty-Seven Seconds West (N25°06'47"W), One Hundred Twenty-Six and Forty-Seven Hundredths Feet (126.47'), North Twenty-Seven Degrees, Six Minutes, One Second West (N27°06'01"W), One Hundred Forty-One and Eighty-Eight Hundredths Feet (141.88'), North Twenty-Nine Degrees, Two Minutes, Seven Seconds West (N29°02'07"W), One Hundred Twenty-One and Ninety-Five Hundredths Feet (121.95'), North Thirty-One Degrees, Four Minutes, Fifty-Two Seconds West (N31°04'52"W), One Hundred Twenty-Four and Twenty-Four Hundredths Feet (124.24'), North Thirty-Two Degrees, Twenty-Four Minutes, Fourteen Seconds West (N32°24'14"W), One Hundred Eighteen and Forty-Two Hundredths Feet (118.42'), North Thirty-Three Degrees, Twenty-Five Minutes, Twenty-Two Seconds West (N33°25'22"W), Ninety-Two and Nine Hundredths Feet (92.09'), North Thirty-Three Degrees, Thirty-Eight Minutes, Twenty-Three Seconds West (N33°38'23"W), Ninety-Two and Sixty-Three Hundredths Feet (92.63'), North Thirty-Three Degrees, Forty-Three Minutes, Forty-Eight Seconds West (N33°43'48"W), Ninety-Five and Fifty-Three Hundredths Feet (95.53'), North Thirty-Four Degrees, Eleven Minutes, Fifteen Seconds West (N34°11'15"W), Seventy-Four and Seventy-Three Hundredths Feet (74.73'), North Thirty-Three Degrees, Twenty-Nine Minutes, Forty-Two Seconds West (N33°29'42"W), Ninety-Nine and Forty-Eight Hundredths Feet (99.48'), North Thirty-Three Degrees, Forty-Six Minutes, Fifty-Nine Seconds West (N33°46'59"W), One Hundred Thirty-Two and Sixty-One Hundredths Feet (132.61'), North Thirty-Three Degrees, Forty-Seven Minutes, Nine Seconds West (N33°47'09"W), Ninety-Four and Forty Hundredths Feet (94.40'), North Thirty-Three Degrees, Forty Minutes, Fifty-Eight Seconds West (N33°40'58"W), Ninety-Eight and Seventy-Eight Hundredths Feet (98.78'), North Thirty-Three Degrees, Forty-Three Minutes, Fifty-Six Seconds West (N33°43'56"W), Ninety-Seven and Ten Hundredths Feet (97.10'), North Thirty-Three Degrees, Forty-Six Minutes, Thirty-Three Seconds West (N33°46'33"W), Ninety-Three and Eighty-One Hundredths Feet (93.81'), North Thirty-Three Degrees, Forty-Five Minutes, Twenty-Eight Seconds West (N33°45'28"W), One Hundred Eleven and Thirty Hundredths Feet (111.30'), to a point on the municipal boundary between the Villages of Harriman and Woodbury;

THENCE along said municipal boundary, South Thirty-Six Degrees, Fifty-Three Minutes, Forty-Three Seconds West (S36°53'43"W), Twenty-Two and Thirteen Hundredths Feet (22.13'), to the place of beginning.

CONTAINING 10.686 acres of land, as surveyed by Mercurio-Norton-Tarolli-Marshall, 45 Main Street, Pine Bush, New York 12566.

INTENDED to be a portion of lands conveyed to Pennsylvania Lines, LLC, recorded in the Orange County Clerk's Office in Liber 5119 of Deeds, at Page 132.

EXHIBIT A-3

Description of the Project Site

In general, the legal description is as follows:

ALL THAT LAND, situate in the Village of Woodbury, County of Orange, State of New York, bound and described as follows:

BEGINNING at a point at the intersection of the easterly bounds of NYS Route 17, State Highway No. 8256, with the westerly most corner of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55

THENCE along said road bounds, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet (469.26'), North Twenty Degrees, Sixteen Minutes, Twenty-One Seconds West (N20°16'21"W), Three Hundred Seven and One Hundredths Feet (307.01'), North Five Degrees, Two Minutes, Fifteen Seconds West (N05°02'15"W), Seventy-Seven and Seventy-Nine Hundredths Feet (77.79'), North Five Degrees, Thirty Minutes, Twenty-Seven Seconds West (N05°30'27"W), One Hundred Twenty and Eighty-Four Hundredths Feet (120.84'), North Two Degrees, Twenty Minutes, Thirteen Seconds East (N02°20'13"E), Two Hundred Ninety-Seven and Thirty-Six Hundredths Feet (297.36'), North Five Degrees, Twenty-Six Minutes, Forty-Three Seconds East (N05°26'43"E), Three Hundred Forty-Nine and Eighty-Seven Hundredths Feet (349.87'), North One Degree, Twenty-Eight Minutes, Twenty-Four Seconds East (N01°28'24"E), One Hundred and Twenty-Four Hundredths Feet (100.24'), North Two Degrees, Fifty-Five Minutes, Thirty-Four Seconds West (N02°55'34"W), Two Hundred Fifteen and Fifty-Seven Hundredths Feet (215.57'), North Nine Degrees, Twenty-Nine Minutes, Forty-Six Seconds West (N09°29'46"W), One Hundred Forty-One and Fifteen Hundredths Feet (141.15'), North Sixteen Degrees, Nineteen Minutes, Twelve Seconds West (N16°19'12"W), Four Hundred Fifty-Nine and Eighty-One Hundredths Feet (459.81'), North Twenty Degrees, Eighteen Minutes, Thirty-Three Seconds West (N20°18'33"W), Ninety-Four and Nine Hundredths Feet (94.09'), and North Sixteen Degrees, Fifty-Seven Minutes, Fifty-Three Seconds West (N16°57'53"W), Three Hundred Eighty-Five and Sixty-Two Hundredths Feet (385.62');

THENCE over and through the lands of Woodbury Development, LLC and along the presumed Northerly bounds of the Village of Woodbury; North Zero Degrees, One Minute, Thirty-Five Seconds East (N0°01'35"E), One Thousand Four Hundred Thirty-Six and Twenty-Seven Hundredths Feet (1436.27') to a found copperweld flush in the ground and North Thirty-Six Degrees, Fifty-Three Minutes, Forty-Two Seconds East (N36°53'42"E), Seven Hundred Sixty-Eight and Twenty-Four Hundredths Feet (768.24') to a set 5/8" iron rod with a plastic ID cap;

THENCE along the bounds of the Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, the following courses and distances namely, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03') to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30');

THENCE along the Lands of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, North Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds West (N78°40'42"W), passing over a found marble monument, 6" above grade at One Hundred Ten and Fifty-Five Hundredths Feet (110.55') along the way, for a total distance of Six Hundred Sixty and Seventy-Two Hundredths Feet (660.72') to a found marble monument 4" above grade;

THENCE continuing along Metro North Commuter Rail Road, South Eleven Degrees, Fifteen Minutes, Eleven Seconds West (S11°15'11"W), Four Hundred Sixty-Five and Four Hundredths Feet (465.04') to a found marble monument flush in the ground;

THENCE South Fourteen Degrees, Eight Minutes, Forty-Two Seconds East (S14°08'42"E), Three Hundred Forty-Three and Forty-Four Hundredths Feet (343.44') to a found marble monument, flush in the ground, South Twenty-Six Degrees, One Minute, Thirty-Six Seconds West (S26°01'36"W), Three Hundred Ninety-Two and Sixty-Five Hundredths Feet (392.65'), to a found marble monument, flush in the ground, South Ten Degrees, Fifty-

Six Minutes, Two Seconds West (S10°56'02"W), One Hundred Eighty and One Hundredths Feet (180.01'), to a found marble monument, 6" above grade, and South Forty Degrees, Five Minutes, Twenty-Two Seconds West (S40°05'22"W), passing over a found copper weld at Ninety-Eight and Eighteen Hundredths Feet (98.18') along the way, for a total distance of One Hundred Six and Thirteen Hundredths Feet (106.13') to the easterly bounds of New York State Route 17, State Highway No. 8256;

CONTAINING 104.978 gross acres of land, as surveyed by Mercurio-Norton-Tarolli, 45 Main Street, Pine Bush, New York 12566, in April of 2005;

SUBJECT to that land located within the above described premises, known as a cemetery and together with rights of others in and to the same and to cross the premises to go to and from the same and there are rights to the remains interred therein to remain unmolested. The location of the cemetery is more particularly bound and described as follows;

COMMENCING at a point at the intersection of the easterly bounds of NYS Route 17, State Highway No. 8256, with the westerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point of beginning being South Forty Degrees, Five Minutes, Twenty-Two Seconds West (S40°05'22"W), Seven and Ninety-Five Hundredths Feet (7.95') from a found copper weld on the property line between Metro North Commuter Rail Road and Woodbury Development, LLC;

THENCE from said place of commencement, and along the easterly bounds of NYS Route 17, State Highway No. 8256, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet; (469.26')

THENCE over and through the Lands of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287, and along the northerly bounds of a 20' wide temporary access easement, with future permanent easement to be provided in accordance with the requirements of the Town of Woodbury Town Board, North Seventy-Four Degrees, Forty-Nine Minutes, Fifty-Nine Seconds East (N74°49'59"E), One Hundred Sixteen and Eighty-Seven Hundredths Feet (116.87') to the westerly most corner of the herein described cemetery;

THENCE along the bounds of the cemetery, the following courses and distances namely:

1. North Seventy Degrees, Forty-Two Minutes, Forty-One Seconds East (N70°42'41"E), Seventy-Eight and One Hundredths Feet (78.01');
2. North Eighty-Six Degrees, Forty-Three Minutes, Thirty-One Seconds East (N86°43'31"E), Fifty-Five and Fifty-Five Hundredths Feet (55.55');
3. South Eleven Degrees, Eleven Minutes, Fifty-Nine Seconds East (S11°11'59"E), One Hundred Eleven and Thirty-Five Hundredths Feet (111.35');
4. South Thirty-Two Degrees, Thirty-Two Minutes, One Second West (S32°32'01"W), One Hundred Ten and Thirty-Seven Hundredths Feet (110.37');
5. North Forty Degrees, One Minute, Fifty-Nine Seconds West (N40°01'59"W), Ninety-One and Sixty-Eight Hundredths Feet (91.68'), and;
6. North Seventeen Degrees, Twenty-Six Minutes, Twenty-Nine Seconds West (N17°26'29"W), One Hundred Eight and Ten Hundredths Feet (108.10') to the place of beginning.

THE area of the cemetery contains 0.442 acres of land., leaving a net area of 104.536 acres of land.

SUBJECT to easements, covenants, restrictions and reservations of record, if any.

SUBJECT to that land within the bounds of NYS Route 17 for use as a public highway.

SUBJECT to all notes and details pertaining to a map entitled "Site A Commercial Subdivision Platt" filed in the Orange County Clerk's Office in February 8, 1990. Designated as filed map no. 9811.

TOGETHER with all right title and interest, if any, in and to any street and roads abutting the premises to the centerlines thereof.

SUBJECT to the rights, if any, in favor of any electric light or telephone company to maintain guy wires extending from the premises to poles located on the roads abutting the premises.

SUBJECT to underground encroachments and easements, if any, including pipes and drains, in such rights as may exist of entry upon the premises to maintain, and repair the same.

SUBJECT to any details pertaining to a map prepared by Ericson and Schmidt Engineers, PC., dated October 1, 1988, under filed no. G8P-045. A copy of this map was not found. The above described premises is subject to any details that may affect this property.

SUBJECT to riparian rights, if any, in favor of or burdening the premises.

SUBJECT to the rights of others to drain through creeks or streams, if any, which cross the premises and the natural flow thereof.

SUBJECT to an irrevocable offer of dedication and easement as described in Liber 3465 of Deeds, Page 163.

SUBJECT to the declaration of covenants and restricts as described in Liber 4132 of Deeds, Page 182 and Liber 4137 of Deeds, Page 331.

SUBJECT to filed maps that show detention or retention ponds within the bounds of the premises. The maintenance, repair and replacement of which show pass to the then owners.

SUBJECT to all notes, easements, restrictions, rights-of-way, covenants and similar matters, various lots, roads, etc., pertaining to Site A on a map "Interchanged, Commerce Center Associates", dated October 27, 1987, filed in the Orange County Clerk's Office as map no. 9811, (63 sheets).

SUBJECT to covenants, restrictions, and easements of record.

SUBJECT to municipal and governmental regulations, if any, provided it is not the intent of the parties to make them restrictive covenants.

SUBJECT to procreations in Liber 2234, Page 842, Liber 4495, Page 317 and Liber 5591, Page 313.

SUBJECT to sewer rights as described in Liber 6183 of Deeds, Page 290, 291 and 292.

SUBJECT to an easement in favor of the County of Orange as described in Liber 792 of Deeds, Page 374, and shown on State Highway 115 taking map 10-A,B.

INTENDED to be a portion of the same premises conveyed to Woodbury Development, LLC, recorded in the Orange County Clerk's Office in Liber 6183 of Deeds at Page 287.

AND

ALL THAT LAND, situate in the Village of Woodbury, County of Orange, State of New York, bound and described as follows:

BEGINNING at set 5/8" iron rod with a plastic I.D. cap, on the municipal boundary between the Villages of Harriman and Woodbury, said iron rod being on the westerly bounds of Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, and the easterly bounds of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287;

THENCE from said place of beginning and along the easterly bounds of Woodbury Development, LLC, the following courses and distances, namely, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03'), to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30') to a point on the northerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point being South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), One Hundred Ten and Fifty-Five Hundredths Feet (110.55') from a found marble monument, 6" above grade;

THENCE over and through the Lands of Pennsylvania Lines, LLC, aforementioned, South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), Fifty-Eight and Sixty-Four Hundredths Feet (58.64');

THENCE continuing along a line measured 4.5' westerly of the existing centerline of the existing railroad track, the following courses and distances namely, North Nine Degrees, Fifty-Two Minutes, Seven Seconds East (N09°52'07"E), One Hundred Two and Ninety-Six Hundredths Feet (102.96'), North Nine Degrees, Fifty-Two Minutes, Thirty-Eight Seconds East (N09°52'38"E), One Hundred Sixty-Three and Eight Hundredths Feet (163.08'), North Eight Degrees, Twenty-Two Minutes, Thirty Seconds East (N08°22'30"E), One Hundred Eight and Eighteen Hundredths Feet (108.18'), North Six Degrees, Eleven Minutes, Forty-Two Seconds East (N06°11'42"E), One Hundred Nine and Fifty-Nine Hundredths Feet (109.59'), North Four Degrees, Thirty-Four Minutes, Twenty-Three Seconds East (N04°34'23"E), Sixty-Nine and Fifty-Six Hundredths Feet (69.56'), North Two Degrees, Fifty-Eight Minutes, Nine Seconds East (N02°58'09"E), One Hundred Ten and Thirty-Two Hundredths Feet (110.32'), North Zero Degrees, Fifty Minutes, Fifty-Three Seconds East (N0°50'53"E), One Hundred Fifteen and Sixty-Four

Hundredths Feet (115.64'), North One Degree, Twenty-Two Minutes, Thirty-Two Seconds West (N01°22'32"W), One Hundred Four and Fifty-One Hundredths Feet (104.51'), North Two Degrees, Fifty-Four Minutes, Fifty Seconds West (N02°54'50"W), Eighty-Seven and Forty-Two Hundredths Feet (87.42'), North Four Degrees, Seventeen Minutes, Nine Seconds West (N04°17'09"W), One Hundred Nine and Forty-Two Hundredths Feet (109.42'), North Six Degrees, Twenty-Six Minutes, Thirty-Six Seconds West (N06°26'36"W), One Hundred Seventy and Seventy-Five Hundredths Feet (170.75'), North Eight Degrees, Thirty-Six Minutes, Forty-Three Seconds West (N08°36'43"W), One Hundred Twenty and Seventy-Four Hundredths Feet (120.74'), North Ten Degrees, Twenty-Five Minutes, Twenty-Four Seconds West (N10°25'24"W), One Hundred Twenty and Four Hundredths Feet (120.04'), North Twelve Degrees, Fourteen Minutes, Two Seconds West (N12°14'02"W), One Hundred Twenty-Five and Five Hundredths Feet (125.05'), North Fourteen Degrees, Eleven Minutes, Three Seconds West (N14°11'03"W), One Hundred Twenty-Five and Seventy-Seven Hundredths Feet (125.77'), North Fifteen Degrees, Thirty-Three Minutes, Thirty Seconds West (N15°33'30"W), Sixty-Two and Fifty-Two Hundredths Feet (62.52'), North Seventeen Degrees, Six Minutes, Twenty-Eight Seconds West (N17°06'28"W), One Hundred Twenty-Three and Eighty-Seven Hundredths Feet (123.87'), North Nineteen Degrees, Thirty-Four Minutes, Forty-One Seconds West (N19°34'41"W), One Hundred Twenty-Five and Forty-Two Hundredths Feet (125.42'), North Twenty-One Degrees, Twenty-Six Minutes, Forty-Three Seconds West (N21°26'43"W), One Hundred Nineteen and Ninety-Nine Hundredths Feet (119.99'), North Twenty-Three Degrees, Twenty Minutes, Twenty-Three Seconds West (N23°20'23"W), One Hundred Eighteen and Eighty-Four Hundredths Feet (118.84'), North Twenty-Five Degrees, Six Minutes, Forty-Seven Seconds West (N25°06'47"W), One Hundred Twenty-Six and Forty-Seven Hundredths Feet (126.47'), North Twenty-Seven Degrees, Six Minutes, One Second West (N27°06'01"W), One Hundred Forty-One and Eighty-Eight Hundredths Feet (141.88'), North Twenty-Nine Degrees, Two Minutes, Seven Seconds West (N29°02'07"W), One Hundred Twenty-One and Ninety-Five Hundredths Feet (121.95'), North Thirty-One Degrees, Four Minutes, Fifty-Two Seconds West (N31°04'52"W), One Hundred Twenty-Four and Twenty-Four Hundredths Feet (124.24'), North Thirty-Two Degrees, Twenty-Four Minutes, Fourteen Seconds West (N32°24'14"W), One Hundred Eighteen and Forty-Two Hundredths Feet (118.42'), North Thirty-Three Degrees, Twenty-Five Minutes, Twenty-Two Seconds West (N33°25'22"W), Ninety-Two and Nine Hundredths Feet (92.09'), North Thirty-Three Degrees, Thirty-Eight Minutes, Twenty-Three Seconds West (N33°38'23"W), Ninety-Two and Sixty-Three Hundredths Feet (92.63'), North Thirty-Three Degrees, Forty-Three Minutes, Forty-Eight Seconds West (N33°43'48"W), Ninety-Five and Fifty-Three Hundredths Feet (95.53'), North Thirty-Four Degrees, Eleven Minutes, Fifteen Seconds West (N34°11'15"W), Seventy-Four and Seventy-Three Hundredths Feet (74.73'), North Thirty-Three Degrees, Twenty-Nine Minutes, Forty-Two Seconds West (N33°29'42"W), Ninety-Nine and Forty-Eight Hundredths Feet (99.48'), North Thirty-Three Degrees, Forty-Six Minutes, Fifty-Nine Seconds West (N33°46'59"W), One Hundred Thirty-Two and Sixty-One Hundredths Feet (132.61'), North Thirty-Three Degrees, Forty-Seven Minutes, Nine Seconds West (N33°47'09"W), Ninety-Four and Forty Hundredths Feet (94.40'), North Thirty-Three Degrees, Forty Minutes, Fifty-Eight Seconds West (N33°40'58"W), Ninety-Eight and Seventy-Eight Hundredths Feet (98.78'), North Thirty-Three Degrees, Forty-Three Minutes, Fifty-Six Seconds West (N33°43'56"W), Ninety-Seven and Ten Hundredths Feet (97.10'), North Thirty-Three Degrees, Forty-Six Minutes, Thirty-Three Seconds West (N33°46'33"W), Ninety-Three and Eighty-One Hundredths Feet (93.81'), North Thirty-Three Degrees, Forty-Five Minutes, Twenty-Eight Seconds West (N33°45'28"W), One Hundred Eleven and Thirty Hundredths Feet (111.30'), to a point on the municipal boundary between the Villages of Harriman and Woodbury;

THENCE along said municipal boundary, South Thirty-Six Degrees, Fifty-Three Minutes, Forty-Three Seconds West (S36°53'43"W), Twenty-Two and Thirteen Hundredths Feet (22.13'), to the place of beginning.

CONTAINING 10.686 acres of land, as surveyed by Mercurio-Norton-Tarolli-Marshall, 45 Main Street, Pine Bush, New York 12566.

INTENDED to be a portion of lands conveyed to Pennsylvania Lines, LLC, recorded in the Orange County Clerk's Office in Liber 5119 of Deeds, at Page 132.

EXHIBIT B

Form of Ground Lease

See Exhibit VIIC.2.b_A2 for Ground Lease.

EXHIBIT C

Form of Memorandum of Lease

[SEE ATTACHED]

RECORD AND RETURN TO:

Latham & Watkins LLP
885 Third Avenue
New York, New York 10022
Attn: Dara Denberg, Esq.

**FLAUM MANAGEMENT COMPANY INC., A NEW YORK CORPORATION AND WGLNS, LLC, A
NEW YORK LIMITED LIABILITY COMPANY, COLLECTIVELY,**

LANDLORD

and

WOODBURY CASINO, LLC, A DELAWARE LIMITED LIABILITY COMPANY,

TENANT

MEMORANDUM OF LEASE

_____, 2014

This instrument affects real and personal property situated, lying and being in the County of Orange, State of New York, known as follows:

Block(s):

Lot(s):

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is entered into as of _____, 2014 (the "Effective Date"), by and between **Flaum Management Company Inc.**, a New York corporation and **WGLNS, LLC**, a New York limited liability company (collectively, "Landlord"), whose address is 400 Andrews Street, Suite 500, Rochester, New York 14604 and **Woodbury Casino, LLC** a Delaware limited liability company, whose address is One Caesars Palace Drive, Las Vegas, Nevada 89119 ("Tenant").

By executing and recording this Memorandum, Landlord and Tenant give notice of the facts below. Any person taking any interest in the Premises (as defined below), or any other real property subject to this Memorandum, shall do so subject to all documents (including all terms of such documents) and other matters that this Memorandum refers to or discloses.

1. *Premises.* Landlord owns the real property more particularly described in **Exhibit A** (the "Fee Property") and leases the real property more particularly described in **Exhibit B** (the "Leased Property" and together with the Fee Property, the "Premises").

2. *Lease.* Landlord and Tenant have entered into a Ground Lease, dated the Effective Date (as amended, modified, renewed, or extended from time to time, the "Lease").

3. *Demise of Premises.* For good and valuable consideration, Landlord has demised and hereby demises to Tenant all of the Premises all as the Lease provides.

4. *Term.* The "Commencement Date" of the Lease is _____. The Term of the Lease _____ [began/begins] on the Commencement Date and ends at 11:59 p.m. on _____, unless terminated sooner under the Lease. Tenant has three (3) Options to extend the Term with respect to the Fee Property. If Landlord obtains extensions of the lease governing the Leased Property to accommodate the applicable Options described in this Section 4, the same Options shall apply to the Leased Property. Each Option covers an additional Option Term of fifteen (15) years. The maximum period for which the Lease may be extended is a total extension period of forty-five (45) years. Tenant must exercise each Option, if at all, in writing no less than twenty four (24) calendar months prior to the expiration of the then-current Lease Term. The Lease more fully describes Tenant's Options, including conditions and procedures for exercise. The Lease grants Tenant no option or other right to expand, renew or extend except, or beyond, any such rights (if any) this Memorandum describes, all as the Lease more fully provides.

5. *No Effect on Lease.* The parties have prepared, signed, and acknowledged this Memorandum solely for recording purposes. This Memorandum does not modify, increase, decrease, or in any other way affect any party's rights, duties, or obligations under the Lease. Landlord and Tenant each has rights, duties, and obligations (and conditions to its rights) under the Lease but not stated in this Memorandum. If the Lease and this Memorandum conflict, the Lease governs. Nothing in this Memorandum constitutes any representation or warranty by either party. To the extent, if any, that the Lease limits the liability of either Landlord or Tenant, such limitation also applies to any such liability under this Memorandum.

6. *Successors and Assigns.* The Lease and this Memorandum shall bind and benefit the parties and their successors and assigns. This does not limit any restrictions on assignment or other transfer in the Lease.

7. *Termination.* This Memorandum shall automatically terminate and be of no force or effect upon any termination of the Lease.

8. *Further Assurances.* Each party shall execute, acknowledge (where necessary), and deliver such further documents, and perform such further acts, as may be reasonably necessary to achieve the intent of the parties as expressed in the Lease and this Memorandum.

9. *Counterparts.* This Memorandum may be executed in counterparts.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum as of the Effective Date.

TENANT:

Woodbury Casino, LLC, a Delaware limited liability company

By: Caesars Growth Partners, LLC
its sole member

By: Caesars Acquisition Company
its Managing Member

By: _____
Name: _____
Title: _____

LANDLORD:

Flaum Management Company Inc., a New York corporation

By: _____
Name: _____
Title: _____

LANDLORD:

WGLNS, LLC, a New York limited liability company

By: _____
Name: _____
Title: _____

Attachments:

Acknowledgments
Exhibit A—The Premises

ACKNOWLEDGMENTS

State of _____
County of _____, ss:

On the ____ day of _____ in the year 2014 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

State of New York
County of Monroe, ss:

On the ____ day of _____ in the year 2014 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

State of New York
County of Monroe, ss:

On the ____ day of _____ in the year 2014 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

EXHIBIT A

THE PREMISES

In general, the legal description is as follows:

ALL THAT LAND, situate in the Town of Monroe, Village of Woodbury and the Village of Harriman, County of Orange, State of New York, bound and described as follows:

BEGINNING at a set 5/8" iron rod with a plastic I.D. cap at the intersection of the southeasterly bounds of State Highway No. 115, with the southwesterly bounds of Lands of reputedly of Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, said iron rod also being opposite of the intersection with Maple Street;

THENCE from said place of beginning and along the bounds of the Pennsylvania Lines, LLC, the following courses and distances namely:

On a curve to the right, having a radius of Two Thousand Eight Hundred Twenty-One and Thirty Hundredths Feet (2,821.30') along an arc length of Two Hundred Fifty-Two and Eight Hundredths Feet (252.08') having a chord of South Thirty-Six Degrees, Nineteen Minutes, Ten Seconds East (S36°19'10"E), Two Hundred Fifty-Two and Zero Hundredths Feet (252.00');

THENCE South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Seventy-Four and Zero Hundredths Feet (74.00'), South Thirty-Nine Degrees, Eighteen Minutes, Thirty-Five Seconds East (S39°18'35"E), Thirty-Seven and Thirty Hundredths Feet (37.30'), South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), One Hundred Eighty-Two and Ten Hundredths Feet (182.10'), South Thirty-Seven Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S37°45'35"E), One Hundred and Twenty Hundredths Feet (100.20'), South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Seventy-Three and Ninety-Three Hundredths Feet (73.93') to a set 5/8" iron rod with a plastic I.D. cap, at the presumed boundary of the Village of Harriman with the Town of Woodbury;

THENCE continuing along the Lands of Pennsylvania Lines, LLC, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03') to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30');

THENCE along the Lands of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, North Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds West (N78°40'42"W), passing over a found marble monument, 6" above grade at One Hundred Ten and Fifty-Five Hundredths Feet (110.55') along the way, for a total distance of Six Hundred Sixty and Seventy-Two Hundredths Feet (660.72') to a found marble monument 4" above grade;

THENCE continuing along Metro North Commuter Rail Road, South Eleven Degrees, Fifteen Minutes, Eleven Seconds West (S11°15'11"W), Four Hundred Sixty-Five and Four Hundredths Feet (465.04') to a found marble monument flush in the ground;

THENCE South Fourteen Degrees, Eight Minutes, Forty-Two Seconds East (S14°08'42"E), Three Hundred Forty-Three and Forty-Four Hundredths Feet (343.44') to a found marble monument, flush in the ground, South Twenty-Six Degrees, One Minute, Thirty-Six Seconds West (S26°01'36"W), Three Hundred Ninety-Two and Sixty-Five Hundredths Feet (392.65'), to a found marble monument, flush in the ground, South Ten Degrees, Fifty-Six Minutes, Two Seconds West (S10°56'02"W), One Hundred Eighty and One Hundredths Feet (180.01'), to a found marble monument, 6" above grade, and South Forty Degrees, Five Minutes, Twenty-Two Seconds West (S40°05'22"W), passing over a found copper weld at Ninety-Eight and Eighteen Hundredths Feet (98.18') along the

way, for a total distance of One Hundred Six and Thirteen Hundredths Feet (106.13') to the easterly bounds of New York State Route 17, State Highway No. 8256;

THENCE along said road bounds, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet (469.26'), North Twenty Degrees, Sixteen Minutes, Twenty-One Seconds West (N20°16'21"W), Three Hundred Seven and One Hundredths Feet (307.01'), North Five Degrees, Two Minutes, Fifteen Seconds West (N05°02'15"W), Seventy-Seven and Seventy-Nine Hundredths Feet (77.79'), North Five Degrees, Thirty Minutes, Twenty-Seven Seconds West (N05°30'27"W), One Hundred Twenty and Eighty-Four Hundredths Feet (120.84'), North Two Degrees, Twenty Minutes, Thirteen Seconds East (N02°20'13"E), Two Hundred Ninety-Seven and Thirty-Six Hundredths Feet (297.36'), North Five Degrees, Twenty-Six Minutes, Forty-Three Seconds East (N05°26'43"E), Three Hundred Forty-Nine and Eighty-Seven Hundredths Feet (349.87'), North One Degree, Twenty-Eight Minutes, Twenty-Four Seconds East (N01°28'24"E), One Hundred and Twenty-Four Hundredths Feet (100.24'), North Two Degrees, Fifty-Five Minutes, Thirty-Four Seconds West (N02°55'34"W), Two Hundred Fifteen and Fifty-Seven Hundredths Feet (215.57'), North Nine Degrees, Twenty-Nine Minutes, Forty-Six Seconds West (N09°29'46"W), One Hundred Forty-One and Fifteen Hundredths Feet (141.15'), North Sixteen Degrees, Nineteen Minutes, Twelve Seconds West (N16°19'12"W), Four Hundred Fifty-Nine and Eighty-One Hundredths Feet (459.81'), North Twenty Degrees, Eighteen Minutes, Thirty-Three Seconds West (N20°18'33"W), Ninety-Four and Nine Hundredths Feet (94.09'), North Sixteen Degrees, Fifty-Seven Minutes, Fifty-Three Seconds West (N16°57'53"W), One Thousand Seventy-Three and Thirteen Hundredths Feet (1,073.13'), North Seventeen Degrees, Fifty-Two Minutes, Twenty-One Seconds West (N17°52'21"W), Eighty-Nine and Ten Hundredths Feet (89.10');

THENCE along the easterly bounds of State Highway No. 115, the following courses and distances namely:

North Thirteen Degrees, Fifteen Minutes, Thirty-Six Seconds West (N13°15'36"W), One Hundred Ninety-Nine and Fifty-Six Hundredths Feet (199.56'), North One Degree, Thirty-Nine Minutes, Thirty Seconds East (N01°39'30"E), passing over a found copper weld monument flush in the ground at One Hundred Thirty-Nine and Fifty-Six Hundredths Feet (139.56'), for a total distance of Four Hundred Ninety-Six and Forty-Eight Hundredths Feet (496.48'), North Five Degrees, Thirty-Eight Minutes, Fifty-Two Seconds East (N05°38'52"E), Three Hundred Thirty-Two and Sixty-Eight Hundredths Feet (332.68'), North One Degree, Thirty-Nine Minutes, Twenty-One Seconds East (N01°39'21"E), One Hundred Thirteen and Two Hundredths Feet (113.02'), North Thirty-Nine Degrees, Twenty-Eight Minutes, Eleven Seconds East (N39°28'11"E), Twenty-One and Thirty-Six Hundredths Feet (21.36') North Sixty Degrees, Forty-Five Minutes, Fifty-Five Seconds West (N60°45'55"W), Twenty-Eight and Eighty-Four Hundredths Feet (28.84'), to a found concrete highway monument, 6" above grade, North Six Degrees, Thirty-Seven Minutes, Thirteen Seconds East (N06°37'13"E), Two Hundred Twenty-Three and Seventy-One Hundredths Feet (223.71'), to a found concrete highway monument, 3" above grade, North Twenty-One Degrees, Forty-Eight Minutes, Six Seconds East (N21°48'06"E), Three Hundred Thirteen and Ninety-Three Hundredths Feet (313.93') to a found concrete highway monument, 11" above grade, North Thirty Degrees, Twenty-Five Minutes, Forty-Two Seconds East (N30°25'42"E), One Hundred Fifty-Seven and Forty Hundredths Feet (157.40') and North Thirty-Five Degrees, Forty-Five Minutes, Forty Seconds East (N35°45'40"E), Ninety-Seven and Sixty-Three Hundredths Feet (97.63') to the place of beginning;

CONTAINING 122.635 gross acres of land, as surveyed by Mercurio-Norton-Tarolli, 45 Main Street, Pine Bush, New York 12566, in April of 2005;

SUBJECT to that land located within the above described premises, known as a cemetery and together with rights of others in and to the same and to cross the premises to go to and from the same and there are rights to the remains interred therein to remain unmolested. The location of the cemetery is more particularly bound and described as follows;

COMMENCING at a point at the intersection of the easterly bounds of NYS Route 17, State Highway No. 8256, with the westerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point of beginning being South Forty Degrees, Five Minutes, Twenty-Two Seconds West (S40°05'22"W), Seven and Ninety-Five Hundredths Feet (7.95') from a found copper weld on the property line between Metro North Commuter Rail Road and Woodbury Development, LLC;

THENCE from said place of commencement, and along the easterly bounds of NYS Route 17, State Highway No. 8256, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet; (469.26')

THENCE over and through the Lands of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287, and along the northerly bounds of a 20' wide temporary access easement, with future permanent easement to be provided in accordance with the requirements of the Town of Woodbury Town Board, North Seventy-Four Degrees, Forty-Nine Minutes, Fifty-Nine Seconds East (N74°49'59"E), One Hundred Sixteen and Eighty-Seven Hundredths Feet (116.87') to the westerly most corner of the herein described cemetery;

THENCE along the bounds of the cemetery, the following courses and distances namely:

1. North Seventy Degrees, Forty-Two Minutes, Forty-One Seconds East (N70°42'41"E), Seventy-Eight and One Hundredths Feet (78.01');
2. North Eighty-Six Degrees, Forty-Three Minutes, Thirty-One Seconds East (N86°43'31"E), Fifty-Five and Fifty-Five Hundredths Feet (55.55');
3. South Eleven Degrees, Eleven Minutes, Fifty-Nine Seconds East (S11°11'59"E), One Hundred Eleven and Thirty-Five Hundredths Feet (111.35');
4. South Thirty-Two Degrees, Thirty-Two Minutes, One Second West (S32°32'01"W), One Hundred Ten and Thirty-Seven Hundredths Feet (110.37');
5. North Forty Degrees, One Minute, Fifty-Nine Seconds West (N40°01'59"W), Ninety-One and Sixty-Eight Hundredths Feet (91.68'), and;
6. North Seventeen Degrees, Twenty-Six Minutes, Twenty-Nine Seconds West (N17°26'29"W), One Hundred Eight and Ten Hundredths Feet (108.10') to the place of beginning.

THE area of the cemetery contains 0.442 acres of land, leaving a net area of 122.193 acres of land.

SUBJECT to easements, covenants, restrictions and reservations of record, if any.

SUBJECT to that land within the bounds of NYS Route 17 for use as a public highway.

SUBJECT to all notes and details pertaining to a map entitled "Site A Commercial Subdivision Platt" filed in the Orange County Clerk's Office in February 8, 1990. Designated as filed map no. 9811.

TOGETHER with all right title and interest, if any, in and to any street and roads abutting the premises to the centerlines thereof.

SUBJECT to the rights, if any, in favor of any electric light or telephone company to maintain guy wires extending from the premises to poles located on the roads abutting the premises.

SUBJECT to underground encroachments and easements, if any, including pipes and drains, in such rights as may exist of entry upon the premises to maintain, and repair the same.

SUBJECT to any details pertaining to a map prepared by Ericson and Schmidt Engineers, PC., dated October 1, 1988, under filed no. G8P-045. A copy of this map was not found. The above described premises is subject to any details that may affect this property.

SUBJECT to riparian rights, if any, in favor of or burdening the premises.

SUBJECT to the rights of others to drain through creeks or streams, if any, which cross the premises and the natural flow thereof.

SUBJECT to an irrevocable offer of dedication and easement as described in Liber 3465 of Deeds, Page 163.

SUBJECT to the declaration of covenants and restricts as described in Liber 4132 of Deeds, Page 182 and Liber 4137 of Deeds, Page 331.

SUBJECT to filed maps that show detention or retention ponds within the bounds of the premises. The maintenance, repair and replacement of which show pass to the then owners.

SUBJECT to all notes, easements, restrictions, rights-of-way, covenants and similar matters, various lots, roads, etc., pertaining to Site A on a map "Interchanged, Commerce Center Associates", dated October 27, 1987, filed in the Orange County Clerk's Office as map no. 9811, (63 sheets).

SUBJECT to covenants, restrictions, and easements of record.

SUBJECT to municipal and governmental regulations, if any, provided it is not the intent of the parties to make them restrictive covenants.

SUBJECT to procreations in Liber 2234, Page 842, Liber 4495, Page 317 and Liber 5591, Page 313.

SUBJECT to sewer rights as described in Liber 6183 of Deeds, Page 290, 291 and 292.

SUBJECT to an easement in favor of the County of Orange as described in Liber 792 of Deeds, Page 374, and shown on State Highway 115 taking map 10-A,B.

INTENDED to be the same premises conveyed to Woodbury Development, LLC, recorded in the Orange County Clerk's Office in Liber 6183 of Deeds at Page 287.

AND

ALL THAT LAND, situate in the Village of Woodbury, County of Orange, State of New York, bound and described as follows:

BEGINNING at set 5/8" iron rod with a plastic I.D. cap, on the municipal boundary between the Villages of Harriman and Woodbury, said iron rod being on the westerly bounds of Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, and the easterly bounds of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287;

THENCE from said place of beginning and along the easterly bounds of Woodbury Development, LLC, the following courses and distances, namely, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03'), to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30') to a point on the northerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point being South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), One Hundred Ten and Fifty-Five Hundredths Feet (110.55') from a found marble monument, 6" above grade;

THENCE over and through the Lands of Pennsylvania Lines, LLC, aforementioned, South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), Fifty-Eight and Sixty-Four Hundredths Feet (58.64');

THENCE continuing along a line measured 4.5' westerly of the existing centerline of the existing railroad track, the following courses and distances namely, North Nine Degrees, Fifty-Two Minutes, Seven Seconds East (N09°52'07"E), One Hundred Two and Ninety-Six Hundredths Feet (102.96'), North Nine Degrees, Fifty-Two Minutes, Thirty-Eight Seconds East (N09°52'38"E), One Hundred Sixty-Three and Eight Hundredths Feet (163.08'), North Eight Degrees, Twenty-Two Minutes, Thirty Seconds East (N08°22'30"E), One Hundred Eight and Eighteen Hundredths Feet (108.18'), North Six Degrees, Eleven Minutes, Forty-Two Seconds East (N06°11'42"E), One Hundred Nine and Fifty-Nine Hundredths Feet (109.59'), North Four Degrees, Thirty-Four Minutes, Twenty-Three Seconds East (N04°34'23"E), Sixty-Nine and Fifty-Six Hundredths Feet (69.56'), North Two Degrees, Fifty-Eight Minutes, Nine Seconds East (N02°58'09"E), One Hundred Ten and Thirty-Two Hundredths Feet (110.32'), North Zero Degrees, Fifty Minutes, Fifty-Three Seconds East (N0°50'53"E), One Hundred Fifteen and Sixty-Four Hundredths Feet (115.64'), North One Degree, Twenty-Two Minutes, Thirty-Two Seconds West (N01°22'32"W), One Hundred Four and Fifty-One Hundredths Feet (104.51'), North Two Degrees, Fifty-Four Minutes, Fifty Seconds West (N02°54'50"W), Eighty-Seven and Forty-Two Hundredths Feet (87.42'), North Four Degrees, Seventeen Minutes, Nine Seconds West (N04°17'09"W), One Hundred Nine and Forty-Two Hundredths Feet (109.42'), North Six Degrees, Twenty-Six Minutes, Thirty-Six Seconds West (N06°26'36"W), One Hundred Seventy and Seventy-Five Hundredths Feet (170.75'), North Eight Degrees, Thirty-Six Minutes, Forty-Three Seconds West (N08°36'43"W), One Hundred Twenty and Seventy-Four Hundredths Feet (120.74'), North Ten Degrees, Twenty-Five Minutes, Twenty-Four Seconds West (N10°25'24"W), One Hundred Twenty and Four

Hundredths Feet (120.04'), North Twelve Degrees, Fourteen Minutes, Two Seconds West (N12°14'02"W), One Hundred Twenty-Five and Five Hundredths Feet (125.05'), North Fourteen Degrees, Eleven Minutes, Three Seconds West (N14°11'03"W), One Hundred Twenty-Five and Seventy-Seven Hundredths Feet (125.77'), North Fifteen Degrees, Thirty-Three Minutes, Thirty Seconds West (N15°33'30"W), Sixty-Two and Fifty-Two Hundredths Feet (62.52'), North Seventeen Degrees, Six Minutes, Twenty-Eight Seconds West (N17°06'28"W), One Hundred Twenty-Three and Eighty-Seven Hundredths Feet (123.87'), North Nineteen Degrees, Thirty-Four Minutes, Forty-One Seconds West (N19°34'41"W), One Hundred Twenty-Five and Forty-Two Hundredths Feet (125.42'), North Twenty-One Degrees, Twenty-Six Minutes, Forty-Three Seconds West (N21°26'43"W), One Hundred Nineteen and Ninety-Nine Hundredths Feet (119.99'), North Twenty-Three Degrees, Twenty Minutes, Twenty-Three Seconds West (N23°20'23"W), One Hundred Eighteen and Eighty-Four Hundredths Feet (118.84'), North Twenty-Five Degrees, Six Minutes, Forty-Seven Seconds West (N25°06'47"W), One Hundred Twenty-Six and Forty-Seven Hundredths Feet (126.47'), North Twenty-Seven Degrees, Six Minutes, One Second West (N27°06'01"W), One Hundred Forty-One and Eighty-Eight Hundredths Feet (141.88'), North Twenty-Nine Degrees, Two Minutes, Seven Seconds West (N29°02'07"W), One Hundred Twenty-One and Ninety-Five Hundredths Feet (121.95'), North Thirty-One Degrees, Four Minutes, Fifty-Two Seconds West (N31°04'52"W), One Hundred Twenty-Four and Twenty-Four Hundredths Feet (124.24'), North Thirty-Two Degrees, Twenty-Four Minutes, Fourteen Seconds West (N32°24'14"W), One Hundred Eighteen and Forty-Two Hundredths Feet (118.42'), North Thirty-Three Degrees, Twenty-Five Minutes, Twenty-Two Seconds West (N33°25'22"W), Ninety-Two and Nine Hundredths Feet (92.09'), North Thirty-Three Degrees, Thirty-Eight Minutes, Twenty-Three Seconds West (N33°38'23"W), Ninety-Two and Sixty-Three Hundredths Feet (92.63'), North Thirty-Three Degrees, Forty-Three Minutes, Forty-Eight Seconds West (N33°43'48"W), Ninety-Five and Fifty-Three Hundredths Feet (95.53'), North Thirty-Four Degrees, Eleven Minutes, Fifteen Seconds West (N34°11'15"W), Seventy-Four and Seventy-Three Hundredths Feet (74.73'), North Thirty-Three Degrees, Twenty-Nine Minutes, Forty-Two Seconds West (N33°29'42"W), Ninety-Nine and Forty-Eight Hundredths Feet (99.48'), North Thirty-Three Degrees, Forty-Six Minutes, Fifty-Nine Seconds West (N33°46'59"W), One Hundred Thirty-Two and Sixty-One Hundredths Feet (132.61'), North Thirty-Three Degrees, Forty-Seven Minutes, Nine Seconds West (N33°47'09"W), Ninety-Four and Forty Hundredths Feet (94.40'), North Thirty-Three Degrees, Forty Minutes, Fifty-Eight Seconds West (N33°40'58"W), Ninety-Eight and Seventy-Eight Hundredths Feet (98.78'), North Thirty-Three Degrees, Forty-Three Minutes, Fifty-Six Seconds West (N33°43'56"W), Ninety-Seven and Ten Hundredths Feet (97.10'), North Thirty-Three Degrees, Forty-Six Minutes, Thirty-Three Seconds West (N33°46'33"W), Ninety-Three and Eighty-One Hundredths Feet (93.81'), North Thirty-Three Degrees, Forty-Five Minutes, Twenty-Eight Seconds West (N33°45'28"W), One Hundred Eleven and Thirty Hundredths Feet (111.30'), to a point on the municipal boundary between the Villages of Harriman and Woodbury;

THENCE along said municipal boundary, South Thirty-Six Degrees, Fifty-Three Minutes, Forty-Three Seconds West (S36°53'43"W), Twenty-Two and Thirteen Hundredths Feet (22.13'), to the place of beginning.

CONTAINING 10.686 acres of land, as surveyed by Mercurio-Norton-Tarolli-Marshall, 45 Main Street, Pine Bush, New York 12566.

INTENDED to be a portion of lands conveyed to Pennsylvania Lines, LLC, recorded in the Orange County Clerk's Office in Liber 5119 of Deeds, at Page 132.

Attachment VIII.C.2.b_A2

GROUND LEASE

THIS GROUND LEASE (this "Lease") is made and entered into by and among Flaum Management Company Inc., a New York corporation ("Flaum") and WGLNS, LLC, a New York limited liability company ("WGLNS") (Flaum and WGLNS may hereafter collectively, and together with their successors and permitted assigns, be referred to as "Lessor") and Woodbury Casino, LLC, a Delaware limited liability company (together with its successors and permitted assigns, "Lessee"), on _____, 2014 but effective as of the Commencement Date (defined below).

RECITALS

A. The Upstate New York Gaming Economic Development Act of 2013 (as such act may be amended from time to time, and the rules and regulations promulgated thereunder, the "Act") authorizes the New York State Gaming Commission (or any successor agency, the "Commission") to award up to four gaming facility licenses within three eligible regions designated as regions one, two and five (the "Eligible Regions") of zone two ("Zone Two") of New York State under the Act: generally, the Hudson Valley/Catskill area, the Capital Region, and the Eastern Southern Tier (including portions of the Finger Lakes region). The Act provides that the Commission may award a second license to a qualified applicant in no more than a single Eligible Region;

B. The Act contains criteria by which applicants can submit proposals for evaluation and selection as a Gaming Facility Operator by an independent Gaming Facility Location Board (together with the Commission, or its successor, the "Board"). The Board issued a Request for Applications To Develop And Operate a Gaming Facility In New York State dated March 31, 2014 (as such Request for Applications may be amended, modified, superseded or replaced, the "RFA") as the first step of a competitive process of selection for licensure;

C. Lessee, either directly or through its Affiliates and Lessee-Related Parties, is in the business of owning, operating and developing casinos and related hospitality and entertainment facilities in various jurisdictions;

D. As of the date of this Lease, (i) Flaum is the owner of certain property consisting of approximately One Hundred Twenty One and 39/100 (121.39 +/-) acres of real property (34 contiguous parcels of land) located in Orange County, New York as more particularly described on Exhibit A-1 attached hereto (the "Fee Parcels") and (ii) WGLNS is the lessee of certain property consisting of approximately Ten and 686/1000 (10.686 +/-) acres of real property located in the Village of Woodbury, Orange County, New York, as more particularly described in Exhibit A-2 attached hereto (the "Leased Parcels" and together with the Fee Parcels, the "Parcels") pursuant to that certain Lease Agreement, dated as of May 22, 2014, by and between Norfolk Southern Railway Company ("NSRC") and WGLNS (the "NSRC Lease"). The Parcels may also collectively be referred to as "Lessor's Property" and are shown on a site map attached hereto and made a part hereof as Exhibit B;

E. Lessee submitted an application (the "Application") to the Board pursuant to the Act seeking a New York gaming facility license on a portion of Lessor's Property and, as of the date of this Lease, Lessee has been awarded a gaming facility license in the Catskill/Hudson Valley region in the State of New York (the "Region 1 License") for the development of a gaming facility and certain ancillary facilities that are ordinarily part of a casino development (i.e. hotels, restaurants, entertainment, retail, bars or similar facilities) (collectively, the "Project") to be constructed on (i) approximately One Hundred Four and 536/1000 (104.536 +/-) acres of real property (25 contiguous parcels of land) contained within the Fee Parcels located only within the Village of Woodbury, Orange County, New York and (ii) the Leased Parcels (collectively, the "Project Site"), which Project Site is more particularly described on Exhibit C attached hereto.

F. The Lessor and Lessee now desire to enter into a lease for all of Lessor's Property for a term of years on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of these premises and of the mutual covenants and agreements hereinafter set forth, the parties hereto intending to be legally bound agree as follows:

DEFINITIONS

- 1.1 Acceptance Notice. As defined in Section 24.2(b).
- 1.2 Act. As defined in the recitals.
- 1.3 Additional Amounts. As defined in Section 5.1.
- 1.4 Additional Rent. As defined in Section 4.3.
- 1.5 Affiliate. With respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, provided, however, that, with respect to Lessee, the term “Affiliate” includes only Lessee’s Parent and its direct and indirect controlled subsidiaries and does not include any shareholder or director of Lessee’s Parent or any Affiliate of any such shareholder or director of Lessee’s Parent other than an Affiliate that is Lessee’s Parent and its direct or indirect controlled subsidiaries. For purposes of this definition, the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.
- 1.6 Anti-Terrorism Laws. All present and future statutes, laws, rules, regulations, orders, ordinances, codes or other legal Requirements of any federal, state or local Governmental Authority, court, administrative agency, board of fire underwriters and similar quasi-governmental authority addressing or in any way relating to acts of war, terrorist acts, financing of terrorist activities, drug trafficking, money laundering or similar activities that threaten the security of the United States of America, including (a) The United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act; (b) The Trading with the Enemies Act; (c) all rules and regulations issued by the U.S. State Department or U.S. Treasury Department’s Office of Foreign Assets Control; (d) Executive Orders 13224 issued by the President of the United States, and similar executive orders; and (e) OFAC Regulations.
- 1.7 Application. As defined in the recitals.
- 1.8 Approved Lender. As defined in Section 20.5(a).
- 1.9 Assignee. A Person to whom an Assignment is made.
- 1.10 Assignment. A transfer by Lessee of all of its rights, title, interest and obligations hereunder to all or any portion of the Premises.
- 1.11 Assignment Lease. As defined in Section 16.1.
- 1.12 Base Rent. As defined in Section 4.2.
- 1.13 Board. As defined in the recitals.
- 1.14 Business Days. Each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which national banks in the City of New York, New York are authorized, or obligated, by law or executive order, to close.
- 1.15 Call Notice. As defined in Section 29.6(a).
- 1.16 Call Transaction. As defined in Section 29.6(c).
- 1.17 Closing. As defined in Section 29.6(c).
- 1.18 Closing Date. As defined in Section 29.6(c)(i).

1.19 Contest. As defined in Section 11.1.

1.20 Commencement Date. The later of (i) the date that Lessee is awarded the Region 1 License approving the Project Site for development of the Project and (ii) the date Lessor obtains valid fee title to all of the Fee Parcels free and clear of all liens other than the Permitted Exceptions and has valid leasehold title to the Leased Parcels free and clear of all liens other than the Permitted Exceptions and has the right to enter into this Lease with respect to all Parcels, which events shall occur as promptly as practical but in no event later than forty-five (45) days following the date that Lessee is awarded the Region 1 License approving the Project Site for development of the Project.

1.21 Commission. As defined in the recitals.

1.22 Competitor. As of the date of a proposed sale of all or any portion of the Premises permitted pursuant to the terms of this Lease, any Person (other than Lessee, Lessee's Parent or their respective Affiliates or any Lessee-Related Party) that is engaged, or is a controlling Affiliate of a Person that is engaged, in the ownership, management, development or operation of any gaming or racing business or a racetrack.

1.23 Compliance Committee. The committee established by Lessee's Parent or an Affiliate of Lessee or a Lessee-Related Party to control all compliance related matters and functions with respect to Lessee and its Affiliates or such Lessee-Related Party (or its Affiliates), including, without limitation, monitoring the compliance of the gaming and casino operations of Lessee and its Affiliates with all applicable Gaming Laws and all applicable anti-bribery and anti-corruption laws.

1.24 Construction Deadline. The deadline for the construction of the improvements in the initial phase of the Project as set forth in the Development Plan as required by the Board, as the same may be extended from time to time by the Board

1.25 Construction Plans. Plans and specifications for the construction upon the Project Site of the Improvements contemplated in the initial phase of development set forth in the Development Plan, as submitted with, and approved in connection with, the Application for and award of the Region 1 License, as the same may be modified from time to time in accordance with the applicable Requirements.

1.26 Development. The development by Lessee or its Affiliates of the Project Site or any property adjacent or contiguous to the Project Site as contemplated by the Development Plan.

1.27 Development Plan. A plan for the development of the Project Site submitted with, and approved in connection with, the Application for and award of the Region 1 License which includes a general scope for the Project and conceptual drawings defining the overall design and quality of the Project, as the same may be modified from time to time in accordance with the applicable Requirements.

1.28 Disclosure. As defined in Section 30.24(a).

1.29 Eligible Regions. As defined in the recitals.

1.30 Environmental Statutes. All Requirements, whether now existing or hereafter enacted or promulgated, regulating, relating to or imposing liability or standards of conduct concerning pollution, the protection or preservation of the environment, and the production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or cleanup of Regulated Substances, including, without limitation: (i) Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 et seq. (known as CERCLA or Superfund) as amended by the Superfund Amendments and Reauthorization Act of 1986 (known as SARA); (ii) Solid Waste Disposal Act, 42 U.S.C. Section 6901 et seq. (known as SWDA) as amended by Resource Conservation and Recovery Act (known as RCRA); (iii) National Environmental Policy Act, 42 U.S.C. Section 4321 et seq. (known as NEPA); (iv) Toxic Substances Control Act, 15 U.S.C., Section 2601 et seq. (known as TSCA); (v) Safe Drinking Water Act, 42 U.S.C. Section 300(f) et seq. (known as Public Health Service Act, PHSA); (vi) The Rivers and Harbor Act, 33 U.S.C. Section 401 et seq.; (vii) Clean Water Act, 33 U.S.C. Section 1251 et seq. (known as Federal Water Pollution Control Act, FWPCA); (viii) Clean Air Act, 42 U.S.C. Section 7401 et seq. (known as CAA); (ix) The Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Section 1101 et seq. (known as EPCRTKA); (x)

the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq. (known as OSHA) (solely to the extent related to human exposure to hazardous or toxic substances); and (xi) any similar statute of the State of New York.

1.31 Event of Default. As defined in Section 22.1

1.32 Expiration Date. As defined in Section 3.1.

1.33 Fee Parcels. As defined in the recitals.

1.34 Force Majeure Events. As defined in Section 26.1.

1.35 Gaming Authority. Any gaming control board or regulatory or any successor Governmental Authorities regulating the ownership, operation or management of one or more casinos, video lottery terminal facilities, racetracks, on-line gaming businesses or other business involving gaming or wagering or related activities.

1.36 Gaming Laws. All federal, national, state, local or foreign applicable law, statute, case law, ordinance, rule, regulation, permit, consent, registration, finding of suitability, approval, license, judgment, order, decree, injunction or other authorization (including any condition or limitation placed thereon and including liquor laws) regulating, governing or otherwise pertaining to current or contemplated casino, racing, racino, video lottery terminals, or other gaming or related activities or operations (including all applicable laws relating to related activities such as liquor, cabaret, betting on horses and dogs and the like).

1.37 Governmental Authorities or any one a Governmental Authority. Any federal, state, county, township, municipal, local or foreign government, any legislature, agency, authority, bureau, branch, department, division, commission, court, regulator, tribunal, magistrate, justice, multi-national organization, quasi-governmental body, or other similar recognized organization, body or instrumentality of any federal, state, county, township, municipal, local, or foreign government or any other similar recognized organization, body or instrumentality exercising similar powers or authority.

1.38 Gross Gaming Revenue. The total of all sums actually received by a casino licensee from gaming operations less the total of all sums paid out as winnings to patrons; provided, however, that the total of all sums paid out as winnings to patrons shall not include the cash equivalent value of any merchandise or thing of value included in a jackpot of payout; provided further, that the issuance to or wagering by patrons of a gaming facility of any promotional gaming credit shall not be taxable (and shall not be included under this Lease for) the purposes of determining gross revenue.

1.39 Impositions. Except as set forth in the last sentence hereof, all assessments and charges for utilities and communication services; all license, permit and other authorization fees; all taxes, duties, charges and assessments of every kind and nature imposed by any Governmental Authority pursuant to any current or subsequently enacted Requirements, which during the Term of this Lease become due, or imposed upon, charged against, measured by or become a lien on: (i) the Premises; (ii) any Improvements or personal property of Lessee located on the Premises; (iii) the interest of Lessee in this Lease or in the proceeds received by Lessee from any Assignments and/or Subleases of any portion of the Premises and all fees and penalties related thereto that result from Lessee's failure to timely make required payments. The term "Impositions" shall, however, not include any of the following, all of which Lessor shall pay before delinquent or payable only with a penalty: (a) any franchise, income, excess profits, estate, inheritance, succession, transfer, gift, corporation, business, capital levy, or profits tax, or license fee, of Lessor, (b) the incremental portion of any of the items listed in this paragraph that would not have been levied, imposed or assessed but for any sale or other direct or indirect transfer of the Lessors' Property or of any interest in Lessor during the Term, (c) any charges that would not have been payable but for any act or omission of Lessor or conditions existing on, at or with respect to the Premises before the Commencement Date, (d) any charges that are levied, assessed or imposed against the Premises during the Term based on the recapture or reversal of any previous tax abatement or tax subsidy, or compensating for any previous tax deferral or reduced assessment or valuation, or based on a miscalculation or misdetermination of any charge(s) of any kind imposed or assessed with respect to the Premises, relating to any period(s) before the Commencement Date, (e) the base rent payable under the NSRC Lease and any expenses arising under the NSRC Lease that are not the result of Lessee's operation and use of the Leased Parcels or are not usual pass through expenses (such as real estate expenses and utility charges), and (f) interest, penalties and other charges with respect to items "a" through "e."

- 1.40 Improvements. As defined in Section 8.1.
- 1.41 Information. Any party's information that is non-public, confidential, or proprietary in nature, including as such information may be presented in whole or in part in reports, analysis, compilations, data, studies, or other documents prepared by any such party or its Representatives.
- 1.42 Initial Notice. As defined in Section 8.3.
- 1.43 Institutional Lender. As defined in Section 20.5(a).
- 1.44 Interest Rate. A rate of interest equal to Prime Rate plus two percent (2%) per annum but in no event in excess of the maximum permissible rate then in effect in the State of New York.
- 1.45 Interim Trust. A trust, where the trustee is independent of Lessor and any Lessor-Related Party, the purpose of which is to divest the Lessor's Property to a purchaser (other than Lessor or any Lessor-Related Party) as soon as practicable.
- 1.46 Internal Period. As defined in Section 29.6(a).
- 1.47 Land Value. As defined in Section 29.6(a).
- 1.48 Lease Year. (i) In the case of the first (1st) Lease Year, the period from the Commencement Date through December 31st of that year, (ii) in the case of subsequent Lease Years excluding the last Lease Year, the twelve (12) calendar month period following each Lease Year based on a calendar fiscal year, and (iii) in the case of the last Lease Year, the period from January 1st of such year through the last day of the Term.
- 1.49 Leased Parcels. As defined in the recitals.
- 1.50 Leasehold Estate. Collectively, (i) all right, title and interest of Lessee in, to and under this Lease, and (ii) all right, title and interest of Lessee in, to and under the Premises and Improvements, in each case, for the Term.
- 1.51 Lessee-Related Party. Caesars Entertainment Corporation, a Delaware corporation and its direct and indirect subsidiaries.
- 1.52 Lessee's Construction. As defined in Section 8.2.
- 1.53 Lessee's GGR. The Gross Gaming Revenue earned by Lessee or Lessee's Affiliates from conducting gaming operations on the Project Site.
- 1.54 Lessee's Parent. Caesars Acquisition Company, a Delaware corporation, or any successor thereto.
- 1.55 Lessee's Policies. As defined in Section 13.9.
- 1.56 Lessee's ROFO. As defined in Section 24.2
- 1.57 Lessee's Work. As defined in Section 8.7.
- 1.58 Lessor Cure. As defined in Section 29.6(a).
- 1.59 Lessor Financing. As defined in Section 24.3.
- 1.60 Lessor Indemnitees. As defined in Section 12.1.
- 1.61 Lessor-Related Party. Lessor or any of its Representatives or Affiliates.

1.62 Lessor's Interest. As defined in Section 24.1.

1.63 Lessor's Offer. As defined in Section 24.2.

1.64 Lessor's Property. As defined in the recitals.

1.65 Licensing Event. (a) A notice or communication (whether oral or in writing) by or from any Gaming Authority to Lessee or any of its Affiliates or any Lessee-Related Party or other action by any Gaming Authority that indicates that such Gaming Authority may find that the association of Lessor or any Lessor-Related Party with Lessee or any of its Affiliates or any Lessee-Related Party (i) could result in a disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain, or otherwise put in jeopardy, any registration, application or license or any other rights or entitlements held or desired to be held by Lessee or any of its Affiliates or any Lessee-Related Party under any Gaming Law or (ii) could violate any Gaming Law to which Lessee or any of its Affiliates or any Lessee-Related Party is subject; (b) a good faith determination by Lessee or the Compliance Committee (in each case in its sole and exclusive judgment) that any Lessor-Related Party is a Prohibited Person; or (c) any Lessor-Related Party is required to be licensed, registered, qualified or found suitable under any Gaming Law, and such Person is not or does not remain so licensed, registered, qualified or found suitable or, after becoming so licensed, registered, qualified or found suitable, fails to remain so. "Licensing Event" shall also have the meaning set forth in Section 24.1.

1.66 Losses. As defined in Section 12.1.

1.67 Major Alteration. As defined in Section 8.5.

1.68 Material Default. As defined in Section 22.2(c).

1.69 Negotiation Period. As defined in Section 29.6(b).

1.70 New Lessee. As defined in Section 20.5(r).

1.71 New York Gaming Authorities. Any gaming control board or regulatory or any successor Governmental Authorities established by the State of New York regulating the ownership, operation or management of one or more casinos, video lottery terminal facilities, racetracks, on-line gaming businesses or other business involving gaming or wagering or related activities in the State of New York, including without limitation, the Board.

1.72 Non-Qualified Person. (i) a Person who is a "designated national," "specially designated national," "specially designated terrorist," "specially designated global terrorist," "foreign terrorist organization," "specially designated narcotics trafficker" or "blocked person," within the definitions set forth in the OFAC Regulations, or who otherwise appears on the list of Specially Designated Nationals and Blocked Persons included in the OFAC Regulations, (ii) the government, including any Governmental Authority, of any country against which the United States maintains economic sanctions or embargos, (iii) a Person acting or purporting to act, directly or indirectly, on behalf of, or any entity owned or controlled by, any of the Persons listed in clauses (i) or (ii) above, (iv) a Person in violation of any other civil or criminal federal or state law or Anti-Terrorism Laws, or (v) a Person on any other export control, terrorism or drug trafficking related list administered by any Governmental Authority as that list may be amended, adjusted or modified from time to time.

1.73 NSRC. As defined in the recitals.

1.74 NSRC Lease. As defined in the recitals.

1.75 OFAC Regulations. The regulations applicable to the Office of Foreign Assets Control of the US Department of the Treasury, codified at 31 C.F.R., Subtitle B, Chapter V, as amended.

1.76 Opening Date. The date the casino and all food, beverage, lodging, entertainment facilities and other facilities ancillary to the casino located on the Project Site opens for business accepting paying guests (but excluding any "soft opening" during which less than substantially all of the casino facilities are open to the public for business).

- 1.77 Owner. As defined in Section 8.8.
- 1.78 Parcels. As defined in the recitals.
- 1.79 Partial Taking. As defined in Section 17.2.
- 1.80 Percentage Rent. As defined in Section 4.4.
- 1.81 Permitted Exceptions. The estates, interests, liens, charges and encumbrances set forth in Exhibit D attached hereto.
- 1.82 Permitted Mortgage. Any mortgage, deed of trust, agreement for sale or other security device creating a first lien on Lessee's Leasehold Estate, a true and complete copy of which has been properly delivered to Lessor.
- 1.83 Permitted Mortgagee. The holder of a Permitted Mortgage.
- 1.84 Permits. With respect to any Person, all licenses, permits, registrations, franchises, approvals, authorizations, certifications, qualifications, consents or orders of, or filings with, or notifications to, any Governmental Authority, or any other Person, under any Requirement.
- 1.85 Person. An individual, corporation, limited liability company, partnership of any type, joint venture, estate, trust, unincorporated association, other entity and all Governmental Authorities.
- 1.86 Personal Property. As defined in Article 15.
- 1.87 Pre-Existing Environmental Condition. Any environmental condition or contamination that existed on or prior to the Commencement Date of this Lease at, on, under, or from the Premises.
- 1.88 Premises. The Lessor's Property together with all rights and easements appurtenant thereto as expressly granted by this Lease, all existing and future Improvements and temporary or portable structures located on, below or above the Lessor's Property.
- 1.89 Prime Rate. The Prime Rate of interest published as the consensus prime rate by The Wall Street Journal or any successor publication. If the Prime Rate shall cease to be published, the Prime Rate shall equal the equivalent rate announced from time to time by the New York based bank holding the most deposits at the end of the preceding calendar year.
- 1.90 Prior Fee Owner. Woodbury Real Estate Group, LLC.
- 1.91 Prohibited Person. Any Person that (a) is a Competitor, (b) is a Non-Qualified Person, or (c) is a Person (i) that in the good-faith determination of Lessee or the Compliance Committee (in each case in its sole and exclusive judgment) whose association with Lessee or any of its Affiliates or any Lessee-Related Party could jeopardize, create a material negative issue with respect to, result in any material restrictions on, result in a disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain, any registration, application or license or any other rights or entitlements held, required to be held or being pursued by Lessee or any of its Affiliates or any Lessee-Related Party under any United States, state, local or foreign laws or regulations relating to gaming or the sale of alcohol (including any Gaming Laws), (iv) whose association or relationship with Lessee or any of its Affiliates or any Lessee-Related Party could be anticipated to violate any United States, state, local or foreign laws or regulations relating to gaming or the sale of alcohol (including any Gaming Laws) to which Lessee or any of its Affiliates or any Lessee-Related Party is subject or (v) who may be found to be "unsuitable" within the meaning of any gaming license held by, or any Gaming Laws applicable to, Lessee or any of its Affiliates or any Lessee-Related Party.
- 1.92 Project. As defined in the recitals.
- 1.93 Public Use Interest. As defined in Section 7.1.

- 1.94 Purchaser. As defined in Section 29.6(c)(ii).
- 1.95 Qualified Appraiser. A member of the Appraisal Institute, or a comparable national professional organization existing from time to time, who shall be independent of Lessor, Lessee, and all fee mortgagees and each of their Affiliates and so certifies to each of Lessor and Lessee in the manner presently provided by MAI appraisers and who shall at the time in question be currently active and have at least fifteen (15) years' experience in the valuation of commercial real estate in Orange County, New York.
- 1.96 Region 1 License. As defined in the recitals.
- 1.97 Regulated Substance. Those substances, materials or wastes that are defined, listed or regulated as hazardous, toxic, pollutants or contaminants (or other terms of similar meaning or regulatory intent) by a governmental authority, including, radioactive material, medical waste, biohazardous or infectious waste, herbicides, fungicides, rodenticides, insecticides, or pesticides, asbestos, polychlorinated biphenyls, urea formaldehyde, radon gas or petroleum, petroleum-byproducts.
- 1.98 Remediation Costs. As defined in Section 12.5.
- 1.99 Rent. As defined in Section 4.1.
- 1.100 Rent Commencement Date. The date which is the earlier of (a) the Opening Date and (b) the date that is twenty-four (24) months after Lessee is finally awarded the Region 1 License.
- 1.101 Representatives. Any party's directors, officers, partners, employees, agents or representatives.
- 1.102 Required Lessor Licenses. All gaming licenses or other licenses required by the Board or any other applicable Governmental Authority in the State of New York to permit Lessor to collect Rent that is calculated or otherwise based on the Gross Gaming Revenues generated from the Project on the Project Site.
- 1.103 Requirements. Any and all applicable now existing or hereafter enacted or promulgated federal, state, town, village, county and municipal laws, rules, orders, judgments, ordinances, regulations, statutes, requirements, permits, consent orders or decrees, directives, constitutions, codes and executive orders.
- 1.104 RFA. As defined in the recitals.
- 1.105 Second Notice. As defined in Section 8.3.
- 1.106 Services Agreement. The Services Agreement between Lessor and Lessee, dated as of June 27, 2014, as the same may be amended, supplemented, restated or otherwise modified from time to time.
- 1.107 Subject Group. As defined in Section 29.3(b).
- 1.108 Sublease. A transfer by Lessee of less than all of its rights, title, interest and obligations hereunder to all or any portion of the Premises pursuant to a written lease, rental agreement, license, concession, leased appurtenant rights, occupancies, tenancies or other agreements or arrangements for use or hire of, or in respect of, any portion of the Premises and/or the Improvements to occupants of portions of the Premises and/or the Improvements, and may include sub-ground leases. Any further Assignments or Subleases made by Sublessees shall also be included within the meaning of the term Sublease.
- 1.109 Sublessee. The Person entitled to occupy, use, or possess any portion of the Premises under a Sublease.
- 1.110 Substantial Casualty. Any damage or destruction that: (a) renders 30% or more of the square footage of the casino facility that is part of the Project or 50% of the remainder of the Improvements built on Lessor's Property at the time of the Substantial Casualty not capable of being used or occupied; (b) occurs less than 10 years before the end of the Term and renders 30% or more of the Improvements built on Lessor's Property at the time of the Substantial Casualty not capable of being used or occupied; or (c) pursuant to the Requirements, prevents

the Premises from being restored to the same bulk, and for the same use(s), as before the casualty.

1.111 Substantial Condemnation. Any taking by exercise of the power of eminent domain or condemnation (or by purchase in lieu thereof) that (a) takes the entire Premises; (b) in Lessee's reasonable determination (with Permitted Mortgagee's consent) renders the remaining Premises Uneconomic; or (c) occurs less than 10 years before the end of the Term and takes 25% or more of the Premises.

1.112 Temporary Condemnation. As defined in Section 17.3.

1.113 Term. As defined in Section 3.1

1.114 "Uneconomic". The Premises or any substantial part of the Premises: (a) cannot be used for its previously intended purpose; (b) is subject to material impairment of access to, parking facilities benefiting, or any material service(s) necessary or appropriate for economic operation; (c) requires restoration whose cost Lessee reasonably estimates in writing would exceed 1.5 times the then-current aggregate fair market value of the Lessor's Property and the Leasehold Estate; (d) does not comply with any operating requirements under the Region 1 License; or (e) cannot be developed or operated in a commercially reasonable manner.

1.115 Zone Two. As defined in the recitals.

ARTICLE 2. LESSOR'S PROPERTY

2.1 Lease Grant. Lessor does hereby demise and lease and sublease to Lessee, and Lessee does hereby lease and sublease and take from Lessor the Lessor's Property, together with all easements, appurtenances and other rights and privileges now or hereafter belonging or appertaining to the Lessor's Property, subject only to the Permitted Exceptions, for the Term.

2.2 Income Tax Considerations. Lessor and Lessee agree that throughout the Term, for federal income tax purposes, Lessor shall be treated as the owner/ground lessor (as applicable), of the Lessor's Property and Lessee shall be deemed the owner of the Improvements, and neither Lessor nor Lessee shall take any action (or refrain from taking any action) that is inconsistent with such tax treatment.

2.3 "AS-IS, WHERE IS" Condition. LESSEE HEREBY ACCEPTS THE SAME IN THE PHYSICAL CONDITION OR STATE IN WHICH THE LEASED PREMISES NOW IS HELD WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, WHETHER EXPRESSED OR IMPLIED IN FACT OR BY LAW, INCLUDING WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, EXCEPT FOR THOSE REPRESENTATIONS AND WARRANTIES SPECIFICALLY SET FORTH HEREIN. LESSEE SHALL HAVE NO RECOURSE AGAINST LESSOR, EXCEPT AS MIGHT OTHERWISE BE SPECIFICALLY PROVIDED FOR HEREIN, AS TO THE PHYSICAL NATURE, CONDITION OR USABILITY OF THE LESSOR'S PROPERTY.

ARTICLE 3. TERM

3.1 Commencement, Expiration. The term of this Lease shall be for a period beginning on the Commencement Date and ending at 11:59 p.m. on the last day of the eight hundred fortieth (840th) full calendar month thereafter (the "Expiration Date"), unless sooner canceled or terminated as provide herein (the "Term").

3.2 Extension Options. In consideration of and conditioned upon Lessee being in full compliance with all terms and conditions set forth herein, the Lessor hereby grants unto the Lessee the option to lease the Lessor's Property for three (3) additional fifteen (15) year terms; the first of said terms commencing upon the expiration of the initial seventy (70) year term and extending for a period of fifteen (15) years, (hereinafter referred to as "first option term"), and the second of said terms commencing upon the expiration of the first option term and extending for a period of fifteen (15) years, (hereinafter referred to as "second option term"), and the third of said terms commencing upon the expiration of the second option term and extending for a period of fifteen (15) years, (hereinafter referred to as "third option term").

Each option to extend the Lease as set forth above shall automatically occur unless the Lessee elects to terminate this Lease and communicates such election by written notice from the Lessee to the Lessor on or before twenty four (24) months prior to the expiration of the then current Lease term. Notwithstanding the foregoing, if Lessor fails to obtain extensions of the NSRC Lease to accommodate the applicable options to extend as set forth above on terms and conditions acceptable to Lessor and Lessee, such options to extend shall be null and void with respect to the Leased Parcels but Lessee shall have the option, but not the obligation, to lease the Fee Parcels pursuant to the extension terms above.

Unless and until this Lease is terminated, all of the terms and conditions of this Lease shall be applicable to the first option term, the second option term and the third option term.

ARTICLE 4. RENT

4.1 Rent. Lessee shall pay to Lessor rent, including, without limitation, Base Rent, Additional Rent and Additional Amounts, to Lessor pursuant to the terms and provisions of this Article 4 (collectively, "Rent").

4.2 Base Rent. Commencing on the Rent Commencement Date and continuing until the end of the Term, Lessee shall pay Lessor an annual base rent equal to Five Million and no/100 Dollars (\$5,000,000.00), which shall be payable in equal and consecutive monthly installments of Four Hundred Sixteen Thousand Six Hundred Sixty-Six and 66/100 Dollars (\$416,666.66) each ("Base Rent"). Base Rent for partial months at the beginning or end of the period during which Base Rent is to be paid shall be prorated based on the number of days in such month within the Term divided by the number of days in the entire month. Base rent is allocated as follows: \$4,990,000.00 annually to Flaum and \$10,000.00 annually to WGLNS.

4.3 Additional Rent. In addition to the Base Rent, commencing on the Rent Commencement Date and continuing until the end of the Term, Lessee shall pay additional rent for the Lessor's Property in the amounts calculated in the manner set forth in Sections 4.4 and 4.5 (collectively, "Additional Rent"). Additional Rent for the final Lease Year shall be due and payable within ninety (90) days after the expiration or earlier termination of this Lease. The obligation to pay Additional Rent from the Rent Commencement Date through the date of expiration or earlier termination of this Lease shall survive the expiration or earlier termination of this Lease.

4.4 Calculation of Additional Rent based on Gross Gaming Revenue. Commencing on the Rent Commencement Date and continuing until the end of the Term, for so long as Lessor has obtained and maintains all Required Lessor Licenses, Lessee shall pay Flaum an annual percentage rent (the "Percentage Rent") equal to (i) One and One-Half percent (1.5%) of any Lessee's GGR during the applicable Lease Year that exceeds \$333,333,333 but not more than \$600,000,000 (the "First Break Point") and (ii) two percent (2%) of any Lessee's GGR during the applicable Lease Year that exceeds \$600,000,000 (the "Second Breakpoint"). Flaum acknowledges and agrees that Lessee shall have no obligation to pay Percentage Rent if Lessor fails to maintain any Required Lessor Licenses, provided, however, that any unpaid Percentage Rent shall accrue during any period in which the Required Lessor Licenses are not in effect. Subject to all Gaming Laws, any such accrued but unpaid Percentage Rent shall be paid by Lessee to Flaum upon the re-establishment of the Required Lessor Licenses, less any costs, expenses and penalties Lessee incurs as a result of Lessor's failure to maintain such Required Lessor Licenses.

4.5 Due Date. Lessee shall pay the Rent described herein without offset or deduction, except as expressly provided herein, and without notice or demand. All Rent shall be payable in immediately available funds which at the time of payment is legal tender for payment of public and private debts in the United States of America. Lessee shall pay Rent by wire transfer to the account of Lessor pursuant to wire instructions provided by Lessor from time to time. Lessor may change the place or manner for delivery of Rent payments upon thirty (30) days prior written notice to Lessee.

(a) Base Rent. The Base Rent during the Term of this Lease shall be due and payable in equal monthly payments no later than the first day of each month.

(b) Percentage Rent. Percentage Rent, if any, for each Lease Year shall be paid by Lessee to Flaum within ninety (90) days after the last day of the applicable Lease Year. The payment of Percentage Rent shall be accompanied by Lessee's calculation of Percentage Rent and a copy of the relevant reports indicating Lessee's GGR, if any, which have been submitted to the Commission or the New York State Department of Taxation and

Finance for purposes of calculating license fees. Any calculations or reports provided by Lessee to Flaum pursuant to this Section shall be subject to the confidentiality provisions of this Lease.

4.6 Notice of Default. If by the due date for the payment of such Rent, Lessor has not received the payment which has become due and payable, Lessor shall deliver to Lessee (and to all Permitted Mortgagees who have complied with Article 20 hereof) written notice (specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment) demanding that within ten (10) Business Days thereafter, Lessee pay such Rent, together with late payment charges and interest as described in Sections 4.7 and 4.8.

4.7 Interest. There shall be added to any Rent payment which has become due and payable but has not been paid, interest at the Interest Rate from and after the thirtieth (30th) day following the date that the Rent payment became due.

4.8 Late Charge. In addition to the interest required by Section 4.7, a late charge in the amount of three percent (3%) of the Rent payment due shall be added to any Rent payment not paid within ten days after the date such Rent payment was due. Lessee acknowledges that such amount is not a penalty but is intended to compensate Lessor for time and internal collection efforts associated with any such late payment.

4.9 Net Lease. This Lease is a net lease and it is agreed and intended that the Lessee shall pay or cause to be paid all operating costs and Impositions of every kind and nature whatsoever relating to the Premises except as otherwise expressly otherwise provided in this Lease and except for the limitations with respect to the NSRC Lease provided for in the Lease. The parties acknowledge and agree that the terms and conditions of Section 3(c) of the Services Agreement with respect to certain Rent offsets is incorporated herein as if such terms were set forth herein.

ARTICLE 5. ADDITIONAL AMOUNTS

5.1 Additional Amounts. In addition to the Base Rent or Additional Rent, Lessee shall also pay or cause to be paid all Impositions and all other costs, expenses, liabilities, obligations or other payments which Lessee under this Lease expressly assumes and agrees to pay (which shall not include the base rent payable under the NSRC Lease and any expenses arising under the NSRC Lease that are not the result of Lessee's operation and use of the Leased Parcels or are not usual pass through expenses (such as real estate expenses and utility charges) under the NSRC Lease), all of which are hereinafter referred to individually and collectively as "Additional Amounts". After the Commencement Date and during the Term, Lessee, at its sole cost and expense, shall pay or cause to be paid, in addition to the Impositions, all charges for gas, electricity, light, heat, power, telephone, cable or other communication service, and any other utilities rendered or supplied upon or in connection with the Premises, and shall indemnify Lessor and save Lessor harmless from and against any liability or damages on account thereof. To the extent any statement for such services covers any period before the Commencement Date or after the Expiration Date, such statement shall be prorated such that Lessee shall pay only such portion that is attributable to the period within the Term. Notwithstanding anything to the contrary in this Lease, Lessee may offset against Rent any sums paid by Lessee on account of, and Lessor shall indemnify Lessee against payment of, the following items payable, accrued or incurred by Flaum and/or WGLNS, as the case may be: (a) all payment required from time to time under any fee mortgage, including principal, interest, late charges, costs of collection, reimbursement of protective advances, and any other sums any fee mortgage secures, (b) depreciation, amortization, brokerage commissions, financing or refinancing costs, management fees or leasing expenses for Lessor's Property, (c) consulting, overhead, accounting, tax preparation, other professional fees, travel, legal and staff costs, bank service charges, and other costs incidental to Flaum's ownership of the Fee Parcels and WGLNS's lease of the Leased Parcels and administration and monitoring of this Lease, including such costs Lessor incurs in reviewing anything Lessee delivers under this Lease (except where this Lease expressly provides otherwise) or determining whether Lessee is in compliance with this Lease, (d) any costs or expenses that Lessor incurs in or for any arbitration or similar legal proceeding, except to the extent that this Lease requires Lessee to pay such costs and expenses; (e) any costs arising from or under any instrument or agreement affecting the Premises and to which Lessor is a party and Lessee is not a party, (f) the base rent payable by WGLNS under the NSRC Lease and any expenses payable by WGLNS arising under the NSRC Lease that are not the result of Lessee's operation and use of the Leased Parcels or are not usual pass through expenses (such as real estate expenses and utility charges) under the NSRC Lease; (g) any sums payable by Lessor under this Lease, and (h) all other costs or expenses that, by their nature, are personal to Lessor or Lessor's business of investing in real estate or ownership or leasing of the Lessor's Property.

5.2 Payment. Lessee shall pay or cause to be paid all Additional Amounts within thirty (30) days of receipt of an invoice from Lessor setting forth the Additional Amounts payable and reasonable supporting documentation for each item referenced in such invoice and before any interest, penalty, fine or cost accrues for nonpayment, provided, however, that if any Additional Amounts may by applicable Requirement be paid in installments, Lessee may pay such Additional Amounts in installments together with applicable interest thereon. Such installments may not extend past the Expiration Date. Lessee shall pay all such installments and any applicable interest at the time they become due and before any further penalty or fine may be added thereto. Notwithstanding the above, in no event shall Lessee be liable for any interest, penalty, fine or cost that accrues for nonpayment of an item of Additional Rent if such late payment was caused by Lessor's failure to remit an Imposition or other payment (paid to Lessor by Lessee) in accordance with Lessee's reasonable instructions or Lessor's failure to promptly forward Lessee a copy of the supporting documentation evidencing the required item of Additional Rent received by Lessor, and in any such case Lessor shall pay such interest, penalties, fines or costs that accrue for nonpayment.

5.3 Evidence. Within a reasonable period after Lessee's receipt of Lessor's written request, Lessee shall furnish to Lessor pertinent official receipts or other proof satisfactory to Lessor evidencing the payment of any Additional Amounts before the same become delinquent.

5.4 Interest. If Lessee fails to pay or cause to be paid in accordance with Section 5.2 any Additional Amounts, then Lessor shall have all the rights and remedies provided in Section 22.2, as in the case of nonpayment of Rent and in Section 18.1, including the right to interest at the Interest Rate on all such Additional Amounts, if and to the extent paid by Lessor from and after the date of Lessee's nonpayment.

5.5 Transfer Taxes. Lessor and Lessee agree that any required New York State or Orange County transfer tax which may be imposed based on this Lease, if any, (i) if related to the Fee Parcels, shall be shared on a 50/50 basis between Flaum and Lessee and (ii) if related to the Leased Parcels, shall be paid solely by WGLNS. Lessor and Lessee shall reasonably cooperate with the other in determining the appropriate calculations of any required transfer tax and completing any transfer tax forms required by applicable Governmental Authorities. Lessor shall have no liability to Lessee for ad valorem or other taxes of any kind assessed against Lessee's Leasehold Estate or Improvements.

ARTICLE 6. USE OF THE LESSOR'S PROPERTY AND PREMISES

6.1 Uses. The Project Site may be used by Lessee for any use permitted by or consistent with the Development Plan, as may be amended or revised from time to time in accordance with all applicable Requirements. The parties acknowledge and agree that the Project shall be located solely on the Project Site, provided, however, that Lessee shall not be prohibited from developing the remainder of the Lessor's Property in a manner not inconsistent with the use of the Project Site, subject to all applicable Requirements.

6.2 Development Plan. Lessor has leased the Lessor's Property to Lessee for development, construction, operation and use of Improvements on the Project Site consistent with the Development Plan, as the same may be amended or revised from time to time and for such other development not inconsistent with the use of the Project on the remainder of the Lessor's Property. The initial Development Plan is outlined in Exhibit E attached hereto and is incorporated herein by this reference and Lessor hereby consents to and approves the initial Development Plan. Lessee shall develop and construct the Project Site substantially in accordance with the Development Plan; provided, however, that if Lessee desires to develop or construct the Project Site in a manner which is different than the Development Plan, Lessee may do so in its sole discretion provided such change complies with all applicable Requirements.

6.3 Zoning. Lessee agrees to abide by the applicable provisions of any Village of Woodbury zoning regulations applicable to the Premises and Improvements and other applicable Village of Woodbury land use ordinances and the Act in connection with its development of the Project on the Project Site.

6.4 Conformity to Law. Except to the extent that (a) this Lease otherwise expressly provides or allows or (b) Lessee is performing construction of the Improvements in compliance with this Lease, during the Term, Lessee shall maintain the Premises in a condition of order and repair sufficient to comply with applicable

Requirements, subject to casualty (governed by other provisions of this Lease), reasonable wear and tear, and any other conditions that this Lease does not require Lessee to repair. Lessee promptly shall at all times materially comply with all applicable Requirements with respect to the Premises, including, without limitation, the condition, maintenance, use, operation, occupation, improvement and alteration of the Premises, without regard to the nature or cost of the work required to be done, extraordinary as well as ordinary, of any Governmental Authority, affecting the Premises, or any street, avenue or sidewalk comprising a part or in front thereof or any vault in or under the same, or requiring the removal of any encroachment, or affecting the construction, maintenance, use, operation, management or occupancy of the Premises, whether or not the same involve or require any structural changes or additions in or to the Premises without regard to whether or not such changes or additions are required on account of any particular use to which the Premises, or any part thereof, may be put, and without regard to the fact that Lessee is not the fee owner of the Premises. Lessee also shall comply with any and all provisions and requirements of any casualty, liability or other insurance policy required to be carried by Lessee under the provisions of this Lease. Lessee shall promptly provide Lessor written notice of (i) Lessee's obtaining knowledge of any release of any material quantity of Regulated Substances on, in, under or from the Premises; (ii) Lessee's receipt of any notice to such effect from any Governmental Authority; and (iii) Lessee's obtaining knowledge of the incurring of any material expense or loss by such Governmental Authority or by any other Person in connection with the assessment, containment or removal of any Regulated Substance for which expense or loss Lessee may be liable, in whole or in part, or for which expense or loss a lien may be imposed on the Premises. If Lessee desires to contest the validity or applicability of any Requirement other than as set forth specifically in the Lease, including without limitation, Section 11.1, Lessee, at its sole cost and expense, may carry on such contest, provided that non-compliance shall not constitute a crime or expose Lessor or the Premises to any material risk of any penalty, fine, liability or expense, except civil penalties for which Lessee has given Lessor a bond, letter of credit, or other security reasonably satisfactory to Lessor in an amount equal to the reasonably estimated amount of such civil penalties. If Lessee provided Lessor with any bond or similar security pursuant to this Section, Lessor shall promptly release such bond or similar security after the contest has been resolved and Lessee has performed its obligations, if any, as determined by such resolution.

6.5 Minerals. Lessor excepts and reserves out of the Lessor's Property all oils, gases, geothermal resources, coal, ores, minerals, fertilizer and fossils of every kind which may be in or upon the Lessor's Property. Notwithstanding the foregoing, Lessor reserves no right to enter upon the Lessor's Property to inspect, explore or extract any such items without the prior written reasonable consent of Lessee; provided that, Lessee may withhold its consent to a request by Lessor for entry (and it shall be deemed reasonable for Lessee to do so) if Lessee believes in its reasonable discretion that any such entry would delay, interfere with or otherwise adversely affect the development, construction, operation or use of the Premises. Lessee shall be entitled to reasonable compensation for any damages resulting from the exercise of the rights reserved hereunder.

6.6 Quiet Enjoyment. So long as this Lease has not been terminated, Lessor warrants that Lessee shall quietly have, hold and enjoy the Premises during the Term of this Lease without molestation, hindrance, or disturbance by or from Lessor or by anyone claiming by or through Lessor or having title to the Lessor's Property paramount to Lessor and free of any encumbrance created or suffered by Lessor, except Permitted Exceptions. Except for the Permitted Exceptions, Lessor will not enter into any agreement that will encumber the Premises without Lessee's consent, which may be withheld in Lessee's sole discretion.

6.7 Surrender. Lessee shall peaceably surrender possession of the Premises upon the Expiration Date or earlier termination of this Lease in accordance with the terms of Article 27.

ARTICLE 7.

EASEMENTS AND DEDICATIONS

7.1 Grant. Lessor hereby acknowledges and agrees that land within Lessor's Property may be required to be available for easements (hereinafter called "Public Use Interest") for roadways, access, utilities and drainage, including, without limitation, water, power, gas, electric and sewer, over, under, upon and across such portions of the Lessor's Property as are identified and designated from time to time by Lessee and are reasonably necessary or desirable for implementation of the Development Plan and development of the Project or other development on Lessor's Property. Such Public Use Interest shall be easements, as required by the applicable Governmental Authority and permitted by applicable Requirements, and shall in all cases survive expiration, cancellation or termination of this Lease and the Leasehold Estate created pursuant hereto.

7.2 Designation. Before Lessor will make a Public Use Interest available, Lessee shall deliver a legal description of the applicable portion of the Lessor's Property and a completed application for right-of-way describing the nature of the Public Use Interest required.

7.3 Dedication to Public Agencies. After notification of the Public Use Interest in the manner described above, Lessor shall promptly execute and deliver a perpetual easement in the form required by the applicable Governmental Authority for the Public Use Interest (including in recordable form) to the grantee of the Public Use Interest. Upon such dedication of a Public Use Interest, this Lease shall automatically be subordinate to such Public Use Interest until such time, if ever, that the Governmental Authority or the utility abandons the Public Use Interest. Upon such abandonment, the Public Use Interest shall automatically become subordinate to this Lease until such time, if ever, that the Public Use Interest is once again dedicated to a Governmental Authority or a utility. Lessor shall also execute such other and further documents as may be required to fully implement the intent of this Section.

7.4 Easements. At Lessee's election and without further consent of Lessor, Lessee may, from time to time, create private, exclusive or non-exclusive easements over, under, upon and across the Lessor's Property for roadway, access and utilities, including, without limitation, telephone, cable television and other communications; provided, however, that such easements shall be for a term that does not extend beyond the Expiration Date. Any such easement shall terminate upon the later of: (a) the termination of this Lease, or (b) the termination of all Subleases to which the Lessor attorns in accordance with this Lease and which are utilizing the easement.

ARTICLE 8. CONSTRUCTION AND IMPROVEMENTS

8.1 Definition. All buildings, fixtures, streets, curbs, sewers, drainage and flood control structures, sidewalks, fences, utilities, landscaping, signs and other structures or improvements of every kind and nature which exist, at any time, and any and all material alterations, replacements, additions, upgrades or substitutions relating thereto on, above and below the Lessor's Property or a portion thereof are considered "Improvements" under this Lease.

8.2 Construction. Lessee covenants that Lessee shall commence and diligently pursue completion of the Improvements in the initial phase of the development in the Development Plan in substantial conformance with the Development Plan and Construction Plans ("Lessee's Construction"). Lessee represents and warrants that Lessee's Construction will be performed in a workmanlike manner, according to the Construction Plans. Subject to the provisions regarding Force Majeure Events, Lessee's Construction with respect to the initial phase of development set forth in the Development Plan will be substantially completed on or before the Construction Deadline.

8.3 Permits. Lessee shall have the obligation, at Lessee's sole expense, to apply for, obtain and maintain any and all applicable Permits required by any Governmental Authority for the performance of Lessee's Construction and for any and all activities of Lessee in or about the Premises. Lessor agrees to cooperate with Lessee in obtaining the Permits. Such cooperation shall include, if reasonably necessary, the execution by Lessor of any applications or other documents necessary for any Permits. Lessee shall endeavor to provide to Lessor any applications or other documents necessary for any Permits for Lessor's signature at least ten (10) days before such application or document is due. Lessor grants to Lessee a power of attorney, coupled with an interest, and therefore irrevocable, to sign on Lessor's behalf any applications or other documents necessary to obtain a Permit that this Lease requires Lessor to sign. In the event that Lessee intends to exercise such power of attorney, Lessee shall provide notice of such intention to Lessor in accordance with Section 30.11 hereof (the "Initial Notice") specifying such applications or other documents it intends to sign. If Lessor does not execute such application or other document within two (2) Business Days of receipt of the Initial Notice, Lessee shall submit a second notice to Lessor in accordance with Section 30.11 hereof (the "Second Notice") naming again such application or other documents it intends to sign, which such Second Notice shall be marked in bold lettering with the following language: "LESSOR'S ACTION IS REQUIRED WITHIN TWO (2) BUSINESS DAYS OF RECEIPT OF THIS NOTICE PURSUANT TO THE TERMS OF A GROUND LEASE BETWEEN THE UNDERSIGNED AND LESSOR." If Lessor does not execute such application or other document within two (2) Business Days of receipt of the Second Notice, Lessee may exercise such power of attorney and sign on Lessor's behalf the application or other documents specified in the Initial Notice and Second Notice. Promptly upon Lessee's request, Lessor shall furnish all information in its possession that Lessee reasonably requests for any application for a Permit. Nothing

herein shall limit or restrict the obligations of Lessor under the Services Agreement.

8.4 Copies of Permits. Upon written request from Lessor, Lessee shall provide Lessor with copies of any occupancy permit, State Fire Marshal approval and other required Permits pertaining to the occupancy of the Premises following the completion of Lessee's Construction.

8.5 Major Alteration. If due to a casualty, obsolescence or any other reason, Lessee desires to construct additional Improvements costing in excess of \$10,000,000 in the aggregate to construct or make significant modifications to the exterior of any existing Improvements (each, a "Major Alteration"), Lessee shall submit to Lessor plans and specifications for such action and such plans and specifications shall be deemed Construction Plans for the purposes of this Lease. Lessor acknowledges that the delivery of the Construction Plans in accordance with this Section 8.5 is solely for notice purposes and does not give Lessor the right to approve such Construction Plans.

8.6 No Lessor Warranty. Lessor's receipt of the Construction Plans shall not be construed as representing or implying that the plans and specifications will, if followed, result in properly designed improvements, and shall not be considered or construed as having made an express or implied warranty whatsoever as to the adequacy, quality, fitness or purpose of any physical conditions, materials, workmanship, plans, specifications, drawings or other requirements pertaining to the construction of the work contemplated therein, and Lessor expressly disclaims any and all such warranties. Such receipt shall in no event be construed as representing or guaranteeing that any improvement built in accordance with the applicable plans and specifications will be built in a good or workmanlike manner. Lessor shall not be responsible or liable for any defects in any plans or specifications submitted pursuant to the terms of this Lease, any loss or damage arising from the noncompliance of such plans and specifications with applicable Requirements, nor any defects in construction undertaken pursuant to such plans and specifications.

8.7 General Requirements. The following requirements shall apply to the performance of Lessee's Construction and, unless waived by Lessor, to any Major Alterations during the Term (each, "Lessee's Work"):

(a) The general contractor(s) selected by Lessee to perform Lessee's Construction shall be a licensed New York State contractor (if required by New York State or other applicable law), and proof of such license shall be furnished to Lessor prior to the commencement of any work.

(b) The performance of Lessee's Work shall be in a workmanlike and diligent manner to full completion, and in substantial conformance with the Construction Plans, all applicable Permits and applicable Requirements. Without limiting the foregoing, Lessee and its contractors and agents shall conform to and observe all applicable Requirements relating to demolition, abatement, excavation, construction or repair and shall protect all buildings and structures on adjacent properties to the extent required by applicable Requirements. Following completion of Lessee's Work, Lessee shall cause its contractors to promptly correct any work which is defective, whether observed before or after substantial completion thereof.

(c) Lessee's Work shall be performed at Lessee's sole expense and risk, and Lessor shall have no liability therefor. Lessor shall not have any financial obligation or other obligation of any kind under this Lease except as specifically set forth herein and shall not be liable, directly or indirectly, for the payment of any sums whatsoever, or for the performance of any other obligation whatsoever, arising out of the work performed pursuant to any contracts related to Lessee's Work.

8.8 Ownership. All Improvements constructed by Lessee shall be the property of Lessee or any successor-in-interest ("Owner") and shall, unless and until they become the property of Lessor as herein specifically provided, be subject to assessment for ad valorem taxes in the name of the Owner.

8.9 Subleases. In connection with any Sublease or Assignment under this Lease, Lessee may sell all of its rights, title and interest in and to any and all Improvements and may allow Sublessees or Assignees to construct Improvements subject to the terms and provisions contained herein, in which event the party which so purchases or constructs such Improvements, and its successors and assigns, shall thereafter be deemed to be the Owner of such Improvements and shall be subject to the requirements, and enjoy the benefits, of this Lease as to such Improvements.

8.10 Appraisal. If the value of the Improvements must be determined by appraisal, said appraisal shall consider the condition and current value of the Improvements and their suitability for uses ordinarily made of the lands on which the Improvements are located at the time of the appraisal.

8.11 Removal. With the approval of any applicable Permitted Mortgagee, the Owner of the Improvements shall have the right, from time to time, to remove or demolish all or any part of such Improvements on the Lessor's Property which have been damaged or become obsolete; provided, however, subject to Section 14, that Lessee shall continue to be obligated to pay Rent as set forth herein.

8.12 Improvement District. Notwithstanding anything to the contrary in this Lease, Lessor and Lessee acknowledge and agree that the Lessor's Property may be included within the boundaries of a Town, Village or County special assessment or improvement district; provided, however, that any assessment or lien shall attach and encumber only Lessee's Leasehold Estate and the Improvements. Lessee shall furnish Lessor with the amounts of assessments and charges of every character levied against the Leasehold Estate or the Improvements as promptly as practical after the assessments are charged or levied. Lessee agrees to make timely payment of all assessment charges. If any installment of any assessment or charge against Lessee's Leasehold Estate is not paid when due, then such nonpayment shall be a default under this Lease (after notice and expiration of applicable grace periods). This Section shall not be construed as constituting a lien against the fee interest of Lessor in the Lessor's Property, nor any obligation against Lessor to pay charges or assessments imposed pursuant to an improvement plan. No action of any nature may be brought to forfeit, terminate or foreclose Lessor's title or fee interest in the Lessor's Property for failure of Lessee to pay any assessment.

ARTICLE 9. REPAIRS AND MAINTENANCE

9.1 Repair/Services. After the Commencement Date and during the Term, Lessee, at its sole cost and expense, shall maintain and repair the Premises in accordance with Section 6.4 of this Lease. Notwithstanding any other provision in this Lease, Lessor shall not be required to furnish any services or facilities or to make any repairs, alterations, replacements or improvements whatsoever in or to the Premises.

ARTICLE 10. LIENS

10.1 Payment; Indemnity. Lessee shall be responsible for payment of all costs and charges for any work done by or for it on the Premises or in connection with Lessee's occupancy thereof, and, subject to the provisions of Section 10.2, Lessee shall keep the Premises free and clear of all mechanics' liens and other liens and encumbrances on account of work done for or authorized by Lessee or Persons claiming under it or bond over such liens according to applicable Requirements. Lessee expressly agrees to and shall indemnify and hold Lessor harmless against liability, damages, costs, attorneys' fees and all other expenses or loss on account of claims of lien or other encumbrances of laborers or material men or others for work performed or materials or supplies furnished for or authorized by Lessee or Persons claiming under it. Subject to Section 10.2, in the event that any lien is filed against the Premises or against Lessee's Leasehold Estate under this Lease, then the Lessee shall, within thirty (30) days from the date that Lessee receives written notice of such lien, and in any event prior to the date any party commences proceedings to foreclose on such lien, either: (1) pay the claim and cause lien to be removed from the Premises and/or the Leasehold Estate of Lessee under this Lease or (2) furnish security in an amount sufficient to cause the lien to be removed from the Premises and/or the Leasehold Estate of Lessee under this Lease. If Lessor receives notice of any lien being filed against the Premises or against Lessee's Leasehold Estate under this Lease, then Lessor shall promptly notify Lessee of such filing. Nothing in this Lease shall be construed to: (a) limit Lessee's right to contest the amount or validity any lien pursuant to Section 10.2 or (b) obligate Lessee regarding any lien that results from an act or omission by Lessor. If any Sublessee causes a lien to be filed against the Premises, then Lessee's obligations under this paragraph shall be suspended so long as (a) Lessee is with reasonable diligence endeavoring to cause the Sublessee to remove the lien in the same manner and within the same time periods as required of Lessee hereunder and (b) the holder of the lien has not commenced foreclosure proceedings.

10.2 Release; Contest. If, because of any act or omission (or alleged act or omission) of Lessee, any mechanics', materialmen's or other lien, charge or order for the payment of money shall be filed or recorded against the Premises or against Lessor (whether or not such lien, charge or order is valid or enforceable as such), Lessee shall, at its own expense, cause the same to be released and discharged of record within thirty (30) days after Lessee

shall have received written notice of the filing or recording thereof, or Lessee may, within said period, in the case of mechanics' or materialmen's liens, furnish to Lessor a bond, letter of credit or other instrument reasonably satisfactory to Lessor against any other lien, charge or order, in which case Lessee shall have the right in good faith to contest the validity or amount thereof. Notwithstanding the foregoing, if Lessee has already furnished a bond to a Permitted Mortgagee, Lessee may satisfy the requirements of this Section 10.2 by providing Lessor with a copy of such bond. If Lessee provided Lessor with any bond or similar security pursuant to this Section 10, Lessor shall promptly release such bond or similar security after the Contest has been resolved and Lessee has performed its obligations, if any, as determined by such resolution.

10.3 Notice. Should any claims of lien or other encumbrances be filed against the Premises or any action purporting to affect the title to the Premises be commenced, the party receiving notice of such lien or action shall promptly give the other party written notice thereof.

ARTICLE 11. CONTESTS

11.1 Lessee Right to Contest. Notwithstanding anything contained herein to the contrary, after written notice to Lessor, Lessee may contest by appropriate legal proceedings, conducted in good faith and with due diligence, the amount, validity or application, in whole or in part, of any Imposition, Requirement, lien, encumbrance, charge or any other adverse claim against the Premises (any of the foregoing, a "Contest"), provided that: (a) the fee interest of Lessor shall not thereby be encumbered in any manner (or, if encumbered, such fee interest is adequately protected by a bond or similar security ensuring payment of the disputed item in the event Lessee's protest is unsuccessful); (b) if related to real estate taxes, such Contest shall operate to suspend the collection of any fine, fee, charge, assessment or Imposition from Lessor and the Lessor's Property; and (c) Lessor shall not thereby become subject to any civil or criminal liability whatsoever for Lessor and Lessee's failure to comply except civil penalties for which Lessee has given Lessor a bond, letter of credit, or other security reasonably satisfactory to Lessor in an amount equal to the reasonably estimated amount of such civil penalties. So long as conditions (a) through (c) are satisfied, Lessor shall enter no objection to any Contest. Lessee shall provide Lessor with copies of all pleadings and any material notices related to any Contest upon filing or receipt.

11.2 Lessor Obligations and Protections. Lessor need not join in any Contest unless (a) Lessee has complied with conditions (a) through (c) of Section 11.1 and (b) such Contest must be initiated or prosecuted in Lessor's name. In such case, Lessor shall cooperate, as Lessee reasonably requests, to permit the Contest to be prosecuted in Lessor's name. Lessor shall give Lessee any documents, deliveries and information in Lessor's control and reasonably necessary for Lessee to prosecute its Contest. Lessor shall otherwise assist Lessee in such Contest as Lessee reasonably requires, at no cost to Lessor. Lessee shall pay all reasonable costs and expenses, including legal fees and expenses, of any Contest. Lessee shall, at Lessor's request, advance (when Lessor incurs them) such reasonable costs and expenses that Lessor incurs, for Lessee's Contest and Lessor's assistance with such Contest.

11.3 Contest Security. If Lessee provided Lessor with any bond or similar security pursuant to Section 11.1, Lessor shall promptly release such bond or similar security after the Contest has been resolved and Lessee has performed its obligations, if any, as determined by such resolution.

ARTICLE 12. INDEMNIFICATION

12.1 Losses. Lessee hereby expressly agrees to indemnify and hold Lessor and its officers, directors, shareholders, members, partners and employees (collectively, the "Lessor Indemnitees") harmless, or cause Lessor to be indemnified and held harmless, from and against all liabilities, obligations, damages, penalties, claims, causes of action, costs, charges and reasonable expenses, including reasonable attorneys' fees and costs (collectively "Losses"), which may be imposed upon or incurred by or asserted against Lessor after the Commencement Date by reason of the following:

- (a) any restoration, construction or other work or thing done in or on the Premises or any part thereof;

- (b) any use, non-use, possession, occupation, alteration, repair, condition, operation, maintenance or management of the Premises or any part thereof or of any street, alley, sidewalk, curb, vault, passageway or space comprising a part of or adjacent to the Premises or any part thereof;
- (c) any accident, injury (including death at any time resulting therefrom) or damage to any Person or property occurring in or on the Premises or any part thereof or in, or about any sidewalk or vault;
- (d) any failure on the part of Lessee to perform or comply with any Requirements or with any of the material covenants, agreements, terms or conditions contained in this Lease on its part to be performed or complied with;
- (e) any lien or claim which may have arisen out of any act of Lessee or any agent, contractor, servant or employee of Lessee against or on the Premises or any lien or claim created or permitted to be created by Lessee in respect of the Premises against any assets of any of the Lessor Indemnitees under the laws of the State of New York or of any other Governmental Authority or any liability which may be asserted against any of the Lessor Indemnitees with respect thereto;
- (f) any failure on the part of Lessee to keep, observe and perform any of the material terms, covenants, agreements, provisions, conditions or limitations contained in any contract for construction of Improvements at the Premises or in connection with any Subleases, on Lessee's part to be kept, observed or performed;
- (g) any right to contest by Lessee expressly permitted pursuant to the provisions of this Lease; or
- (h) the condition of any Improvement or any part thereof.

In no event shall Lessee be required to indemnify Lessor or any Lessor Indemnitee for any such Losses directly or indirectly attributable to or arising or resulting from Lessor's or any Lessor Indemnitee's (i) wrongful act, wrongful omission or negligence, (ii) breach or default under this Lease, or (iii) breach of any representation or warranty such party makes in this Lease.

12.2 Mutual Indemnification. Lessor and Lessee hereby expressly agree to indemnify and hold the other party and its officers, directors, shareholders, members, partners and employees harmless, or cause such other parties to be indemnified and held harmless, from and against all Losses resulting from any (a) wrongful act, wrongful omission or negligence of the other party or its partners, members, directors, officers and employees, (b) breach or default by such party under this Lease, or (c) breach of any representation or warranty such party makes in this Lease.

12.3 Defense. In case any action or proceeding is brought against Lessor by reason of any such occurrence, Lessee, upon Lessor's request and at Lessee's expense, will resist and defend such action or proceeding, or cause the same to be resisted and defended, either by legal counsel designated by Lessee or, where such occurrence is covered by liability insurance, by legal counsel designated by the insurer if so required by such insurer, in each case subject to Lessor's reasonable approval of such counsel.

12.4 Environmental Damage. In addition to the indemnification contemplated by Section 12.1, Lessee hereby agrees to and does indemnify and hold Lessor harmless from and against any and all liability, obligations, losses, damages, penalties, claims, environmental response and cleanup costs and fines, and actions, suits, costs, taxes, charges, expenses and disbursements, including reasonable legal fees and expenses of whatsoever kind or nature (collectively, "claims" or "damages") imposed on, incurred by or reserved against Lessor in any way relating to or arising out of: (i) the existence or presence of any Regulated Substance, on, under or from the Lessor's Property from and after the Commencement Date, (ii) any claims or damages in any way related to or arising out of the generation, removal, treatment, storage, disposition, mitigation, cleanup or remedying of any Regulated Substance on the Lessor's Property, or (iii) any violations of any Environmental Statute from and after the Commencement Date, provided, however, such indemnity shall not relate to (x) any Pre-Existing Environmental Condition, (y) any environmental condition caused by Lessor (or any of its employees, agents, or independent contractors) at any time, or (z) any claims to the extent arising out of facts or circumstances existing after termination of this Lease.

The foregoing environmental indemnity shall survive the expiration or termination of this Lease and/or any transfer of all or any portion of the Premises and shall be governed by the laws of the State of New York.

In the event any such action or claim is brought or asserted against Lessor, Lessee shall have the right (a) to participate with Lessor in the conduct of any further required cleanup, remove or remedial actions and/or negotiation

and defense of any claim indemnifiable under this environmental indemnity provision, having reasonable regard to the continuing conduct of the operation/business located on the Lessor's Property and (b) to participate with Lessor in negotiating and finalizing any agreement or settlement with respect to any such claim or cleanup.

Lessee agrees to provide Lessor with copies of all material reports it receives or obtains regarding the environmental condition of the Lessor's Property, including, but not limited to, any environmental audits Lessee may conduct on the Lessor's Property.

12.5 Discovery of Regulated Substances. If Lessee reasonably believes that any Regulated Substance discovered on any portion of the Lessor's Property is a Pre-Existing Environmental Condition or was caused by actions or omissions of Lessor or a Lessor-Related Party, Lessee shall have the right to either (i) take appropriate remedial action with respect to such Regulated Substances, including, but not limited to, (x) defending any claim arising out of, or related to, the existence of the Regulated Substances on the Lessor's Property or (y) carrying out any required investigation, response action, clean-up, monitoring or post-remedial operation and maintenance activities (collectively, the "Remediation Costs") or (ii) if the existence of such Regulated Substances materially affects Lessee's ability to use a material portion of Lessor's Property, Lessee may terminate this Lease. If Lessee elects to pursue actions under clause (i) of the previous sentence, Lessee shall be responsible for all Remediation Costs.

ARTICLE 13.

INSURANCE

13.1 Liability. Lessee, at its expense, shall at all times during the Term maintain (or cause to be maintained) in full force broad form commercial general liability insurance, which insures Lessee and Lessor against liability for injury to persons and property, and death of any Person occurring in, on, or about the Premises, or arising out of Lessee's development, construction, maintenance, use of occupancy thereof. All commercial general liability policies shall contain a provision that Lessor shall be included as an Additional Insured under the policies for any loss occasioned to it, its Affiliates, servants, agents and employees by reason of the negligence or wrongdoing of Lessee, its servants, agents and employees, sublessees, concessionaires or permittees. Further, the policies shall provide that their coverage is primary over any other insurance coverage available to Lessor, its Affiliates, servants, agents and employees.

13.2 Amounts. The insurance shall afford protection of not less than \$1,000,000.00 in combined single limits for bodily injury and property damage and each liability policy shall be written on an occurrence basis, provided, however, that the minimum amount of coverage for the above shall be adjusted upward on Lessor's reasonable request so that such respective minimum amounts of coverage shall not be less than the amounts then required by statute or generally carried in connection with similar developments in New York State, whichever is greater.

13.3 Property Insurance. Lessee, at its expense, shall at all times during the Term maintain (or cause to be maintained) all Risk Property Damage Insurance, including flood, windstorm, lightning, tornado and hail, boiler and machinery coverage, on the Premises and all alterations, extensions and replacements thereof, for the full replacement cost at the time of the loss, including any increased cost of construction (but excluding foundations and footings) and without reduction for depreciation, of the Premises, naming Lessor as a loss payee as its interest may appear. The determination of the full replacement cost amount shall be adjusted annually to comply with the requirements of the insurer and Lessor. In addition, each policy shall contain a waiver of co-insurance provisions. Lessee hereby releases Lessor and its Affiliates from any and all liability for damage or loss to the Premises and all alterations, extensions and replacements thereof, unless such damage or loss is caused by the negligence of Lessor, its employees, agents or independent contractors, without regard to the amount of insurance proceeds recovered from Lessee's insurer.

13.4 Employer's Liability. Lessee, at its expense, shall maintain continuously in force at all times during the Term, if Lessee has any employees, Workers' Compensation Insurance in accordance with all applicable Requirements, including Employer's Liability Insurance, in the minimum amount of \$1,000,000.00 each accident, \$1,000,000.00 disease policy limit and \$1,000,000.00 disease each employee. Notwithstanding applicable statutory exemptions, Workers' Compensation Insurance shall be maintained regardless of the number of employees employed by Lessee or the type of work performed.

13.5 Business Interruption. Business income (loss of rents) insurance in amounts sufficient to compensate Lessee for the greater of (i) net profit for six (6) months, or (ii) six (6) months of operating expenses including debt service and Rent and containing an extended period of indemnity endorsement which provides that after the physical loss to any of the Improvements and personal property has been repaired, the continued loss of income will be insured until such income either returns to the same level it was at prior to the loss, or the expiration six (6) months from the date that the Improvements and Lessee's personal property are repaired or replaced and operations are resumed, whichever first occurs, and notwithstanding that the policy may expire prior to the end of such period. The amount of coverage shall be adjusted annually to reflect the rents and profits or income payable during the succeeding twelve (12) month period.

13.6 Automobile Insurance. If applicable, Comprehensive Automobile Liability Insurance including all owned, hired, leased, assigned and non-owned vehicles, with a minimum combined single limit of \$1,000,000.00 per accident.

13.7 Terrorism Coverage. Insurance coverage against loss or damage to persons and property by reason of any certified or non-certified act of terrorism in terms consistent with the provisions hereof to the extent such coverage is applicable to the line of business and commercially available.

13.8 Garage Keepers. If applicable, Garage Keepers Legal Liability Insurance to cover the following exposures with respect to any and all valet spaces and related services in any parking facility located on the Premises with limits of not less than \$1,000,000.00 (which Lessee may satisfy by requiring the applicable parking management company to obtain and maintain such coverage pursuant to the requirements hereof): (i) fire and explosion, (ii) theft (of an entire car), (iii) riot, civil commotion, malicious mischief and vandalism.

13.9 Excess Liability. Lessee, at its expense, shall maintain continuously in force at all times during the Term, excess liability insurance in compliance with the following:

- (a) Bodily Injury/Property Damage \$25,000,000.00 per occurrence.
- (b) The policy(ies) shall provide coverage excess, "above the coverages described in the Employer's Liability, Commercial General Liability and Automobile Liability above. The policy(ies) should also provide a "drop down" feature in case the limits of the primary policy are exhausted.

All of the policies required to be maintained in this Article are collectively referred to as "Lessee's Policies."

13.10 Requirements of Lessee's Policies.

(a) Lessee shall, as of the Commencement Date, deliver to Lessor original certificates signed by an authorized agent of the applicable insurance companies evidencing such insurance reasonably satisfactory to Lessor. Certificates of insurance evidencing Lessee's maintenance of the Lessee's Policies required by this Lease must be delivered to Lessor within thirty (30) days of the Commencement Date. Lessee shall renew all such insurance and deliver to Lessor certificates of insurance evidencing such renewals as soon as reasonably possible prior to expiration. Lessee further agrees that each such insurance policy: (i) shall provide for at least thirty (30) days prior written notice to Lessor prior to any policy cancellation for any reason other than non-payment of premium and at least ten (10) days prior written notice to Lessor prior to any cancellation due to non-payment of premium; (ii) shall contain an endorsement or agreement by the insurer that any loss shall be payable to Lessor or its Affiliates in accordance with the terms of such policy notwithstanding any act or negligence of Lessee or any other Person which might otherwise result in forfeiture of such insurance; (iii) shall waive all rights of subrogation against Lessor and its Affiliates; (iv) include standard non-contributory clauses naming Lessor, Permitted Mortgagee and any designated Affiliates of either, (v) in the event that any portion of the Premises constitutes a legal non-conforming use under applicable Improvements' zoning or land use laws or ordinances, shall include an ordinance and law coverage endorsement which will contain Coverage A: "Loss Due to Operation of Law" (with a minimum liability limit equal to Replacement Cost with Agreed Value Endorsement), Coverage B: "Demolition Cost" and Coverage C: "Increased Cost of Construction" coverages in amounts as required by Lessor; and (vi) may be in the form of a blanket policy, provided that, Lessee hereby acknowledges and agrees that failure to pay any portion of the premium therefor which is not allocable to the Improvements and the Premises or any other action not relating to the

Improvements and the Premises which would otherwise permit the issuer thereof to cancel the coverage thereof, would require the Improvements and the Premises to be insured by separate, single-property policies and the blanket policy must properly identify and fully protect the Improvements and the Premises as if a separate policy were issued for one hundred percent (100%) of replacement cost at the time of loss and otherwise meet all of Lessor's applicable insurance requirements set forth in this Article 13. Approval of any insurance by Lessor shall not be a representation of the solvency of any insurer or the sufficiency of any amount of insurance. In the event Lessee fails to provide, maintain, keep in force the policies of insurance required by this Lease or deliver and furnish to Lessor certificates of such insurance and evidence of their replacement or renewal as required herein, Lessor may, but shall not be obligated to, procure such insurance and Lessee shall pay as an Additional Amount all amounts advanced by Lessor therefor, together with interest thereon at the Interest Rate from and after the date advanced by Lessor until actually repaid by Lessee, promptly upon demand by Lessor. Lessor shall not be responsible for nor incur any liability for the failure of the insurer to perform even though Lessor has caused the insurance to be placed with the insurer after failure of Lessee to furnish such insurance.

(b) Without limiting or modifying the requirements set forth in this Article 13, Lessee must at all times maintain such insurance coverage as is required by a Permitted Mortgage.

(c) None of the requirements contained herein as to types and limits of insurance coverage to be maintained by Lessee is intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Lessee. Notwithstanding requirements in agreements between Lessee and any third parties, Lessor shall have no responsibilities for insurance deductibles or self-insured retentions.

(d) As reasonably necessary from time to time in order to reasonably protect the interests of the parties insured thereby but in no event more often than once every five years, Lessor may request in writing that Lessee increase the minimum limits of the Commercial General Liability, Property Insurance and Excess Liability insurance coverages set forth above and modify the required insurance coverages, and Lessee may, but shall not be required, to agree in Lessee's sole discretion if such requested insurance (i) does not generally conform to the limits customarily required by prudent landlords or institutional lenders for similar properties in the County or (ii) exceeds the insurance then required under any Permitted Mortgage encumbering the Premises.

13.11 Insurer. Except for those policies provided by captive insurance subsidiaries, the insurance provided for pursuant to this Article shall be effected under a valid and enforceable policy or policies issued by insurers authorized to do business in the State of New York and which have and maintain a claims paying ability rating of "A-VII" or better by AM Best Rating (or equivalent reasonably acceptable to Lessor). Such policies may be carried under a blanket policy so long as the coverage afforded is no less than that required under this Article.

ARTICLE 14. CASUALTY

14.1 Neither party hereto shall be released, by reason of any damage or destruction of the Premises from the obligations created or imposed by virtue of this Lease. Except as expressly set forth in this Section 14.1, this Lease shall not terminate, be forfeited or be affected in any manner, and there shall be no reduction or abatement of the Base Rent payable hereunder, by reason of damage to or total, substantial or partial destruction of any of the Improvements or any part thereof or by reason of the untenantability of the same or any part thereof, for or due to any reason or cause whatsoever. Subject to the terms of this Section, Lessee, notwithstanding any Requirements, waives any and all rights to quit or surrender the Premises or any part thereof. Lessee expressly agrees that its obligations hereunder, including, without limitation, the payment of Base Rent, shall continue as though the Improvements had not been damaged or destroyed and without abatement, suspension, diminution or reduction of any kind. It is the intention of Lessor and Lessee that the foregoing is an "express agreement to the contrary" as may be provided in any applicable statute of the State of New York. Notwithstanding the foregoing, in the event that the casualty is a Substantial Casualty, Lessee shall have the right, within one hundred and eighty (180) days after the occurrence of such loss or destruction, to terminate this Lease, by notice in writing to Lessor.

14.2 Except as provided in Section 14.1 above, if the Improvements are damaged or destroyed by any cause whatsoever during the Term, Lessee shall, with reasonable promptness but no later than 270 calendar days after the date of such casualty, commence and continue thereafter diligently and continuously to, repair, rebuild and restore the Improvements, at its sole expense, to at least the size, function and condition existing immediately prior to the damage or destruction. If Lessee's Permitted Mortgagee does not control disbursement of any applicable

insurance proceeds, then such proceeds shall be deposited with Lessee to be applied first to the restoration of the Improvements in accordance with this Section 14.2. Until Lessee has completed and paid for such restoration, Lessee shall hold all insurance proceeds in trust to be used to repair, rebuild and restore the Improvements and for no other purpose. Once Lessee has completed and paid for such restoration, Lessee may retain any remaining insurance proceeds (subject to the rights of a Permitted Mortgagee). In the event Lessee elects to terminate this Lease in accordance with Section 14.1, Lessee shall be required to raze all damaged or destroyed Improvements or put the same in a clean, safe and stabilized condition and all insurance proceeds actually received by Lessee shall be applied first to the payment of all sums due and owing (i) under all Permitted Mortgages and (ii) to Subtenants, with the balance, if any, applied second by Lessee to raze all damaged or destroyed Improvements (and/or put same in a clean, safe and stabilized condition), and with the remaining balance, if any, remaining after the payment of the above priorities distributed as follows:

Termination in Lease Year	Percentage of remaining insurance proceeds paid to Flaum and/or WGLNS, as applicable	Percentage of remaining insurance proceeds paid to Lessee
1-9	0%	100%
10-19	10%	90%
20-29	20%	80%
30-39	30%	70%
40-49	40%	60%
50-Expiration	50%	50%

Lessee (or the Permitted Mortgagee, if applicable) shall be solely responsible for adjusting any insurance claim, subject to the rights of any Permitted Mortgagee.

14.3 Notice of Damage. If either party becomes aware of any material damage to the Premises by reason of fire or other casualty, such party shall give immediate notice thereof to the other party.

ARTICLE 15.

TRADE FIXTURES AND PERSONAL PROPERTY

15.1 Personal Property. Except as otherwise provided in this Lease, any removable trade fixtures, signs, equipment and other personal property (collectively, "Personal Property") installed in or on the Premises by Lessee, Assignees, Sublessees, concessionaires or occupants may be removed, so long as such removal does not result in structural damage or if such damage is repaired, and shall remain the property of the party who owns it unless ownership is otherwise vested in Lessee under any Assignment, Sublease or other agreement. The owner of such Personal Property shall have the right at any time prior to expiration or early termination of this Lease to remove or permit removal of any and all of the same without the consent by Lessor. Lessee and the owner of such Personal Property shall be jointly and severally responsible to repair any and all damage caused by the removal thereof.

ARTICLE 16.

ASSIGNMENTS AND SUBLEASES

16.1 Assignments. Without prior approval by Lessor but with notice within ten days thereof to Lessor, and so long as no Event of Default exists and is continuing, Lessee shall have the right at any time and from time to time during the Term:

(a) to assign all or any part of its right, title and interest in and to this Lease to one or more Affiliates or to a Lessee-Related Party for any purpose; and

(b) to assign or otherwise encumber by way of mortgages, deeds of trust or otherwise, all or any part of its rights, title and interest in and to this Lease and the Leasehold Estate to any unrelated Persons for the purpose of financing the Project (including initial construction financing and any permanent financing or refinancing or replacement thereof), subject to the mortgage requirements of this Lease.

Furthermore, with Lessor's prior written approval, which may not be unreasonably withheld, conditioned or delayed, and so long as no Event of Default exists and is continuing, Lessee may at any time and from time to time during the Term assign all of its right, title and interest hereunder to all or any portion of the Premises. The parties agree that in determining whether to give its consent to a proposed assignment, (x) it shall be reasonable for Lessor to inquire regarding (1) the identity of the assignee and the uses to which the assigned portion of the Premises will be put after the assignment (but if the use is consistent with the uses contemplated in the Development Plan, Lessor may not object to such use), (2) whether the proposed assignee has a financial position equal to or better than Lessee, and (3) if the assignment involves the portion of the Premises used for the gaming facility, the assignee's prior gaming experience, including, without limitation, its ownership, operation and management team and the position of the Commission with respect to such assignee, and, (y) if such inquiry suggests that the use or uses will involve more than an incidental use of Regulated Substances on the assigned portion of the Premises, it shall be reasonable for Lessor to require reasonable security and/or safeguards against the release of such Regulated Substances as a condition to giving its consent to an Assignment. Lessor shall be deemed to have consented to an Assignment if it does not object to the Assignment within thirty (30) days after Lessee requests its consent to the Assignment. Concurrently with an Assignment by Lessee hereunder, Lessor shall enter into a new lease (an "Assignment Lease") with the Assignee for the portion of the Premises so assigned with the Assignee. The Assignment Lease shall include the provisions in this Lease which are applicable to the portion of the Premises so assigned. Any Assignee of Lessee shall assume all obligations and liabilities of Lessee under this Lease with respect to the assigned portion of the Premises. After Lessee assigns this Lease and the Assignee assumes it, Lessee shall have no obligation or liability under this Lease with respect to the assigned portion of the Premises, except any unperformed obligations that arose before the Assignment (unless assumed in writing, in recordable form, by the Assignee). If Lessee assigns this Lease, then as between Lessor and Lessee, Lessee shall be deemed to have assigned to the Assignee all claims against Lessor then existing, and the Assignee shall be deemed, by assuming this Lease, to have assumed all liabilities and obligations of Lessee then existing or thereafter arising under this Lease (except as this Lease otherwise expressly states).

16.2 Form of Assignment. The form of Assignment Lease shall be substantially identical to this Lease and any material changes from the form of this Lease are subject to the prior approval of Lessor, which shall not be unreasonably withheld, conditioned or delayed.

16.3 Default. If any Assignee fails to perform its obligations as lessee under its Assignment Lease with Lessor, Lessor will first provide any Permitted Mortgagee with the opportunity to cure such default. If such Permitted Mortgagee fails or elects not to cure such default, Lessor shall provide Lessee with the same notices, rights and opportunities to cure as are afforded to Permitted Mortgagees under Article 20.

16.4 Subleases. At any time and from time to time during the Term, so long as no Event of Default exists and is continuing, and without further approval by Lessor, Lessee may, as set forth below, enter into, modify or terminate any Sublease, evict any Sublessee or grant any consent under any Sublease. Notwithstanding the previous sentence, Lessee must obtain Lessor's prior consent, not to be unreasonably withheld, conditioned or delayed, to any such action, if (a) an Event of Default occurs and is continuing or (b) a Sublease is for all or substantially all of the Premises.

(a) Terms. Each Sublease shall be upon such terms and conditions as Lessee and the applicable Sublessee shall mutually agree; provided, however, that:

(i) The term of such Sublease shall not extend beyond the Expiration Date plus any extensions or renewals hereof;

(ii) Except as otherwise set forth herein, no Sublease shall relieve Lessee of its responsibility to pay and perform all of its obligations hereunder; and

(iii) Lessee shall not be entitled under a Sublease to collect rent which is prepaid in excess of one (1) year in advance, unless Lessee provides Lessor with a bond which is in such form as is reasonably satisfactory to Lessor and secures payment to Lessor of the pro rata portion of such prepaid rent which Lessor would be entitled to receive as Rent under this Lease for the applicable portion of the Premises.

(b) Attornment. If this Lease is terminated prior to the expiration of its Term and provided Lessor has

entered into a subordination, non-disturbance and attornment agreement with such Sublessee, then, so long as each Sublessee complies with the terms and conditions set forth in its Sublease and shall attorn thereunder directly to Lessor, Lessor shall attorn to such Sublessee in accordance with the terms of the applicable Sublease; provided, however, that each of the following conditions have been satisfied:

(i) Lessor's obligations thereunder shall be no greater and its rights no less than those set forth in this Lease.

(ii) No Sublessee shall be required to make any payment to Lessor unless and until such Sublessee shall have received written notice from Lessor of the termination of this Lease and a direction that payments and performance thereafter be made directly to Lessor. Thereafter, upon such Sublessee's timely payment or performance to Lessor, Lessor shall not be entitled to claim a default for not having received any corresponding payment or performance from Lessee; provided, however, that if a Sublessee receives conflicting written notices demanding payment or performance from Lessor and Lessee, such Sublessee shall have the right to interplead such payment and/or other matters in any court of competent jurisdiction, in which event such Sublessee shall not be deemed in default and payment or performance when and as ordered by such court shall constitute full performance. So long as a Sublessee has made payment or performance to Lessor or interpleaded such matters and is not subject to termination for default of the applicable Sublease, Lessor shall not join that Sublessee as a party defendant in any action or proceeding or take any other action for the purpose of terminating said Sublessee's interest and estate because of any default under or termination of this Lease. Moreover, notwithstanding the termination of this Lease, so long as Lessee has complied with the requirements hereof relating to Subleases, Lessor shall recognize any and all Subleases entered into pursuant to the terms hereof; provided, however, that any and all benefits which would thereafter accrue to Lessee under the Sublease shall belong to Lessor.

(iii) Each Sublessee shall have entered into a Non-Disturbance and Attornment Agreement with Lessor in commercially reasonable form.

16.5 SNDA. Lessor shall, within twenty (20) days after written notice from Lessee at any time or from time to time, enter into (and cause any holder of a mortgage on the fee interest in the Fee Parcels or the leased interest in the Leased Parcels to join in) a subordination, nondisturbance, and attornment agreement, in recordable form, which is in commercially reasonable form with any Subtenant.

16.6 Notice of Assignments and Subleases. Within a reasonable period of time after the execution of each Assignment or Sublease, Lessee shall give Lessor a notice of the Assignment or Sublease which shall specify the following:

- (a) the applicable portion of the Premises subject to the Assignment or Sublease;
- (b) the commencement and termination date for the Assignment or Sublease; and
- (c) the Assignee's or Sublessee's address for notice.

16.7 Permitted Transactions. Notwithstanding anything herein to contrary, in no event shall any of the following constitute an Assignment or Sublease under this Lease or require the consent of Lessor: (i) the pledge of equity in Lessee to an Institutional Lender that makes an equity investment in Lessee or provides equity financing to Lessee's Parent or (ii) any sale, assignment, mortgage or other transfer of any direct or indirect equity interest in Lessee's Parent, Caesars Entertainment Corporation ("CEC") or Caesars Growth Partners ("CGP") (including a transfer in which any Person not formerly a controlling such Person shall become the controlling Person of Lessee's Parent, CGP or CEC) or any of any securities listed on a national securities exchange. In addition, Lessor acknowledges that Lessee intends to engage a Lessee-Related Party to manage the entirety of the Lessor's Property and agrees that the engagement of such Lessee-Related Party as manager shall not constitute an Assignment or Sublease under this Lease.

ARTICLE 17. CONDEMNATION

17.1 Substantial Taking. If a Substantial Condemnation occurs, then this Lease shall terminate as of the time when Lessor is divested of its interest in the Premises, and the Rent theretofore paid or then payable shall

be apportioned and paid up to the date of termination, and any unearned Rent shall be refunded by Lessor to Lessee. Lessor shall not settle or compromise any condemnation award without Lessee's consent and the Permitted Mortgagee's consent. Lessee (or the Permitted Mortgagee to the extent provided for in the Permitted Mortgage) at its option may control such proceedings (to the exclusion of Lessor, if Lessee (or Permitted Mortgagee) so elects) and claim such share of the condemnation award as Lessee is entitled to receive under this Lease. Lessor (and Lessee (subject to the rights of Permitted Mortgagee(s))) shall allocate the condemnation award as follows and in the following order of priority, without duplication, until exhausted:

(a) Prepayment Premium. To Permitted Mortgagee, to the extent that both (1) because of such Substantial Condemnation, any Permitted Mortgagee imposes any fee or charge that such Permitted Mortgagee could not have collected but for the Substantial Condemnation and the related prepayment of such Permitted Mortgagee's loan; and (2) the condemnation award was directly or indirectly increased by such fee or charge.

(b) Costs and Expenses. To reimburse Lessee (subject to the rights of Permitted Mortgagees) for Lessee's actual costs and expenses, including attorneys' fees, incurred in the Substantial Condemnation and determining and collecting the condemnation award.

(c) Lessee's Claim. Lessee shall, subject to the rights of Permitted Mortgagees, receive such portion of the condemnation award as shall equal the lesser of (1) all sums secured by all Permitted Mortgages; or (2) the fair market value of the Leasehold Estate at the effective date of the Substantial Condemnation.

(d) Lessor's Claim. Flaum and/or WGLNS, as the case may be, shall, subject to the rights of fee mortgagees, receive such portion of the condemnation award as shall equal the fair market value of the Fee Parcels or Leased Parcels as the case may be subject to this Lease, at the effective date of the Substantial Condemnation.

(e) Lessee's Residual Claim. Lessee shall, subject to the rights of Permitted Mortgagees, receive the entire remaining condemnation award.

17.2 Partial Taking. If a portion of the Premises shall be taken by exercise of the power of eminent domain or condemnation (or by purchase in lieu thereof) that does not constitute a Substantial Condemnation (a "Partial Taking"), then any condemnation award(s) shall be paid to Lessee (or as directed by Permitted Mortgagee) and applied first toward restoration, in the same manner as restoration after a casualty under Section 14 but subject to restrictions or limitations as a result of the Premises taken. Whether or not the condemnation award is adequate, Lessee shall, at its expense, restore the Premises in compliance with this Lease. After Lessee has completed and fully paid for such restoration, any remaining condemnation award shall be distributed to Lessor and Lessee as if it arose from a Substantial Condemnation that affected only the part of the Premises taken, with an equitable allocation of all elements taken into account in determining such distribution. After the effective date of a Partial Condemnation, all Base Rent shall decrease by a fraction whose numerator is the amount of the condemnation award paid to Lessor and whose denominator is the fair market value of the Fee Parcels or the Leased Parcels as the case may be immediately before the effective date of the Partial Condemnation.

17.3 Temporary Condemnation. If a condemnation of the temporary right to use or occupy all or part of the Premises (a "Temporary Condemnation") occurs after the Commencement Date and relates to a period of longer than ninety (90) days, then Lessee may terminate this Lease effective as of the date the condemnation is effective. In that event, and to the extent that the period of such Temporary Condemnation otherwise includes any period outside the Term, the condemnation award from such Temporary Condemnation shall belong to Lessor. If the Temporary Condemnation relates to a period of ninety (90) days or less, or if Lessee does not terminate this Lease because of the Temporary Condemnation, then Lessee shall receive the condemnation award (to the extent attributable to periods within the Term) and this Lease shall not be affected in any way. Lessor shall have no right to participate in the Temporary Condemnation proceedings unless either (a) Lessee elects to terminate this Lease because of the Temporary Condemnation or (b) Lessee may not legally participate in such proceedings. In the latter case, Lessor shall participate in such proceedings in accordance with Lessee's instructions, all at Lessee's reasonable expense and use counsel selected, instructed and paid by Lessee.

17.4 Condemnation Proceeds. Lessor and, if an Event of Default has not occurred and is continuing under this Lease, Lessee and any applicable Permitted Mortgagees and Sublessees shall cooperate in prosecuting and collecting their respective claims for an award on account of a taking of all or any portion of the Premises and all damages or awards (with any interest thereon) to which Lessor, Lessee or any applicable Permitted Mortgagees

and Sublessees may be entitled by reason of any taking of all or any portion of the Premises. Except as expressly provided in this Article, no taking of any interest in all or any portion of the Premises shall be grounds for termination of this Lease or any portion thereof by Lessor or Lessee. If Lessee's Permitted Mortgagee does not control disbursement of any applicable condemnation award, then such award shall be deposited with Lessee to be applied first to the restoration of the Improvements in accordance with this Section 17. Until Lessee has completed and paid for such restoration, Lessee shall hold the award in trust to be used to repair, rebuild and restore the Improvements and for no other purpose. Once Lessee has completed and paid for such restoration, Lessee may retain any remaining award (subject to the rights of a Permitted Mortgagee).

ARTICLE 18.
LESSORS' RIGHT TO PERFORM AND INSPECT

18.1 Emergency Repairs. In the case of an emergency which represents an immediate threat to persons, the Lessor may, but without being obligated to do so, enter the Premises to perform emergency repairs without waiting for the expiration of any applicable cure period.

18.2 Inspection. Lessee acknowledges and agrees that Lessor and its authorized representatives shall have the right following reasonable advance written notice to Lessee to enter the Premises and any portion thereof during regular business hours to perform any repair as provided for under Section 18.1, and may take all such action as may be necessary or appropriate for such purposes. Furthermore, Lessee acknowledges and agrees that, at any time within eighteen (18) months prior to the Expiration Date and upon reasonable advance written notice to Lessee, Lessor may enter the Premises or any portion thereof during regular business hours for the purpose of showing the same to prospective tenants, purchasers or mortgagees and may display on the Premises advertisements for sale or lease. No entry pursuant to this Section shall constitute an eviction. In entering the Premises, Lessor and its authorized representatives shall not unreasonably interfere with operations on the Premises and shall comply with Lessee's reasonable instructions. All access rights granted to Lessor hereunder are subject to any limitations and restrictions and requirements under the Gaming Laws and the confidentiality provisions of this Lease. Lessor shall indemnify and hold harmless Lessee against any and all claims arising from Lessor's and its authorized agent's entry upon the Premises (except upon termination of this Lease or upon the occurrence of an Event of Default).

ARTICLE 19.
HOLDING OVER

19.1 No Holdover. Neither Lessee nor any Assignee or Sublessee, upon the expiration or cancellation of this Lease, is entitled to hold over for any reason. If, nevertheless, there is any holding over by Lessee, any Assignee or Sublessee, the holding over shall give rise to a tenancy at the sufferance of Lessor upon the same terms and conditions as are provided for herein with a Rent for the hold over period equal to one and one-half (1.5) times the last annual installment of Base Rent prorated and due monthly in advance plus Additional Rent for such period.

ARTICLE 20.
MORTGAGES

20.1 Lien on Leasehold Interest. Lessee shall have the right from time to time during the Lease Term to charge or otherwise encumber, by way of a Permitted Mortgage, this Lease and Lessee's Leasehold Estate or any part thereof.

20.2 Filing. No mortgage or deed of trust shall be a Permitted Mortgage or an effective lien on Lessee's Leasehold Estate unless a true copy thereof is delivered to Lessor. Lessor and Lessee agree that, following such filing with Lessor, the provisions of this Article shall apply with respect to each such Permitted Mortgage. The term of such Permitted Mortgage shall not be longer than the remaining Term of this Lease.

20.3 Preconditions. Lessee, from time to time during the Term of this Lease, may make one or more Permitted Mortgages upon Lessee's Leasehold Estate without the prior written consent of Lessor; provided that Lessee or the holder of the Permitted Mortgage shall promptly deliver to Lessor, in the manner herein provided for the giving of notice to Lessor, a true copy of the Permitted Mortgage and of any assignment thereof and shall notify Lessor of the address of the Permitted Mortgagee to which notices may be sent.

20.4 Lessor's Acknowledgment. Upon Lessee's request, Lessor shall provide a receipt acknowledging

receipt of a copy of any Permitted Mortgage under Section 20.3 hereof.

20.5 Conditions. The following provisions shall apply to any Permitted Mortgage made in accordance with Section 20.3 hereof:

(a) For the purpose of this Section, a "Permitted Mortgagee" shall be limited to an "Institutional Lender" or an "Approved Lender." An "Institutional Lender" shall mean (1) a bank (state, federal or foreign), savings bank (state or federal), investment bank, savings and loan association or institution, insurance company, trust company (in its individual or trust capacity), mortgage banking company, federal or state agency regularly making or guaranteeing mortgage loans, non-Affiliate private equity or other investment fund, college or other institution of learning, pension, welfare, profit-sharing or retirement fund or trust, credit union, real estate investment trust (or an umbrella partnership or other entity of which a real estate investment trust is the majority owner), Governmental Authority, subsidiary of a Fortune 500 Company (such as AT&T Capital Corporation or General Electric Capital Corporation), real estate mortgage investment conduit, securitization trust, or any other organization or company similar to any of the foregoing, or any Affiliate of any of the foregoing; (2) any issuer of collateralized mortgage obligations or any similar investment entity (provided that either (a) at least certain interests in such issuer or other entity are publicly traded or (b) such entity was or is sponsored by an entity that otherwise constitutes an Institutional Lender), or any Person acting for the benefit of or on behalf of such an issuer; (3) any Person actively engaged in commercial real estate financing and having total assets (on the date when the Permitted Mortgage is executed and delivered, or on the date of such Permitted Mortgagee's acquisition of its Permitted Mortgage by assignment, but excluding the value of any Permitted Mortgage encumbering this Lease) of at least \$250,000,000; (4) any Person that is a wholly owned subsidiary of or is a combination of any one or more of the foregoing Persons; or (5) any of the foregoing when acting as a trustee, agent or administrative agent for other lender(s) or investor(s), whether or not such other lender(s) or investor(s) are themselves Institutional Lenders. The fact that a particular Person (or any Affiliate of such Person) is a partner, member, or other investor of the then Lessee shall not preclude such Person from being an Institutional Lender and a Permitted Mortgagee provided that (x) such entity has, in fact, made or acquired a bona fide loan to Lessee secured by a Permitted Mortgage or is a mezzanine lender; (y) such entity otherwise qualifies as an Institutional Lender and a Permitted Mortgagee (as applicable); and (z) at the time such entity becomes a Permitted Mortgagee, no default exists under this Lease, unless simultaneously cured. The parties understand and agree that the definition of Institutional Lender shall include, in addition to current lenders of the sort listed above, future entities of a character not within their contemplation at the time of execution of this Lease but which shall perform functions similar to any of the foregoing. An "Approved Lender" shall mean a lender who is not an Institutional Lender but who has been approved by Lessor prior to the recording of such Lender's Permitted Mortgage, such approval not to be unreasonably withheld, conditioned or delayed.

(b) Lessor, upon providing Lessee any notice of: (i) default under this Lease, or (ii) a termination of this Lease, or (iii) a matter on which Lessor may predicate or claim a default, shall at the same time provide a true copy of such notice to every Permitted Mortgagee. No such notice by Lessor to Lessee shall be deemed to have been duly given unless and until a copy thereof has been so transmitted to every Permitted Mortgagee which has complied with Section 20.2. Permitted Mortgagee shall have a period of thirty (30) days after the occurrence of an Event of Default for remedying such Event of Default or acts or omissions which are the subject matter of such notice or causing the same to be remedied. Permitted Mortgagee may enter the Premises to seek to cure a default. This right or its exercise shall not be deemed to give Permitted Mortgagee possession. If Lessee and a Permitted Mortgagee each fail to remedy the default, act or omission that is the subject matter of such notice within their applicable cure period, Lessor may, subject to the provisions of Section 20.5(e) and (p) below, exercise the remedies set forth in Article 22.

(c) If Lessee defaults under any of the provisions of this Lease, each Permitted Mortgagee shall have the right to make good such default whether the same consists of the failure to pay Rent or the failure to perform any other matter or thing which Lessee is hereby required to do or perform and Lessor shall accept such performance on the part of the Permitted Mortgagee as though the same had been done or performed by Lessee.

(d) Any Permitted Mortgagee may at the time of any damage or destruction to the Premises or any machinery, fixtures or equipment therein, by fire or otherwise, at its sole cost and expense, repair the same or construct new buildings, as the case may be, in accordance with the Development Plan and terms hereof, and in such event, if the Permitted Mortgagee repairs or constructs in accordance herewith, it shall be subrogated to the rights of Lessee to all insurance proceeds payable as a result of such damage or destruction.

(e) In the case of any default by Lessee, Lessor will take no action by reason of any such default so long as the periods for the Permitted Mortgagee to cure Lessee's defaults as set forth herein have not run. In the event Lessor issues a termination notice, the notice will not become final if within forty-five (45) days of the date of issuance of the notice, the Permitted Mortgagee files with Lessee and Lessor written notice of its intent to proceed with a foreclosure action (including possession by a receiver) and within ninety (90) days of the date of the issuance of Lessor's notice (or such longer period as is reasonably required), the Permitted Mortgagee has, unless precluded by a court order, commenced a foreclosure action. The Permitted Mortgagee shall not be required to continue such possession or continue such foreclosure proceedings if the default which would have been the reason for serving such a notice shall be cured. Nothing herein shall preclude Lessor from exercising any rights or remedies under this Lease with respect to any other default by Lessee during the period of such forbearance provided Lessor complies with the provisions of this Article with respect to such other default. If the Permitted Mortgagee or a purchaser at a foreclosure shall acquire title to Lessee's Leasehold Estate by foreclosure, trustee's sale or by assignment or deed in lieu of foreclosure or otherwise, and shall cure all defaults of Lessee, including all payment defaults as well as all other which are susceptible of being cured by the Permitted Mortgagee or such purchaser, as the case may be, then the defaults of any prior holder of Lessee's Leasehold Estate which are not susceptible of being cured by the Permitted Mortgagee (or such purchaser) shall no longer be deemed to be a default hereunder.

(f) Any Permitted Mortgagee or any purchaser of Lessee's Leasehold Estate may become the legal owner and holder of all or a portion of this Lease in lieu of foreclosure, whereupon such Permitted Mortgagee or purchaser in lieu of foreclosure shall immediately thereafter become and remain liable under this Lease to the same extent as Lessee and any and all benefits that would thereafter accrue to Lessee under this Lease shall belong to such Permitted Mortgagee or purchaser from and after such transfer. In case any such Permitted Mortgagee or purchaser by foreclosure (or in lieu of foreclosure) becomes the owner and holder of this Lease, any of the same events described in Section 22.1 by such Permitted Mortgagee or purchaser occurring from and after such date of transfer shall constitute a default, and Lessor shall be entitled to the same remedies, but only to that part or portion of the Premises held under this Lease by such Permitted Mortgagee or purchaser. Any Permitted Mortgagee or purchaser by foreclosure (or in lieu of foreclosure) shall be liable hereunder to Lessor only to the extent of any interest in the Leasehold Estate or Improvements for the performance of any obligation of Lessee hereunder or for the collection or satisfaction of any money judgment that Lessor may obtain against such Permitted Mortgagee or purchaser by foreclosure (or in lieu of foreclosure). Any such liability shall: (a) not extend to any default that occurred before such Permitted Mortgagee or purchaser by foreclosure (or in lieu of foreclosure) took title to this Lease (or a new lease), except as identified in a written notice of default (or written notice of Lease termination) delivered to Permitted Mortgagee before such transfer of the leasehold interest; and (b) terminate if and when any such Permitted Mortgagee or purchaser by foreclosure assigns (and the assignee assumes) or abandons this Lease (or any new lease).

(g) If an Institutional Lender shall be the Lessee as a trustee, each and every obligation of such trustee shall be binding upon it solely in its fiduciary capacity and shall have no force and effect against such Institutional Lender in its individual capacity.

(h) Lessor shall upon request of a Permitted Mortgagee execute, acknowledge and deliver to each Permitted Mortgagee an acknowledgment prepared at the sole cost and expense of Lessee, in form reasonably satisfactory to Lessor, agreeing to all of the provisions of this Section 20.5.

(i) Lessor agrees that the name of any Permitted Mortgagee may be added as a named insured or to the "loss payable endorsement" or named under a standard mortgage clause of any and all insurance policies required to be carried by Lessee hereunder on the condition that the insurance proceeds are to be applied in the manner specified in this Lease and that the Permitted Mortgagee or collateral document shall so provide. The proceeds of any insurance policies or arising from a condemnation are to be held by the Permitted Mortgagee whose Permitted Mortgagee is prior in lien to any other Permitted Mortgagee, or by a bank or trust company chosen by such Permitted Mortgagee which is authorized to do business in New York State and has a net worth of \$100,000,000 or more, and distributed pursuant to the provisions of this Lease, but the Permitted Mortgagee may reserve the right to apply all, or any part, of Lessee's share of such proceeds to the Permitted Mortgagee debt pursuant to such Permitted Mortgagee before or in lieu of any required application of such proceeds hereunder.

(j) Any Permitted Mortgagee shall be given prompt notice by Lessee of any legal proceedings by the parties hereto involving obligations under this Lease, and shall have the right to intervene therein and be made a party to such proceedings, and the parties hereto do hereby consent to such intervention. If any Permitted

Mortgagee shall not elect to intervene or become a party to such proceedings, the Permitted Mortgagee shall receive notice of, and a copy of any award or decision made in, said proceedings which shall be binding on all Permitted Mortgagees not intervening after the receipt of notice of the proceeding.

(k) As to any Permitted Mortgage, Lessor consents to a provision therein for an assignment of rents due from Sublease(s) to the holder thereof, effective upon the default under the Permitted Mortgage, and to a provision therein that the holder thereof, in any action to foreclose the same, shall be entitled to the appointment of a receiver.

(l) Nothing herein contained shall be deemed to impose any obligation on the part of Lessor to deliver physical possession of the Premises to any Permitted Mortgagee, or to its nominee. Lessor agrees, however, that Lessor will, at the sole cost and expense of such Permitted Mortgagee, or its nominee, cooperate in the prosecution of summary proceedings to evict the then defaulting Lessee.

(m) Lessee may delegate irrevocably to the Permitted Mortgagee the authority to exercise any and all of Lessee's rights hereunder, but no such delegation shall be binding upon Lessor unless and until either Lessee or said Permitted Mortgagee gives to Lessor a true copy of a written instrument effecting such delegation. Such delegation of authority may be effected by the terms of the Permitted Mortgage itself, in which case the service upon Lessor of a true copy of the Permitted Mortgage in accordance with this Article, together with a written notice specifying the provision therein which delegates such authority to said Permitted Mortgagee, shall be sufficient to give Lessor notice of such delegation.

(n) Lessor shall, at any time and from time to time hereafter, within thirty (30) days after written request of Lessee to do so, certify by written instrument duly executed and acknowledged to any Permitted Mortgagee, proposed Permitted Mortgagee, purchaser, proposed purchaser, Assignee, proposed Assignee, Sublessee, proposed Sublessee or any other Person, specified in such request: (i) as to whether this Lease has been supplemented, modified or amended, and if so, the substance and manner of such supplement, modification or amendment; (ii) as to the existence of any default hereunder to the best of Lessor's knowledge; (iii) as to the Commencement Date and Expiration Date of the Lease Term and (iv) as to whether Lessee has paid all Rent that has accrued to date;. The form of estoppel certificate shall be determined by Lessor in its sole but reasonable discretion.

(o) Lessee shall, at any time and from time to time hereafter, within thirty (30) days after written request of Lessor to do so, certify by written instrument duly executed and acknowledged to any mortgagee, proposed mortgagee, purchaser, proposed purchaser, assignee, proposed assignee, sublessee, proposed sublessee or any other Person specified in such request: (i) as to whether this Lease has been supplemented, modified or amended, and if so, the substance and manner of such supplement, modification or amendment; (ii) as to the existence of any default hereunder to the best of Lessee's knowledge (iii) as to the Commencement Date and Expiration Date of the Lease Term. The form of estoppel certificate shall be determined by Lessee in its sole but reasonable discretion.

(p) Nothing herein contained shall require any Permitted Mortgagee, as a condition to its exercise of its rights hereunder or subsequent to such exercise of its right, to cure any default of Lessee not reasonably susceptible of being cured by such Permitted Mortgagee or subsequent owner of the Leasehold Estate through foreclosure, including but not limited to, the Event of Default referred to in Section 22.1(e) related to bankruptcy and insolvency and any other sections of this Lease that may impose conditions of default not susceptible to being cured by a Permitted Mortgagee or a subsequent owner of the Leasehold Estate through foreclosure. If Permitted Mortgagee cannot reasonably cure a default without possession, or if any Lessee specific default(s) occur(s), Permitted Mortgagee shall be entitled to such additional time as it reasonably needs to consummate a foreclosure action and obtain possession, provided Permitted Mortgagee timely exercises its cure rights for all other defaults. If Permitted Mortgagee consummates a foreclosure action, Lessor shall waive all Lessee specific defaults.

(q) So long as any Permitted Mortgage is in existence, unless all Permitted Mortgagees shall otherwise consent in writing, the fee title to the Lessor's Property and the Leasehold Estate of Lessee therein created by this Lease shall not merge but shall remain separate and distinct, notwithstanding the acquisition of such fee title and such Leasehold Estate by Lessor or by Lessee or by a third party, by purchase or otherwise. So long as any Permitted Mortgage is in existence, unless all Permitted Mortgagees shall otherwise consent in writing, rejection of this Lease by Lessee under the United States Bankruptcy Code shall not terminate this Lease or merge the fee title

and the Leasehold Estate in the Lessor's Property if within sixty (60) days after the effective date of the rejection a Permitted Mortgagee, by written notice to Lessor, shall request that such rejection shall operate as an assignment of this Lease in lieu of foreclosure to such Permitted Mortgagee, whereupon such Permitted Mortgagee shall immediately thereafter become and remain liable under this Lease to the same extent as Lessee and any and all benefits that would thereafter accrue to Lessee under this Lease shall belong to such Permitted Mortgagee.

(r) If this Lease terminates for any reason (except with Permitted Mortgagee's consent or because of a casualty or condemnation contemplated by Section 17.1), even if Permitted Mortgagee failed to timely exercise its cure rights for default, Lessor shall promptly give Permitted Mortgagee notice of such termination. By giving notice to Lessor on or before the day that is 120 days after Permitted Mortgagee receives such notice of termination from Lessor, Permitted Mortgagee may require Lessor to promptly enter into a new lease with Permitted Mortgagee or its designee or nominee ("New Lessee") for the entire remaining term of this Lease, as if no termination had occurred, and giving New Lessee the same rights to Improvements that this Lease gave Lessee and having the same terms, and the same priority, as this Lease, subject to any subsequent written amendments made with Permitted Mortgagee's consent. Lessor need not do so, however, unless New Lessee has, consistent with the notice of termination (a) cured all reasonably curable defaults and (b) reimbursed Lessor's reasonable costs and expenses (including reasonable attorneys' fees and expenses) to terminate this Lease, recover the Premises, and enter into the new lease. If Permitted Mortgagee timely requests a new lease in conformity with this Lease, then from the time this Lease terminates until the parties execute and deliver a new lease, Lessor shall not (x) operate the Premises in an unreasonable manner, (y) terminate Sublease(s) except for Sublessee's default, or (z) lease any of the Premises except to New Lessee. When the parties sign a new lease, Lessor shall transfer to New Lessee all Subleases, service contracts and net income Lessor collected from the Premises during the period described in the previous sentence, and Lessor shall cause every fee mortgage to subordinate unconditionally to the new lease.

(s) Any of the following, if made without Permitted Mortgagee's consent, shall (at Permitted Mortgagee's option) be null, void, and of no force and effect, and will not bind Lessee, Permitted Mortgagee or New Lessee: (i) cancelling, modifying, restating, surrendering, or terminating this Lease; (ii) consenting, or failing to object, to a bankruptcy sale of the Premises; (iii) subordinating this Lease or the Leasehold Estate to any other estate or interest in the Premises; or (iv) waiving any term(s) of this Lease.

(t) If, in connection with granting any Permitted Mortgage, Lessee shall reasonably request (i) reasonable cooperation from Lessor, Lessor shall provide the same at no cost or expense to Lessor, it being understood and agreed that Lessee shall be required to reimburse Lessor for all such costs and expenses so incurred by Lessor, including, but not limited to, its reasonable attorneys' fees, or (ii) reasonable amendments or modifications to this Lease as a condition thereto, Lessor hereby agrees to execute and deliver the same so long as any such amendments or modifications do not (w) increase Lessor's monetary obligations under this Lease, (x) adversely increase Lessor's non-monetary obligations under this Lease in any material respect, (y) diminish Lessor's rights under this Lease in any material respect, or (z) adversely impact the value of Lessor's Property.

20.6 Lessor's Right to Mortgage Lessor's Property. Flaum and/or WGLNS, as the case may be, reserves the right, at any time, to obtain a mortgage on Flaum's fee interest in the Fee Parcels or WGLNS's ground lease interest in the Leased Parcels, provided, however, that at no time shall Lessor's mortgage(s) collectively exceed Twenty Million and 00/100 Dollars (\$20,000,00.00) and such mortgage(s) shall be held by an Institutional Lender. Lessor agrees to provide in any such mortgage(s) that Lessee shall be given notice of any default by Lessor under said mortgage(s) and shall have the right to cure Lessor's default and deduct any payment made by Lessee therefor from Base Rent due Lessor under this Lease. Lessor shall be required to obtain a subordination, non-disturbance and attornment agreement, in form acceptable to Lessee acting reasonably, with any such mortgage holder. This Lease and the Leasehold Estate shall be prior and superior to any fee or leasehold mortgage executed by Lessor and the rights of all such mortgagees. Any inconsistency between any such mortgage and this Lease shall be resolved in favor of this Lease. Every fee or leasehold mortgage executed by Lessor shall (a) be, and state that it is, subject and subordinate to this Lease and any new lease executed with respect to the Premises, (b) attach only to the Lessor's fee and leasehold estate in the Lessor's Property and (c) contain the mortgagee's irrevocable consent and subordination to any documents or agreements affecting the Premises that this Lease requires Lessor to deliver to Lessee or at Lessee's request. A foreclosure under any Permitted Mortgage shall impair no estate or right under the fee or leasehold estate in Lessor's Property held by Lessor or any mortgage thereon and shall transfer only the Leasehold Estate.

ARTICLE 21.
NO SUBORDINATION

21.1 No Subordination. Lessor's interest in the Lessor's Property and in this Lease, as the same may be modified, amended or supplemented, shall not be subject or subordinate to: (a) any mortgage or deed of trust now or hereafter placed upon Lessee's Leasehold Estate; or (b) any other liens or encumbrances hereafter affecting Lessee's Leasehold Estate.

ARTICLE 22.
DEFAULT AND REMEDIES

22.1 Events. An event of default shall be deemed to have occurred in the following situations (each, an "Event of Default"):

(a) If Lessee fails to pay an installment of Rent within ten (10) Business Days after the notice required by Section 4.6, including any late charges and interest to the extent payable as provided in Sections 4.7 and 4.8.

(b) If Lessee fails to perform or comply with any other term of this Lease within sixty (60) days after written notice of such failure from Lessor; provided, however, that with respect to any such failure which is of such a nature that although curable it cannot, with due diligence and adequate resources, be cured within sixty (60) days, an Event of Default shall not be deemed to exist if Lessee commences curing such failure within the sixty (60) days and thereafter proceeds with reasonable diligence and action to complete curing such failure.

(c) If Lessee fails to substantially complete Lessee's Construction by the Construction Deadline (subject to Force Majeure Events).

(d) If Lessee vacates the Premises for a period in excess of one-hundred and eighty (180) consecutive days, subject to Force Majeure Events under Section 26.1 and any casualty or condemnation as provided in this Lease.

(e) If Lessee files a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent, or files any petitions or answers seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any Requirements; seeks, consents to or acquiesces in the appointment of any trustee, receiver or liquidator of Lessee or of all or any substantial part of its respective property or of a portion of the Premises; makes any general assignments for the benefit of creditors; or admits in writing its inability to pay its debts generally as they become due.

(f) If a petition is filed against Lessee seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or other similar relief under any Requirements, and remains undismissed or unstayed for an aggregate of one-hundred eighty (180) days, or if a trustee, receiver or liquidator of Lessee or of all or any substantial part of its properties or of the Premises is appointed without the consent or acquiescence of Lessor and such appointment remains unvacated or unstayed for an aggregate of one-hundred eighty (180) days.

22.2 Notice; Remedies.

(a) Upon the occurrence of a default, Lessor shall send a notice of default to Lessee and to any Permitted Mortgagee who has complied with Section 20.2. The notice shall state the specific nature of the default and the cure period before such default becomes an Event of Default.

(b) Subject to the rights of any Permitted Mortgagee, if an Event of Default exists and has not been timely cured, Lessor may exercise any and all of the remedies set forth below:

(i) Lessor may terminate this Lease and declare all rights and obligations of Lessee ended;

(ii) Lessor may institute an action at law to collect all past due Rents and other amounts past due hereunder;

(iii) Lessor may institute an action at law to collect all actual damages arising from Lessee's failure to perform any other covenant hereunder, subject to the limitations set forth in this Section 22.2;

(iv) If the Event of Default is of such a nature that it cannot be cured by monetary damages, Lessor may institute an action in equity seeking injunctive relief to enjoin Lessee or any other interested party from breaching a covenant of this Lease.

(c) Notwithstanding the provisions of subsection 22.2, Lessor may not cancel this Lease due to an Event of Default by Lessee unless such Event of Default is a "Material Default" as defined by this subsection (c). For purposes of this subsection (c), a "Material Default" shall mean (i) the Event of Default is material in amount or in its adverse effect on the operation of the Premises; (ii) the Event of Default constitutes intentional misconduct, reckless behavior or repeated Events of Default of a similar nature by Lessee; or (iii) the remedies under this Lease are inadequate to redress such Event of Default. An Event of Default under Section 22.1(a) shall be considered a Material Default if Lessee fails to pay Rent for a period of three (3) consecutive months.

22.3 Fees and Costs. Lessee shall pay to Lessor all costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, incurred by Lessor in any action or proceeding to which Lessor may be made a party by reason of any act or omission of Lessee. Lessee also shall pay to Lessor all costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, incurred by Lessor in enforcing any of the covenants and provisions of this Lease and incurred in any action brought by Lessor against Lessee on account of the provisions hereof, and all such costs, expenses, and reasonable attorneys' fees and disbursements may be included in and form a part of any judgment entered in any proceeding brought by Lessor against Lessee on or under this Lease. All of the sums paid or obligations incurred by Lessor as aforesaid, with interest at the Interest Rate, shall be paid by Lessee to Lessor within ten (10) Business Days after written demand by Lessor.

22.4 Assignment. In the case of an Assignment, any of the events described in Section 22.1 by the Assignee shall constitute a default under the Assignment. Upon such default, Lessor shall be entitled to the same remedies set forth in Section 22.2; provided, however, that Lessor may only exercise such remedies against the Assignee and the portion of the Premises subject to the Assignment. A default under a partial Assignment shall not constitute a default under this Lease.

22.5 Waiver. No waiver or breach of any term of this Lease shall be construed as a waiver of any subsequent breach of the same or any other term.

22.6 Lessor's Default. Lessor shall not be deemed in default hereunder unless Lessee shall have given Lessor written notice of such default specifying such default, and Lessor shall thereupon have sixty (60) days in which to cure such default unless such default cannot reasonably be cured within such period, in which case Lessor shall not be in default if it commences to cure the default within the sixty (60) day period and diligently pursues the completion of same. In the event of any default, Lessee agrees that its exclusive remedy shall be an action for damages, and shall not include a right to terminate this Lease.

ARTICLE 23. NO ABATEMENT OF RENT

23.1 No Rent Abatement. Except as may be otherwise expressly provided herein, there shall be no abatement, off-set, diminution or reduction of Base Rent or Additional Rent payable by Lessee hereunder or of the other obligations of Lessee hereunder under any circumstances.

ARTICLE 24. LESSOR'S TRANSFER OF INTEREST

24.1 Permitted Transfer. Flaum (or the direct or indirect holder of any equity interest in Flaum) may transfer or sell the Fee Parcels (or such equity interest therein) and/or WGLNS (or the direct or indirect holder of any equity interest in WGLNS) may, subject to the terms of the NSRC Lease, transfer or sell WGLNS's interest in the NSRC Lease (individually and collectively, "Lessor's Interest") from time to time, but only if (a) the Lessor has first complied with Lessee's Right of First Offer pursuant to Section 24.2; (b) such transaction and the resulting ownership of Lessor do not otherwise violate this Lease; (c) the transferee assumes all of the obligations of Lessor under this Lease in writing and in a form reasonably acceptable to Lessee and (d) Lessor promptly notifies Lessee of

such transfer in writing; provided that, in no event may Lessor transfer any portion of Lessor's Interest to a Prohibited Person. Any sale or exchange of Lessor's Interest (or such equity interest therein) shall in any event be made subject to this Lease. If any transaction violates the terms of this Section 24.1, then: (v) it shall be null, void, and of no force or effect; (w) notwithstanding the foregoing, Lessee shall be entitled to equitable relief to cancel and rescind such transaction; (x) Lessee shall be entitled to (in its sole and absolute discretion) declare such transaction a "Licensing Event" and thereafter exercise all rights provided to Lessee in Section 29.6 hereof; (y) Lessee may terminate this Lease; and (z) Lessee may exercise any other available right or remedy.

24.2 Lessee's Right of First Offer. Except as set forth in Section 24.3, if Lessor desires to transfer any portion of Lessor's Interest (or the direct or indirect holder of any equity interest in Lessor elects to transfer its interests in Lessor), then, provided that this Lease has not terminated or expired, Lessor shall first give Lessee the right to purchase Lessor's Interest ("Lessee's ROFO") for a price and on terms and conditions determined by Lessor and set forth in a notice given to Lessee (the "Lessor's Offer"):

(a) Certain Exempt Transactions. Lessee's ROFO shall not apply to: (v) an assignment made pursuant to Section 24.3, (x) the grant of a bona fide fee or leasehold mortgage on Lessor's Property to an Institutional Lender; (y) any transfer by exercise of remedies under such a fee or leasehold mortgage; or (z) any subsequent transfer(s) by anyone whose title derives directly or indirectly from any transfer in clause (y).

(b) ROFO Procedures. Lessor's Offer shall be in writing and shall set forth the terms on which Lessor proposes to transfer Lessor's Interest (or the direct or indirect holder of any equity interest in Lessor elects to transfer its interests in Lessor). Lessee shall have twenty (20) Business Days from receipt of the Lessor's Offer within which to elect to purchase Lessor's Interest on the precise terms and conditions of Lessor's Offer (except that if the Lessor's Offer shall be in whole or part for consideration other than cash, Lessee shall have the right to pay in cash the fair market value of such noncash consideration). If Lessee elects to so purchase Lessor's Interest, Lessee shall give to Lessor written notice thereof ("Acceptance Notice") and the closing shall be held sixty (60) to one-hundred eighty (180) days (as designated by Lessee on 30 days' notice to Lessor) after the date of the Acceptance Notice or such longer period of time as is set forth in the Lessor's Offer, whereupon Lessor shall convey Lessor's Interest to Lessee. The transfer of Lessor's Interest shall otherwise be on the terms of a standard printed form contract of sale used in the State of New York for improved real property and selected by Lessee, modified as necessary in Lessee's reasonable judgment to reflect the terms of Lessor's Offer.

(c) Sale to Third Party. If Lessee does not timely elect to purchase Lessor's Interest, then Lessor may transfer Lessor's Interest (or the equity interests therein) to any other Person, except a Prohibited Person, within twelve (12) months of Lessee's rejection or deemed rejection without being required to comply again with the foregoing provisions of this Section 24.2, provided that, if Lessor intends to sell Lessor's Interest (i) after such twelve (12) month period, or (ii) within such twelve (12) month period at a price less than the price described in Lessor's Offer, Lessor shall give Lessee written notice, setting forth the applicable purchase price and terms and conditions, and Lessee shall have twenty (20) business days to elect in writing to purchase Lessor's Interest at such purchase price and on such terms and conditions. Lessee's ROFO shall not survive the expiration or earlier termination of this Lease.

(d) Transferees. Any purchaser (or direct or indirect subsequent purchaser) of any portion of Lessor's Interest shall be bound, as to subsequent transfers, by Lessee's ROFO, whether or not the instrument(s) of transfer to such purchaser so state.

(e) If the holder of direct or indirect equity interest in Lessor desires to transfer such equity interest, then such holder shall comply with Lessee's ROFO, but each reference to Lessor's Interest shall refer to such equity interest and each reference to Lessor shall refer to the holder of such equity interest. Lessor shall cause such holder to comply with Lessee's ROFO.

24.3 Assignments by Lessor. Notwithstanding the above, Lessor may assign this Lease to (i) any entity which is majority owned and controlled, directly or indirectly, by David M. Flaum and/or his immediate family members, and/or an inter vivos family or testamentary trust for the benefit of David Flaum and/or his spouse, children or grandchildren so long as David Flaum and/or his spouse or a child or children is the trustee or trustees of such trust with the power to act on behalf of and control the actions of such trust or (ii) as collateral or security to any lender providing any financing pertaining to the Lessor's Property on behalf of Lessor (a "Lessor Financing"). At Lessor's request, Lessee shall execute such documentation, including any collateral assignments or pledge

agreements, as may be necessary or desirable to assist Lessor in connection with any Lessor Financing provided that Lessee shall have no obligations under such documents and in no event shall this Lease be subordinate to the Lessor Financing. Notwithstanding anything herein to the contrary, (i) any assignment of this Lease (whether permitted or requiring consent hereunder) shall be subject to all Gaming Laws and continued compliance with the Suitability provisions under Article 29 hereto and (ii) prior to any such assignment, Lessor shall submit a background information form as required by Lessee and any other requested information required for its suitability analysis in accordance with Section 29.3 below, and Lessor shall have received written confirmation from Lessee that such transferee has been approved by the Compliance Committee.

ARTICLE 25.
COMMUNITY STANDARDS

25.1 Non-Discrimination. Lessee agrees that it will not affect or execute any agreement, assignment, lease, sublease, conveyance, or other instrument whereby the Premises or any part thereof is restricted upon the basis of race, religion, color, sex, age, handicap disability or national origin in the sale, lease, or occupancy thereof. In addition, Lessee, in connection with the erection, maintenance, repair, restoration, alteration or replacement of, or addition to, the Improvements shall: (a) not discriminate nor permit discrimination against any Person by reason of race, creed, color, religion, national origin, ancestry, sex, age, disability or marital status; and (b) comply with all applicable Requirements from time to time in effect prohibiting such discrimination.

ARTICLE 26.
FORCE MAJEURE

26.1 Unavoidable Delays. Whenever Lessee, pursuant to the provisions of this Lease, is required to construct any Improvements on the Lessor's Property within a particular time limit, or at or before a specified date or take any other action hereunder, and Lessee should, in good faith, be delayed in such work, erection, restoration or repair or other action by (i) any act of war, act of terrorism, insurrection, rebellion, riots or other civil unrest, (ii) strikes, lockouts or other labor interruptions, (iii) fire, hurricane, flood, storm, earthquake, abnormal weather condition which necessitates extraordinary measures and expense or other casualty or condemnation, (iv) disruption to local, national or international transport services; (v) embargoes, lack of materials or services such as water, power or telephone transmissions necessary for the development or construction of the Improvements in accordance with this Agreement; (vi) failure of any applicable Governmental Authority to issue any licenses, permits or approvals, or the suspension, termination or revocation of any material licenses, permits or approvals required for the development or construction of the Improvements; or (vii) any other cause beyond Lessee's reasonable control, and occurring without its fault or negligence (each a "Force Majeure Event"), a period of time equal to such period of delay shall be added to the particular time limit otherwise provided herein, and Lessee shall not be in default if it shall complete such work, erection, restoration or repair or other action within the stipulated time limit, increased by a period of time equal to such period of delay. Neither economic impracticality nor the inability to perform in whole or in part for economic reasons shall constitute a Force Majeure Event. In the event of a Force Majeure Event, Lessee shall give Lessor written notice thereof within ten (10) days after acquiring knowledge of the beginning of the delay in each instance, including a brief description of the circumstances of such Force Majeure Event and an estimate of the anticipated delay. If Lessee asserts the continuation of a Force Majeure Event for a period longer than forty-five (45) days, it shall give Lessor written notice each month during such continuation which includes an updated estimate of the anticipated continued delay (which estimate shall be certified by the architect in the case of a Force Majeure Event that affects the performance of Lessee's renovations). Within ten (10) days after acquiring knowledge of cessation of such Force Majeure Event, Lessee shall give Lessor written notice of the date of such cessation. Lessee shall use prompt reasonable diligence to remove the cause of any such delay.

ARTICLE 27.
SURRENDER AT END OF TERM

27.1 Surrender. On the Expiration Date or earlier termination of the Term, Lessee shall surrender the Premises free and clear of all liens except for (i) Permitted Exceptions, (ii) liens created on the Project Site in accordance with the Development Plan or liens otherwise permitted under this Lease on Lessor's Property, (iii) liens that Lessor or any of its agents caused and those created by Lessor or any of its Representatives or (iv) any state of facts a current survey would show. Lessee shall perform all regular and periodic maintenance, repairs and

replacements throughout the Term up to the Expiration Date or earlier termination of the Term, provided that the foregoing shall not be construed to require Lessee to accelerate periodic maintenance, repairs or replacements that in the ordinary course would be performed after expiration of the Term. Title to the Improvements shall automatically, and without the necessity of any further action, vest in Lessor upon the expiration or earlier termination of this Lease. Lessee hereby waives any notice now or hereafter required by law with respect to vacating the Premises on any such termination or expiration of this Lease.

27.2 Remove Property. Upon the expiration or earlier termination of this Lease, or if requested by Lessor upon a re-entry by Lessor upon the Premises pursuant to Article 22, Lessee shall remove its personal property and equipment, provided that (i) the removal of any such property does not cause structural damage to the Improvements, necessitate changes in the Improvements or render the Improvements or any part thereof unfit for use and occupancy and (ii) Lessee must remove such property, if any, before or within 30 days after the Expiration Date. During such 30-day period: (w) Lessee may enter the Premises for such purposes, without being deemed a holdover, (x) Lessor shall have no obligation to preserve or protect such personal property, (y) in entering the Premises, Lessee shall comply with Lessor's reasonable instructions and (z) Lessee shall continue to pay Base Rent prorated for each day that Lessee continues to occupy the Premises during such 30-day period and shall comply with the provisions of Articles 12 and 13 hereunder. Lessee shall pay the cost of repairing any damage to the Premises arising from the removal of such property, and such obligation shall survive the Term.

27.3 Transfer. Prior to the last day of the Term or upon any earlier termination of this Lease, or upon a re-entry by Lessor upon the Premises pursuant to Article 22 hereof, Lessee shall deliver to Lessor, to the extent in Lessee's possession, Lessee's executed counterparts of all Subleases and any service and maintenance contracts then affecting the Premises or any part thereof, true and complete maintenance records for the Premises, all original licenses and permits then pertaining to the Premises, permanent or temporary certificates of occupancy then in effect for the Improvements, and all warranties and guarantees then in effect which Lessee has received in connection with any work or services performed or fixtures installed in, on or under the Premises.

27.4 Remaining Property. Any personal property of Lessee or of any Sublessee which shall remain on the Premises past the date which is 30 days after the Expiration Date and after the removal of Lessee or such Sublessee, may, at the option of Lessor, be deemed to have been abandoned by Lessee or such Sublessee and either may be retained by Lessor as its property or be disposed of, without accountability, in such manner as Lessor may see fit and at Lessee's sole cost and expense, and such obligation shall survive the Term. Lessor shall not be responsible for any loss or damage occurring to any such property owned by Lessee or any Sublessee.

27.5 Survival. The provisions of this Article shall survive any expiration or termination of this Lease.

ARTICLE 28. LESSOR NOT LIABLE FOR INJURY OR DAMAGE, ETC.

28.1 No Liability. Lessor shall not in any event whatsoever be liable for any injury or damage to Lessee or to any other Person happening on, in or about the Premises and its appurtenances, nor for any injury or damage to the Premises or to any property belonging to Lessee or to any other Person which may be caused by any fire or breakage, or by the use, misuse or abuse of the Improvements (including, but not limited to, any of the common areas within the buildings, fixtures, equipment, elevators, hatches, openings, installations, stairways, hallways, or other common facilities), or the streets or sidewalk area within or adjacent to the Premises or which may arise from any other cause whatsoever except to the extent such injury or damage is attributable to or arises from the negligence or willful misconduct of Lessor or its Representatives.

28.2 Utilities. Lessor shall not be liable to Lessee or to any other Person for any failure of water supply, gas or electric current, nor for any injury or damage to any property of Lessee or of any other Person or to the Premises caused by or resulting from gasoline, oil, steam, gas, electricity, or hurricane, tornado, flood, wind or similar storms or disturbances, or water, rain or snow which may leak or flow from the street, sewer, gas mains or subsurface area or from any part of the Premises, or leakage of gasoline or oil from pipes, appliances, sewer or plumbing works therein, or from any other place, nor for interference with light or other incorporeal hereditaments by anybody.

28.3 Soil. In addition to the provisions of Sections 28.1 and 28.2, in no event shall Lessor be liable to Lessee or to any other Person for any injury or damage to any property of Lessee or of any other Person or to the

Premises, arising out of any sinking, shifting, movement, subsidence, failure in load-bearing capacity of, or other matter or difficulty related to, the soil, or other surface or subsurface materials, on the Premises, it being agreed that Lessee shall assume and bear all risk of loss with respect thereto, except to the extent such injury of damage is attributable to or arises from the negligence or willful misconduct of Lessor or its Representatives.

ARTICLE 29.
SUITABILITY

29.1 Landlord Representation. Lessor represents and warrants to Lessee as follows: No Lessor-Related Party has ever withdrawn, been denied, or had revoked a gaming license or related finding of suitability by a Governmental Authority or Gaming Authority within the last 5 years. To Lessor's knowledge, as of the date hereof, there are no facts that if known to any Gaming Authority would (1) be reasonably likely to result in the denial, revocation, limitation, or suspension of a gaming license currently held or other gaming approval, or (2) result in a negative outcome to any finding of suitability proceedings currently pending, or under the suitability proceedings in connection with the consummation of this Lease.

29.2 Lessor Acknowledgement. Lessor acknowledges that Lessee and its Affiliates and the Lessee-Related Parties (1) conduct business in an industry that is subject to and exists because of privileged licenses issued by Governmental Authorities in multiple jurisdictions, (2) are subject to extensive gaming regulation and oversight, and are required to adhere to strict laws regarding vendor and other business relationships, and (3) have adopted strict internal controls and compliance policies governing their own activities and those of certain parties with whom they do business.

29.3 Compliance with Applicable Laws.

(a) Compliance Generally. At all times during the Term, each party and its Representatives shall act in all material respects in accordance with all applicable law in jurisdictions in which such party or its Representative conducts business. In addition, and without limiting the foregoing, Lessor shall, and shall cause each Lessor-Related Party to, obtain and maintain any and all registrations, applications or licenses or any other rights or entitlements required by any Gaming Law to be held by Lessor or such Lessor-Related Party.

(b) Continuing Compliance with Gaming Laws. Lessor acknowledges that certain casino-gaming licenses are currently issued to and held by Lessee, its Affiliates and the Lessee-Related Parties in various states, and that Lessee, its Affiliates or the Lessee-Related Parties may in the future apply for gaming licenses in additional states or foreign countries. Such jurisdiction's laws may require that Lessee, its Affiliates or the Lessee-Related Parties disclose private or otherwise confidential information about Lessor or one or more Lessor-Related Party or certain other related persons or entities (including, in the case of any trusts or similar Persons, the direct or indirect beneficiaries of such trusts or similar Persons) (the "Subject Group"). Accordingly, Lessor shall refrain from all conduct that may negatively affect such licenses or license applications. Gaming operations are highly regulated by the Gaming Authorities and such regulations impose upon Lessee, its Affiliates and the Lessee-Related Parties an affirmative duty to investigate the backgrounds of entities or individuals with whom Lessee, its Affiliates and the Lessee-Related Parties do business. Furthermore, such regulations require that Lessee, its Affiliates and the Lessee-Related Parties subject themselves to rigorous investigation. The Gaming Authorities may request information regarding entities and persons with whom Lessee does business. Accordingly, if requested by the Gaming Authorities, or if reasonably and in good faith needed by Lessee, its Affiliates or the Lessee-Related Parties to comply with gaming licenses or approvals, Lessor shall, and shall cause members of its Subject Group (including new investors, direct or indirect, in Lessor) to supply any requested information from time to time.

(c) Good Repute. The Gaming Laws require that the regulated party and its respective Affiliates be of good repute. Each party represents and warrants to the other parties that it and its principals, directors, officers, shareholders, key managers and Affiliates are of good repute.

29.4 Lobbyists. Each party acknowledges that its policy is to conduct its affairs in accordance with all applicable laws, including any applicable laws of the State of New York governing lobbying and disclosure of payments relating thereto, and that each will govern their conduct in accordance with such policy.

29.5 Prohibited Transactions. Each party and its Affiliates shall conduct their activities, and shall cause

any activities conducted on their behalf to be conducted, in a lawful manner, and shall not engage in the following transactions in violation of applicable law:

(a) pay or offer to pay directly or indirectly, to any domestic or foreign government official or employee amounts to obtain business, retain business or direct business to others, or for the purpose of inducing such government official or employee to fail to perform or to perform improperly his official functions;

(b) receive, pay or offer anything of value, directly or indirectly, from or to any private party in the form of a commercial bribe, influence payment or kickback for any such purpose; or

(c) use, directly or indirectly, any funds or other assets of the parties for any unlawful purpose, including any political contribution in violation of applicable law.

29.6 Lessor Licensing Event.

(a) If a Licensing Event occurs any aspect of which is attributable to Lessor (or any direct or indirect owner, member or equity interest holder of Lessor or any other Lessor-Related Party), then Lessor shall use its commercially reasonable efforts for a period of 60 days or such shorter period as required by applicable Gaming Laws (the "Internal Period") to purchase or otherwise acquire from the Person to whom the Licensing Event is attributable its direct or indirect ownership interest in Lessor in a manner that will, or to take any other action as may be necessary to, resolve the Licensing Event (a "Lessor Cure"); provided that if in Lessee's reasonable opinion the Licensing Event is of such a nature that a Lessor Cure is not achievable under the applicable Gaming Laws and severing any relationship with Lessor is a necessary action, there shall be no Internal Period and Lessee shall be entitled to immediately exercise the provisions of this Section as if the Internal Period had expired. If, at the end of the Internal Period Lessor fails to effect a Lessor Cure or if the Internal Period is terminated pursuant to the proviso in the preceding sentence, then Lessee may, in its sole discretion, (x) cause Lessor to transfer all of its rights, title and interest in and to the Lessor's Property, the Premises and this Lease to an Interim Trust in a manner reasonably acceptable to Lessee to resolve the Licensing Event and, if required by the Gaming Authorities to resolve the Licensing Event, for so long as such cessation is required by the Gaming Authorities, Lessee may cease making Percentage Rent payments required under this Lease and in lieu thereof shall make a monthly flat fixed rent payment equal to the average monthly Percentage Rent payment paid during the 12 months immediately preceding such Licensing Event or (y) assume the NSRC Lease and the obligations thereunder and purchase the Fee Parcels from Flaum at a purchase price equal to the greater of (i) the appraised fair market value of the Fee Parcels, according to the determination made and method provided in Section 29.6(b) (the "Land Value") and (ii) the outstanding principal balance of any fee mortgage on the Fee Parcels (which shall not exceed \$20,000,000). If Lessee elects to assume the NSRC Lease from WGLNS and purchase the Fee Parcels from Flaum pursuant to the preceding sentence, Lessee shall send written notice to WGLNS and Flaum of its election to assume the NSRC Lease and purchase the Fee Parcels (the "Call Notice"). Upon the occurrence of a Licensing Event any aspect of which is attributable to Lessor (or any direct or indirect owner, member or equity interest holder of Lessor or any other Lessor-Related Party), the Lessor's Property shall be deemed to be held in a constructive trust for Lessor's benefit, and Lessor shall forfeit all consent rights with respect thereto but shall retain all economic rights thereto to the extent required by the Gaming Authorities.

(b) Determination of Land Value. For purposes of calculating the Land Value, the fair market value of the Fee Parcels means the amount that a willing buyer would pay a willing seller for the Fee Parcels, neither being under a particular compulsion to buy or to sell, each fully aware of all applicable facts about the Fee Parcels, and assuming a reasonable marketing period, considered as if the Fee Parcels were vacant and clear of any structures or excavations, and free and clear of all leases (including this Lease), taking into account then-current general economic conditions; costs of construction; recent sales of nearby comparable parcels; the real estate marketplace; and all other conditions as in effect on the date of determination that may reasonably be considered in determining the fair market value of the Fee Parcels. Land Value shall otherwise be determined in accordance with prevailing standards of appraisal practice at the time of determination. If Lessee exercises its right to purchase the Fee Parcels pursuant to Section 29.6(a) above, then the parties shall promptly endeavor to agree upon the Land Value. If Flaum and Lessee have not agreed on the Land Value within 10 calendar days after Lessee delivers its Call Notice to Flaum (the "Negotiation Period"), then each party shall within 5 Business Days after the end of the Negotiation Period designate a Qualified Appraiser. The two Qualified Appraisers so designated shall within 5 Business Days designate a third. If either party fails to timely designate a Qualified Appraiser, and does not cure such failure within 3 Business Days after written notice of such failure, then the one Qualified Appraiser the other party

designated shall determine the Land Value. Within 10 Business Days after designation of the Qualified Appraiser(s), each party shall simultaneously submit to the Qualified Appraiser(s), with a copy to the other party, such party's proposed Land Value, with such information and supporting materials as each submitter determines appropriate. Within 10 Business Days after the parties have made their submissions, the Qualified Appraiser(s), by majority vote (or by the determination of the one Qualified Appraiser, if only one Qualified Appraiser is designated), shall select as Land Value either Flaum's proposal or Lessee's proposal. The Qualified Appraiser(s) shall have no authority to designate any other Land Value. If a party fails to make a timely proposal, then the submission and exchange of proposals shall be deferred by 3 Business Days. The party that was ready to proceed shall give the other party immediate written notice of such deferral and the consequences of failing to make a timely proposal. If, after such deferral and such notice, a party still fails to make a timely proposal, then the other party's proposal shall automatically be deemed the Land Value, provided only that the Qualified Appraiser(s) determine(s) that such proposal is not commercially unreasonable, arbitrary, or capricious. The Land Value the Qualified Appraiser(s) determine(s) shall be the Land Value for purposes of Section 29.6(a) of this Lease. The parties shall promptly confirm such Land Value in writing. Flaum and Lessee may each, by written notice to the other, delegate to one permitted fee mortgagee and one Permitted Mortgagee, respectively, all its rights under this paragraph. The recipient of such notice shall be bound by such delegation from and after receipt of such notice. Any such delegation shall remain effective until the related fee mortgagee and/or Permitted Mortgagee has either satisfied and discharged its fee mortgage or Permitted Mortgage, respectively, of record or given written notice terminating such delegation. This provision for determination by appraisal is specifically enforceable to the extent that such remedy is available under applicable law, and the determination of the Land Value hereunder shall be final and binding upon the parties.

(c) The following procedures shall apply to the closing of the sale transaction (the "Closing") pursuant to Section 29.6(a) hereof (a "Call Transaction"):

(i) The Closing shall take place no later than thirty (30) days after the determination of the Land Value pursuant to Section 29.6(b), at 10:00 a.m. local time at the principal offices of Lessor, or at such other date, time or place as Lessor and Lessee shall mutually agree (the "Closing Date"). At such closing, Lessor and Lessee shall share (one-half each) the cost of any transfer taxes or similar taxes or fees for the transfer of the Fee Parcels and the assignment of the NSRC Lease. Lessee acknowledges that in the event of a Call Transaction, that Lessee will be purchasing all of Lessor's right, title and interest in the Lessor's Property in an "AS IS," "WHERE IS" and "WITH ALL FAULTS" condition, and specifically and expressly without any warranties, representation or guaranties, either express or implied, of any kind, nature or type whatsoever from or on behalf of Lessor to Lessee except that the Lessor's Property shall be free and clear of all liens except the Permitted Exceptions or encumbrances created by Lessee. This Lease shall be deemed terminated following Lessor's completion of its obligations as set forth in Section 29.6(c)(iii) below, and Lessor's receipt of the Land Value, provided that, at Lessee's election in its sole discretion, Lessor shall assign all of its right, title and interest in the Lease to Lessee or Lessee's designee in connection with the Closing.

(ii) Lessee may elect to have an Affiliate, a Lessee-Related Party or other party take title to the Premises (Lessee or its designee, the "Purchaser"), by giving Lessor prior written notice of such designation at least five (5) days prior to the Closing Date.

(iii) At or prior to the Closing, the Lessor shall (x) execute and deliver to Purchaser a bargain and sale deed for the Fee Parcels and an assignment of lease for the NSRC Lease with respect to the Leased Parcels, and (y) execute all other documents reasonably requested by Purchaser to be executed by Lessor in order to transfer to Purchaser all of Lessor's right, title and interest in the Lessor's Property and for Purchaser (and Purchaser's lender, if applicable) to obtain Form 2006 extended coverage policies of title insurance with regard to the Lessor's Property, free and clear of all liens except the Permitted Exceptions or encumbrances created by Lessee. Lessor shall use reasonable best efforts to obtain the consent of NSRC to such assignment of the NSRC Lease to Purchaser to the extent such consent is required under the NSRC Lease.

ARTICLE 30. MISCELLANEOUS

30.1 Brokers. Each of the parties represents to the other that it has not dealt with any broker, finder or like entity in connection with this Lease. If any claim is made by any Person who shall claim to have acted or dealt

with Lessee or Lessor in connection with this transaction, Lessee or Lessor as the case may be, will pay the brokerage commission, fee or other compensation to which such Person is entitled, shall indemnify and hold harmless the other party hereto against any claim asserted by such Person for any such brokerage commission, fee or other compensation and shall reimburse such other party for any costs or expenses including, without limitation, reasonable attorneys' fees and disbursements, incurred by such other party in defending itself against claims made against it for any such brokerage commission, fee or other compensation.

30.2 Successors. Each provision of this Lease shall extend to, be binding on and inure to the benefit of not only Lessor and Lessee, but each of their respective heirs, administrators, executors, successors in interest and permitted assigns.

30.3 Relationship. The relationship of the parties hereto is that of lessor and lessee, and it is expressly understood and agreed that Lessor does not in any way or for any purpose become a partner of Lessee or joint venturer with Lessee.

30.4 Quitclaim. After the expiration or termination of this Lease, Lessee shall execute, acknowledge and deliver to Lessor, within fifteen (15) days after written demand from Lessor to Lessee, any document in a form reasonably requested by Lessor and reasonably acceptable to Lessee quitclaiming any right, title or interest in the Leasehold Estate to Lessor or other document required by any reputable title company to resolve the cloud of this Lease from the Premises.

30.5 Severability. If any provision of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such provision shall not be affected thereby and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

30.6 Amendments. This Lease may only be modified or amended in writing signed by the party to be bound. Each of Lessor and Lessee agree to enter into an amendment of this Lease to the extent any such amendment is required by the New York Gaming Authorities.

30.7 Memorandum. The parties shall promptly execute, acknowledge and deliver and cause to be recorded, upon the request of the other, a memorandum of this Lease suitable for recording purposes. If the parties amend this Lease, then the parties shall have the same rights and obligations regarding a memorandum of such amendment as they do for the memorandum of this Lease. In no event shall either party be permitted to record this Lease in its entirety.

30.8 Cooperation. The parties hereto agree to fully and reasonably cooperate so as to allow Lessee to develop the Lessor's Property consistent with the Development Plan, this Lease and the applicable zoning. Lessor's cooperation shall include, but not be limited to, executing applications and petitions consistent with the Development Plan. The parties also agree to execute such other and further documents as may be reasonably required by any party thereto.

30.9 No Waiver. No failure by either party to insist upon the strict performance of any covenant, agreement, term or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial Rent during the continuance of any such breach, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No covenant, agreement, term or condition of this Lease to be performed or complied with by a party, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by the other party. No waiver of any breach shall affect or alter this Lease, but each and every covenant, agreement, term and condition of this Lease still continue in full force and effect with respect to any other then existing or subsequent breach thereof.

30.10 Construction. The parties acknowledge that they have both had the benefit of legal counsel with regard to this Lease. They therefore agree that, notwithstanding anything contained herein to the contrary, this Lease and all of its terms, provisions and conditions shall be construed fairly and not strictly against either Lessor or Lessee.

30.11 Notices. All notices, consents, waivers, requests, demands, and other communications that are required or may be given under this Lease must be sent in writing and will be deemed to have been duly given (a) when transmitted if transmitted by facsimile upon receipt of telephonic or electronic confirmation, provided,

however, that a copy is mailed by regular mail, return receipt requested or overnight delivery in accordance with clause (b) or (c) of this Section, (b) the day after it is sent, if sent for next-day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express), or (c) upon receipt, if sent by certified or registered mail, return receipt requested. In each case notice must be sent to:

To
Lessor: C/o Flaum Management Company Inc.
Attn: Asher Flaum
400 Andrews Street, Suite 500
Rochester, New York 14604
Fax: (585) 325-6058

To
Lessee: Woodbury Casino, LLC
Attn: General Counsel
One Caesars Palace Drive
Las Vegas, Nevada 89119
Fax: (702) 407-6284

Either party may, by written notice delivered to the other in accordance with the provisions of this Section, designate a different address to which any notices shall thereafter be delivered or mailed and such change in address shall become effective ten (10) calendar days after delivery of such notice in accordance with the terms of this Section 30.11.

30.12 Transfers. Any attempt to assign, sublease, mortgage, convey, transfer, pledge, encumber or otherwise dispose of any estate or interest in this Lease, other than pursuant to express terms of this Lease, shall be void and shall not be effective.

30.13 Joint and Several, Lessee Representative. If more than one Person is named as or becomes Lessee hereunder, Lessor may require the signatures of all such Persons in connection with any notice to be given or action to be taken by Lessee hereunder except to the extent that any such Person shall designate another such Person as its attorney-in-fact to act on its behalf, which designation shall be effective until receipt by Lessor of notice of its revocation. Each Person named as Lessee shall be jointly and severally liable for all of Lessee's obligations hereunder and shall be entitled to receive any notices to be delivered to Lessee hereunder. If all such parties designate in writing one Person to receive copies of all notices, Lessor agrees to send copies of all notices to that Person.

30.14 Limitation of Liability. Notwithstanding anything to the contrary in this Lease, the liability under this Lease of Lessor (or of any Person who has at any time acted as Lessor) or Lessee (or of any Person who has at any time acted as Lessee) hereunder for damages or otherwise shall be limited to Lessor's and Lessee's, as applicable, interest in the Premises, including, without limitation, the rents and profits therefrom, the proceeds of any insurance policies covering or relating to the Premises, any awards payable in connection with any condemnation of the Premises or any part thereof, and any other rights, privileges, licenses, franchises, claims, causes of action or other interests, sums or receivables appurtenant to the Premises. Neither (i) Lessor nor any such Person nor any of the members, directors, officers, employees, agents or servants thereof nor (ii) Lessee nor any such Person nor any of the members, directors, officers, employees, agents or servants thereof shall have any liability (personal or otherwise) hereunder beyond Lessor's or Lessee's, as applicable, interest in the Premises, and no other property or assets of any such party shall be subject to levy, execution or other enforcement procedure for the satisfaction of Lessee's or Lessor's, applicable, remedies hereunder.

30.15 No Merger. Except as otherwise expressly provided in this Lease, there shall be no merger of this Lease or the Leasehold Estate created hereby with the fee estate in the Fee Parcels or Lessor's leasehold interest in the Leased Parcels or any part thereof by reason of the same Person acquiring or holding, directly or indirectly, this Lease or the Leasehold Estate created hereby or any interest in this Lease or in such Leasehold Estate as well as the fee estate in the Fee Parcels and/or Lessor's leasehold interest in the Leased Parcels.

30.16 Future Sale. Lessee acknowledges that it has not been induced to enter into this Lease by any promise from Lessor or any of its agents, servants or employees, that the Lessor's Property will be offered for sale at any time.

30.17 No Partnership or Agency. Nothing contained in this Lease shall be construed to create a partnership or joint venture between the parties or their successors in interest or permitted assigns. Lessee is not an agent or representative of Lessor and has no right or authority to act for or on behalf of Lessor in any capacity or in any manner.

30.18 No Fee. No provision of this Lease shall create any right in Lessee or any Permitted Mortgagee to a fee interest in the Lessor's Property in any manner.

30.19 Governing Law. This Lease (and any claims or controversies arising out of or relating to this Lease) is governed by the Laws of the State of New York without regard to conflicts of laws principles that would result in the application of any Laws other than the Laws of the State of New York. Each party consents and voluntarily submits to personal jurisdiction in the State of New York and in the courts in such state and the United States District Court for the Southern District of New York in any proceedings arising out of or relating to this Lease and agrees that all claims in respect of any such proceeding may be heard and determined in any such court. Each party agrees that any action instituted by it against another party with respect to this Lease will be instituted exclusively in the United States District Court for the Southern District of New York, or, if such court does not have jurisdiction to adjudicate such action, in the courts of the State of New York. Each party hereto irrevocably and unconditionally waives and agrees not to plead, to the fullest extent permitted by any applicable law, any objection that it may now or hereafter have to the laying of venue or the convenience of the forum of any action with respect to this letter agreement in the United States District Court for the Southern District of New York and the courts of the State of New York. Each party agrees that a final judgment, subject to appeal rights, in any proceeding so brought will be conclusive and may be enforced by suit on the judgment or in any other manner provided by law or in equity.

30.20 WAIVER OF TRIAL BY JURY. EACH PARTY WAIVES TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING, LITIGATION OR OTHER DISPUTE THAT RELATES IN ANY WAY TO THIS LEASE, OR ANY RIGHTS, OBLIGATIONS, OR CLAIMS ARISING BETWEEN THE PARTIES THAT RELATE IN ANY WAY TO ANY OF THE FOREGOING.

30.21 Mutual Termination. This Lease may be terminated prior to the expiration date upon written agreement signed by both Lessor and Lessee. The agreement shall specify the terms and conditions of such a cancellation.

30.22 Headings. The titles to the Articles and Sections of this Lease are for convenience of reference and are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of this Lease.

30.23 Integration. This Lease, together with the Exhibits appended hereto, embodies the whole agreement of the parties. There are no other agreements or terms, oral or written. This document supersedes all previous communications, representations and agreements, oral or written, between the parties.

30.24 Confidentiality.

(a) Each party shall provide each other party with an advance copy of any proposed disclosure, press release, or public announcement (any one, a "Disclosure") concerning this Lease within a reasonable time before such party's Disclosure and will consult with the other party concerning the contents of such Disclosure. If any Disclosure mentions any party or any of its Affiliates or direct or indirect shareholders, such press release will be subject to the prior written approval of such other party.

(b) No party shall make any Disclosure (or otherwise make available this Lease or any part of it to the public, or publicly file any copies of this Lease, other than (1) to advisors, legal counsel, accountants, regulatory authorities, agents or representatives in connection with this Lease's purposes, lenders (current or prospective) (and the Persons to whom such lenders may be permitted to make disclosures pursuant to the applicable loan documents), or Lessee' investors (current or prospective), (2) Disclosures required by applicable law or regulation or by a

Governmental Authority or in any judicial process, (3) Disclosures that are public, non-confidential or non-proprietary in nature, or (4) Disclosures otherwise agreed upon by each party in writing. In addition, any party that receives any Information directly or indirectly from another party or its Representatives, lenders or prospective lenders, or financing sources, shall keep such Information strictly confidential and shall not, without the disclosing party's prior written consent, disclose such Information to any other Person in any manner whatsoever, in whole or in part, and shall not use such Information for any purpose other than the purposes set forth in this Lease; provided, however, that if any party is advised by its counsel that it is legally obligated or otherwise required by a Governmental Authority or in connection with any judicial process to release the Information, such party may do so after notice to and consultation with the other party.

ARTICLE 31.
REPRESENTATIONS AND WARRANTIES AND COVENANTS

31.1 Representations and Warranties of Lessee. Lessee represents and warrants to Lessor that, as of the date of this Lease, the following statements are true and correct:

(a) Authority. The execution and delivery of this Lease has been duly authorized and approved by all requisite action of Lessee, and no other authorizations or approvals are necessary in order to enable Lessee to enter into or to comply with the terms of this Lease.

(b) Binding Effect of Documents. This Lease and the other documents to be executed by Lessee hereunder, upon execution and delivery thereof by Lessee, will have been, duly entered into by Lessee, and will constitute when executed legal, valid and binding obligations of Lessee. Neither this Lease, nor anything provided to be done under this Lease, violates or shall violate any contract, document, understanding, agreement or instrument to which Lessee is a party or by which it is bound.

31.2 Representations and Warranties of Lessor. Lessor represents and warrants to Lessee that, as of the date of this Lease, the following statements are true and correct:

(a) Authority. The execution and delivery of this Lease has been duly authorized and approved by all requisite action of Lessor, and no other authorizations or approvals are necessary in order to enable Lessor to enter into or to comply with the terms of this Lease.

(b) Binding Effect of Documents. This Lease and the other documents to be executed by Lessor hereunder, upon execution and delivery thereof by Lessor, will have been duly entered into by Lessor, and constitute, or when executed will constitute, legal, valid and binding obligations of Lessor. Neither this Lease nor anything provided to be done under this Lease, violates or shall violate any contract, document, understanding, agreement or instrument to which Lessor is a party or by which it is bound.

(c) Agreements; No Default. The execution and delivery of this Lease by Lessor, the execution and delivery of every other document and instrument delivered pursuant hereto by or on behalf of Lessor, and the consummation of the transactions contemplated hereby do not and will not (i) constitute or result in the breach of or default under any oral or written agreement to which Lessor is a party or which affects the Lessor's Property, including the NSRC Lease; (ii) constitute or result in a violation of any order, decree, or injunction with respect to which the Lessor and/or the Lessor's Property is bound; (iii) cause or entitle any party to have a right to accelerate or declare a default under any oral or written agreement to which Lessor is a party or which affects the Lessor's Property; and/or (iv) to Lessor's knowledge, violate any provision of any municipal, state or federal law, statutory or otherwise, to which Lessor or Lessor's Property is or may be subject.

(d) Pending Transactions, Suits or Proceedings. There are no transactions, suits, arbitrations, litigation, condemnation, or investigations pending or, to Lessor's knowledge, threatened against or affecting Lessor, Lessor's performance under this Lease, the NSRC Lease, as to WGLNS, or the Lessor's Property, or which will, or could reasonably be expected to, result in a lien, charge, encumbrance or judgment against any portion of or any interest in the Lessor's Property.

(e) Compliance with Laws. Lessor has received no notice of any violation of Requirements of any governmental agency, body or subdivision affecting or relating to Lessor's Property, including, without limitation, any subdivision, building, use or environmental law, ordinance, rule, requirement or regulation, and Lessor is not

aware of any condition or circumstance which would constitute any such violation. Lessor shall promptly provide Lessee with copies of any such notices that Lessor may receive during the Term.

(f) Regulated Substances. To Lessor's knowledge, (i) there are no Regulated Substances in existence in, on or below the surface of the Premises, including, without limitation, contamination of the soil, subsoil, or groundwater, and (ii) there are not now, nor have there ever been, any underground storage tanks on the Premises. To Lessor's knowledge, neither Prior Fee Owner nor NSRC (or either of their tenants, subtenants, or licensees) has stored or caused to be stored upon the Premises any Regulated Substances and, Lessor has no actual knowledge that any of Prior Fee Owner's or NSRC's predecessors-in-interest (or their tenants, subtenants, or licensees) stored or caused to be stored any Regulated Substances on the Premises or that any Regulated Substances now exist in, on or under the Premises.

(g) Unrecorded Encumbrances. To Lessor's knowledge, there are no liens, encumbrances, agreements or other matters affecting the Lessor's Property or any interest therein, except for such matters as are disclosed in the official records of the Orange County Clerk's Office.

(h) NSRC Lease.

(i) WGLNS represents and warrants that the NSRC Lease is in full force and effect;

(ii) WGLNS has complied with all obligations under the NSRC Lease, including, without limitation, sending all notices required under the NSRC Lease and making all payments under the NSRC Lease, each in a timely manner;

(iii) WGLNS has not received any notices asserting or claiming any breach, default or failure to comply from NSRC under the NSRC Lease;

(iv) To WGLNS's knowledge, NSRC is in full compliance with all of its obligations under the NSRC Lease and Lessor has not waived any material obligations of NSRC under the NSRC Lease;

(v) To WGLNS's knowledge, the NSRC Lease is enforceable against NSRC in accordance with its terms, except as limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws relating to or affecting the enforcement of creditors' rights generally, and subject to general principles of equity, regardless of whether considered in a proceeding at law or in equity; and

(vi) No other approvals or consents are required for WGLNS to enter into this Lease with Lessee for the Leased Parcels, except as expressly stated in the NSRC Lease.

31.3 Covenants of Lessor. During the Term of this Lease:

(a) WGLNS shall maintain the NSRC Lease in full force and effect, including, without limitation, continuing to make any required payments and exercising any term extensions thereunder;

(b) WGLNS shall promptly deliver or convey to Lessee any and all notices given to or received from NSRC or any other party in connection with the NSRC Lease or the Lease Parcels, including any notices of default or any matter on which NSRC may predicate or claim a default and notices of any legal proceedings involving obligations under the NSRC Lease;

(c) WGLNS shall not, without the prior written consent of Lessee which may be withheld in its sole and absolute discretion: (i) cancel, modify, restate, surrender, or terminate the NSRC Lease; (ii) consent, or fail to object, to a bankruptcy sale of the Lease Parcels; or (iii) waive any term(s) of the NSRC Lease;

(d) WGLNS shall take all action necessary to ensure Lessee shall have the right to cure all defaults under the NSRC Lease (whether the same consists of the failure to pay rent or the failure to perform any other matter or thing which Lessor is required to do or perform under the NSRC Lease) and take over as "tenant" under a new lease with NSRC containing the same terms and conditions as the NSRC Lease upon an uncured default by Lessor under the NSRC Lease;

(e) WGLNS shall permit Lessee to pay any rent payable under the NSRC Lease directly to NSRC on behalf of the Lessor in the event that Lessor fails to timely do so, and Lessee shall be permitted to offset any such payments made on Lessor's behalf against the Rent otherwise payable by Lessee hereunder;

(f) WGLNS shall cooperate with and shall use all reasonable best efforts to cause NSRC to cooperate with any request by Lessee or any Permitted Mortgagee to obtain a separate tax lot for the Leased Parcels from the remaining land owned by NSRC in the existing tax lot for the Leased Parcels

(g) WGLNS agrees that Lessee shall have the right to intervene in any legal proceedings involving obligations under the NSRC Lease and be made a party to such proceedings, and Lessor hereby consents to such intervention. If Lessee shall elect not to intervene or become a party to such proceedings, Lessee shall receive notice of, and a copy of any award or decision made in, said proceedings which shall be binding on Lessor or Lessee; and

(h) Neither Flaum nor WGLNS shall make any requests or applications of any kind or form whatsoever to any Governmental Authority seeking, asserting or accepting any PILOT agreement or any other means to achieve tax payments below fair market value as assessed pursuant to New York Real Property Tax Law or other applicable law.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease as of the Commencement Date.

LESSEE:

Woodbury Casino, LLC, a Delaware limited liability company

By: Caesars Growth Partners, LLC, its sole member

By: Caesars Acquisition Company, its Managing Member

By: _____
Name: _____
Title: _____

LESSOR:

Flaum Management Company Inc., a New York corporation

By: _____
Name: _____
Title: _____

LESSOR:

WGLNS, LLC, a New York limited liability company

By: _____
Name: _____
Title: _____

State of _____
County of _____, ss:

On the ____ day of _____ in the year 2014 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

State of New York
County of Monroe, ss:

On the ____ day of _____ in the year 2014 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

State of New York
County of Monroe, ss:

On the ____ day of _____ in the year 2014 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

Exhibit List

Exhibit A-1 – Legal Description of Fee Parcels

Exhibit A-2 – Legal Description of Leased Parcels

Exhibit B – Site Map of Lessor's Property

Exhibit C – Legal Description of the Project Site

Exhibit D – Permitted Exceptions

Exhibit E – Development Plan

Exhibit A-1

Legal Description of Fee Parcels

In general, the legal description is as follows:

ALL THAT LAND, situate in the Town of Monroe, Village of Woodbury and the Village of Harriman, County of Orange, State of New York, bound and described as follows:

BEGINNING at a set 5/8" iron rod with a plastic I.D. cap at the intersection of the southeasterly bounds of State Highway No. 115, with the southwesterly bounds of Lands of reputedly of Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, said iron rod also being opposite of the intersection with Maple Street;

THENCE from said place of beginning and along the bounds of the Pennsylvania Lines, LLC, the following courses and distances namely:

On a curve to the right, having a radius of Two Thousand Eight Hundred Twenty-One and Thirty Hundredths Feet (2,821.30') along an arc length of Two Hundred Fifty-Two and Eight Hundredths Feet (252.08') having a chord of South Thirty-Six Degrees, Nineteen Minutes, Ten Seconds East (S36°19'10"E), Two Hundred Fifty-Two and Zero Hundredths Feet (252.00');

THENCE South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Seventy-Four and Zero Hundredths Feet (74.00'), South Thirty-Nine Degrees, Eighteen Minutes, Thirty-Five Seconds East (S39°18'35"E), Thirty-Seven and Thirty Hundredths Feet (37.30'), South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), One Hundred Eighty-Two and Ten Hundredths Feet (182.10'), South Thirty-Seven Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S37°45'35"E), One Hundred and Twenty Hundredths Feet (100.20'), South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Seventy-Three and Ninety-Three Hundredths Feet (73.93') to a set 5/8" iron rod with a plastic I.D. cap, at the presumed boundary of the Village of Harriman with the Town of Woodbury;

THENCE continuing along the Lands of Pennsylvania Lines, LLC, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03') to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30');

THENCE along the Lands of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, North Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds West (N78°40'42"W), passing over a found marble monument, 6" above grade at One Hundred Ten and Fifty-Five Hundredths Feet (110.55') along the way, for a total distance of Six Hundred Sixty and Seventy-Two Hundredths Feet (660.72') to a found marble monument 4" above grade;

THENCE continuing along Metro North Commuter Rail Road, South Eleven Degrees, Fifteen Minutes, Eleven Seconds West (S11°15'11"W), Four Hundred Sixty-Five and Four Hundredths Feet (465.04') to a found marble monument flush in the ground;

THENCE South Fourteen Degrees, Eight Minutes, Forty-Two Seconds East (S14°08'42"E), Three Hundred Forty-Three and Forty-Four Hundredths Feet (343.44') to a found marble monument, flush in the ground, South Twenty-Six Degrees, One Minute, Thirty-Six Seconds West (S26°01'36"W), Three Hundred Ninety-Two and Sixty-Five Hundredths Feet (392.65'), to a found marble monument, flush in the ground, South Ten Degrees, Fifty-Six Minutes, Two Seconds West (S10°56'02"W), One Hundred Eighty and One Hundredths Feet (180.01'), to a found marble monument, 6" above grade, and South Forty Degrees, Five Minutes, Twenty-Two Seconds West

(S40°05'22"W), passing over a found copper weld at Ninety-Eight and Eighteen Hundredths Feet (98.18') along the way, for a total distance of One Hundred Six and Thirteen Hundredths Feet (106.13') to the easterly bounds of New York State Route 17, State Highway No. 8256;

THENCE along said road bounds, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet (469.26'), North Twenty Degrees, Sixteen Minutes, Twenty-One Seconds West (N20°16'21"W), Three Hundred Seven and One Hundredths Feet (307.01'), North Five Degrees, Two Minutes, Fifteen Seconds West (N05°02'15"W), Seventy-Seven and Seventy-Nine Hundredths Feet (77.79'), North Five Degrees, Thirty Minutes, Twenty-Seven Seconds West (N05°30'27"W), One Hundred Twenty and Eighty-Four Hundredths Feet (120.84'), North Two Degrees, Twenty Minutes, Thirteen Seconds East (N02°20'13"E), Two Hundred Ninety-Seven and Thirty-Six Hundredths Feet (297.36'), North Five Degrees, Twenty-Six Minutes, Forty-Three Seconds East (N05°26'43"E), Three Hundred Forty-Nine and Eighty-Seven Hundredths Feet (349.87'), North One Degree, Twenty-Eight Minutes, Twenty-Four Seconds East (N01°28'24"E), One Hundred and Twenty-Four Hundredths Feet (100.24'), North Two Degrees, Fifty-Five Minutes, Thirty-Four Seconds West (N02°55'34"W), Two Hundred Fifteen and Fifty-Seven Hundredths Feet (215.57'), North Nine Degrees, Twenty-Nine Minutes, Forty-Six Seconds West (N09°29'46"W), One Hundred Forty-One and Fifteen Hundredths Feet (141.15'), North Sixteen Degrees, Nineteen Minutes, Twelve Seconds West (N16°19'12"W), Four Hundred Fifty-Nine and Eighty-One Hundredths Feet (459.81'), North Twenty Degrees, Eighteen Minutes, Thirty-Three Seconds West (N20°18'33"W), Ninety-Four and Nine Hundredths Feet (94.09'), North Sixteen Degrees, Fifty-Seven Minutes, Fifty-Three Seconds West (N16°57'53"W), One Thousand Seventy-Three and Thirteen Hundredths Feet (1,073.13'), North Seventeen Degrees, Fifty-Two Minutes, Twenty-One Seconds West (N17°52'21"W), Eighty-Nine and Ten Hundredths Feet (89.10');

THENCE along the easterly bounds of State Highway No. 115, the following courses and distances namely:

North Thirteen Degrees, Fifteen Minutes, Thirty-Six Seconds West (N13°15'36"W), One Hundred Ninety-Nine and Fifty-Six Hundredths Feet (199.56'), North One Degree, Thirty-Nine Minutes, Thirty Seconds East (N01°39'30"E), passing over a found copper weld monument flush in the ground at One Hundred Thirty-Nine and Fifty-Six Hundredths Feet (139.56'), for a total distance of Four Hundred Ninety-Six and Forty-Eight Hundredths Feet (496.48'), North Five Degrees, Thirty-Eight Minutes, Fifty-Two Seconds East (N05°38'52"E), Three Hundred Thirty-Two and Sixty-Eight Hundredths Feet (332.68'), North One Degree, Thirty-Nine Minutes, Twenty-One Seconds East (N01°39'21"E), One Hundred Thirteen and Two Hundredths Feet (113.02'), North Thirty-Nine Degrees, Twenty-Eight Minutes, Eleven Seconds East (N39°28'11"E), Twenty-One and Thirty-Six Hundredths Feet (21.36') North Sixty Degrees, Forty-Five Minutes, Fifty-Five Seconds West (N60°45'55"W), Twenty-Eight and Eighty-Four Hundredths Feet (28.84'), to a found concrete highway monument, 6" above grade, North Six Degrees, Thirty-Seven Minutes, Thirteen Seconds East (N06°37'13"E), Two Hundred Twenty-Three and Seventy-One Hundredths Feet (223.71'), to a found concrete highway monument, 3" above grade, North Twenty-One Degrees, Forty-Eight Minutes, Six Seconds East (N21°48'06"E), Three Hundred Thirteen and Ninety-Three Hundredths Feet (313.93') to a found concrete highway monument, 11" above grade, North Thirty Degrees, Twenty-Five Minutes, Forty-Two Seconds East (N30°25'42"E), One Hundred Fifty-Seven and Forty Hundredths Feet (157.40') and North Thirty-Five Degrees, Forty-Five Minutes, Forty Seconds East (N35°45'40"E), Ninety-Seven and Sixty-Three Hundredths Feet (97.63') to the place of beginning;

CONTAINING 122.635 gross acres of land, as surveyed by Mercurio-Norton-Tarolli, 45 Main Street, Pine Bush, New York 12566, in April of 2005;

SUBJECT to that land located within the above described premises, known as a cemetery and together with rights of others in and to the same and to cross the premises to go to and from the same and there are rights to the remains interred therein to remain unmolested. The location of the cemetery is more particularly bound and described as follows;

COMMENCING at a point at the intersection of the easterly bounds of NYS Route 17, State Highway No. 8256, with the westerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point of beginning being South Forty Degrees, Five Minutes, Twenty-Two Seconds West (S40°05'22"W), Seven and Ninety-Five Hundredths Feet (7.95') from a found copper weld on the property line between Metro North Commuter Rail Road and Woodbury Development, LLC;

THENCE from said place of commencement, and along the easterly bounds of NYS Route 17, State Highway No. 8256, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet; (469.26')

THENCE over and through the Lands of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287, and along the northerly bounds of a 20' wide temporary access easement, with future permanent easement to be provided in a accordance with the requirements of the Town of Woodbury Town Board, North Seventy-Four Degrees, Forty-Nine Minutes, Fifty-Nine Seconds East (N74°49'59"E), One Hundred Sixteen and Eighty-Seven Hundredths Feet (116.87') to the westerly most corner of the herein described cemetery;

THENCE along the bounds of the cemetery, the following courses and distances namely:

1. North Seventy Degrees, Forty-Two Minutes, Forty-One Seconds East (N70°42'41"E), Seventy-Eight and One Hundredths Feet (78.01');
2. North Eighty-Six Degrees, Forty-Three Minutes, Thirty-One Seconds East (N86°43'31"E), Fifty-Five and Fifty-Five Hundredths Feet (55.55');
3. South Eleven Degrees, Eleven Minutes, Fifty-Nine Seconds East (S11°11'59"E), One Hundred Eleven and Thirty-Five Hundredths Feet (111.35');
4. South Thirty-Two Degrees, Thirty-Two Minutes, One Second West (S32°32'01"W), One Hundred Ten and Thirty-Seven Hundredths Feet (110.37');
5. North Forty Degrees, One Minute, Fifty-Nine Seconds West (N40°01'59"W), Ninety-One and Sixty-Eight Hundredths Feet (91.68'), and;
6. North Seventeen Degrees, Twenty-Six Minutes, Twenty-Nine Seconds West (N17°26'29"W), One Hundred Eight and Ten Hundredths Feet (108.10') to the place of beginning.

THE area of the cemetery contains 0.442 acres of land, leaving a net area of 122.193 acres of land.

SUBJECT to easements, covenants, restrictions and reservations of record, if any.

SUBJECT to that land within the bounds of NYS Route 17 for use as a public highway.

SUBJECT to all notes and details pertaining to a map entitled "Site A Commercial Subdivision Platt" filed in the Orange County Clerk's Office in February 8, 1990. Designated as filed map no. 9811.

TOGETHER with all right title and interest, if any, in and to any street and roads abutting the premises to the centerlines there of.

SUBJECT to the rights, if any, in favor of any electric light or telephone company to maintain guy wires extending from the premises to poles located on the roads abutting the premises.

SUBJECT to underground encroachments and easements, if any, including pipes and drains, in such rights as may exist of entry upon the premises to maintain, and repair the same.

SUBJECT to any details pertaining to a map prepared by Ericson and Schmidt Engineers, PC., dated October 1, 1988, under filed no. G8P-045. A copy of this map was not found. The above described premises is subject to any details that may affect this property.

SUBJECT to riparian rights, if any, in favor of or burdening the premises.

SUBJECT to the rights of others to drain through creeks or streams, if any, which cross the premises and the natural flow thereof.

SUBJECT to an irrevocable offer of dedication and easement as described in Liber 3465 of Deeds, Page 163.

SUBJECT to the declaration of covenants and restricts as described in Liber 4132 of Deeds, Page 182 and Liber 4137 of Deeds, Page 331.

SUBJECT to filed maps that show detention or retention ponds within the bounds of the premises. The maintenance, repair and replacement of which show pass to the then owners.

SUBJECT to all notes, easements, restrictions, rights-of-way, covenants and similar matters, various lots, roads, etc., pertaining to Site A on a map "Interchanged, Commerce Center Associates", dated October 27, 1987, filed in the Orange County Clerk's Office as map no. 9811, (63 sheets).

SUBJECT to covenants, restrictions, and easements of record.

SUBJECT to municipal and governmental regulations, if any, provided it is not the intent of the parties to make them restrictive covenants.

SUBJECT to procreations in Liber 2234, Page 842, Liber 4495, Page 317 and Liber 5591, Page 313.

SUBJECT to sewer rights as described in Liber 6183 of Deeds, Page 290, 291 and 292.

SUBJECT to an easement in favor of the County of Orange as described in Liber 792 of Deeds, Page 374, and shown on State Highway 115 taking map 10-A,B.

INTENDED to be the same premises conveyed to Woodbury Development, LLC, recorded in the Orange County Clerk's Office in Liber 6183 of Deeds at Page 287.

Exhibit A-2

Legal Description of Leased Parcels

In general, the legal description is as follows:

ALL THAT LAND, situate in the Village of Woodbury, County of Orange, State of New York, bound and described as follows:

BEGINNING at set 5/8" iron rod with a plastic I.D. cap, on the municipal boundary between the Villages of Harriman and Woodbury, said iron rod being on the westerly bounds of Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, and the easterly bounds of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287;

THENCE from said place of beginning and along the easterly bounds of Woodbury Development, LLC, the following courses and distances, namely, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03'), to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30') to a point on the northerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point being South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), One Hundred Ten and Fifty-Five Hundredths Feet (110.55') from a found marble monument, 6" above grade;

THENCE over and through the Lands of Pennsylvania Lines, LLC, aforementioned, South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), Fifty-Eight and Sixty-Four Hundredths Feet (58.64');

THENCE continuing along a line measured 4.5' westerly of the existing centerline of the existing railroad track, the following courses and distances namely, North Nine Degrees, Fifty-Two Minutes, Seven Seconds East (N09°52'07"E), One Hundred Two and Ninety-Six Hundredths Feet (102.96'), North Nine Degrees, Fifty-Two Minutes, Thirty-Eight Seconds East (N09°52'38"E), One Hundred Sixty-Three and Eight Hundredths Feet (163.08'), North Eight Degrees, Twenty-Two Minutes, Thirty Seconds East (N08°22'30"E), One Hundred Eight and Eighteen Hundredths Feet (108.18'), North Six Degrees, Eleven Minutes, Forty-Two Seconds East (N06°11'42"E), One Hundred Nine and Fifty-Nine Hundredths Feet (109.59'), North Four Degrees, Thirty-Four Minutes, Twenty-Three Seconds East (N04°34'23"E), Sixty-Nine and Fifty-Six Hundredths Feet (69.56'), North Two Degrees, Fifty-Eight Minutes, Nine Seconds East (N02°58'09"E), One Hundred Ten and Thirty-Two Hundredths Feet (110.32'), North Zero Degrees, Fifty Minutes, Fifty-Three Seconds East (N0°50'53"E), One Hundred Fifteen and Sixty-Four Hundredths Feet (115.64'), North One Degree, Twenty-Two Minutes, Thirty-Two Seconds West (N01°22'32"W), One Hundred Four and Fifty-One Hundredths Feet (104.51'), North Two Degrees, Fifty-Four Minutes, Fifty Seconds West (N02°54'50"W), Eighty-Seven and Forty-Two Hundredths Feet (87.42'), North Four Degrees, Seventeen Minutes, Nine Seconds West (N04°17'09"W), One Hundred Nine and Forty-Two Hundredths Feet (109.42'), North Six Degrees, Twenty-Six Minutes, Thirty-Six Seconds West (N06°26'36"W), One Hundred Seventy and Seventy-Five Hundredths Feet (170.75'), North Eight Degrees, Thirty-Six Minutes, Forty-Three Seconds West (N08°36'43"W), One Hundred Twenty and Seventy-Four Hundredths Feet (120.74'), North Ten Degrees, Twenty-Five Minutes, Twenty-Four Seconds West (N10°25'24"W), One Hundred Twenty and Four

Hundredths Feet (120.04'), North Twelve Degrees, Fourteen Minutes, Two Seconds West (N12°14'02"W), One Hundred Twenty-Five and Five Hundredths Feet (125.05'), North Fourteen Degrees, Eleven Minutes, Three Seconds West (N14°11'03"W), One Hundred Twenty-Five and Seventy-Seven Hundredths Feet (125.77'), North Fifteen Degrees, Thirty-Three Minutes, Thirty Seconds West (N15°33'30"W), Sixty-Two and Fifty-Two Hundredths Feet (62.52'), North Seventeen Degrees, Six Minutes, Twenty-Eight Seconds West (N17°06'28"W), One Hundred Twenty-Three and Eighty-Seven Hundredths Feet (123.87'), North Nineteen Degrees, Thirty-Four Minutes, Forty-One Seconds West (N19°34'41"W), One Hundred Twenty-Five and Forty-Two Hundredths Feet (125.42'), North Twenty-One Degrees, Twenty-Six Minutes, Forty-Three Seconds West (N21°26'43"W), One Hundred Nineteen and Ninety-Nine Hundredths Feet (119.99'), North Twenty-Three Degrees, Twenty Minutes, Twenty-Three Seconds West (N23°20'23"W), One Hundred Eighteen and Eighty-Four Hundredths Feet (118.84'), North Twenty-Five Degrees, Six Minutes, Forty-Seven Seconds West (N25°06'47"W), One Hundred Twenty-Six and Forty-Seven Hundredths Feet (126.47'), North Twenty-Seven Degrees, Six Minutes, One Second West (N27°06'01"W), One Hundred Forty-One and Eighty-Eight Hundredths Feet (141.88'), North Twenty-Nine Degrees, Two Minutes, Seven Seconds West (N29°02'07"W), One Hundred Twenty-One and Ninety-Five Hundredths Feet (121.95'), North Thirty-One Degrees, Four Minutes, Fifty-Two Seconds West (N31°04'52"W), One Hundred Twenty-Four and Twenty-Four Hundredths Feet (124.24'), North Thirty-Two Degrees, Twenty-Four Minutes, Fourteen Seconds West (N32°24'14"W), One Hundred Eighteen and Forty-Two Hundredths Feet (118.42'), North Thirty-Three Degrees, Twenty-Five Minutes, Twenty-Two Seconds West (N33°25'22"W), Ninety-Two and Nine Hundredths Feet (92.09'), North Thirty-Three Degrees, Thirty-Eight Minutes, Twenty-Three Seconds West (N33°38'23"W), Ninety-Two and Sixty-Three Hundredths Feet (92.63'), North Thirty-Three Degrees, Forty-Three Minutes, Forty-Eight Seconds West (N33°43'48"W), Ninety-Five and Fifty-Three Hundredths Feet (95.53'), North Thirty-Four Degrees, Eleven Minutes, Fifteen Seconds West (N34°11'15"W), Seventy-Four and Seventy-Three Hundredths Feet (74.73'), North Thirty-Three Degrees, Twenty-Nine Minutes, Forty-Two Seconds West (N33°29'42"W), Ninety-Nine and Forty-Eight Hundredths Feet (99.48'), North Thirty-Three Degrees, Forty-Six Minutes, Fifty-Nine Seconds West (N33°46'59"W), One Hundred Thirty-Two and Sixty-One Hundredths Feet (132.61'), North Thirty-Three Degrees, Forty-Seven Minutes, Nine Seconds West (N33°47'09"W), Ninety-Four and Forty Hundredths Feet (94.40'), North Thirty-Three Degrees, Forty Minutes, Fifty-Eight Seconds West (N33°40'58"W), Ninety-Eight and Seventy-Eight Hundredths Feet (98.78'), North Thirty-Three Degrees, Forty-Three Minutes, Fifty-Six Seconds West (N33°43'56"W), Ninety-Seven and Ten Hundredths Feet (97.10'), North Thirty-Three Degrees, Forty-Six Minutes, Thirty-Three Seconds West (N33°46'33"W), Ninety-Three and Eighty-One Hundredths Feet (93.81'), North Thirty-Three Degrees, Forty-Five Minutes, Twenty-Eight Seconds West (N33°45'28"W), One Hundred Eleven and Thirty Hundredths Feet (111.30'), to a point on the municipal boundary between the Villages of Harriman and Woodbury;

THENCE along said municipal boundary, South Thirty-Six Degrees, Fifty-Three Minutes, Forty-Three Seconds West (S36°53'43"W), Twenty-Two and Thirteen Hundredths Feet (22.13'), to the place of beginning.

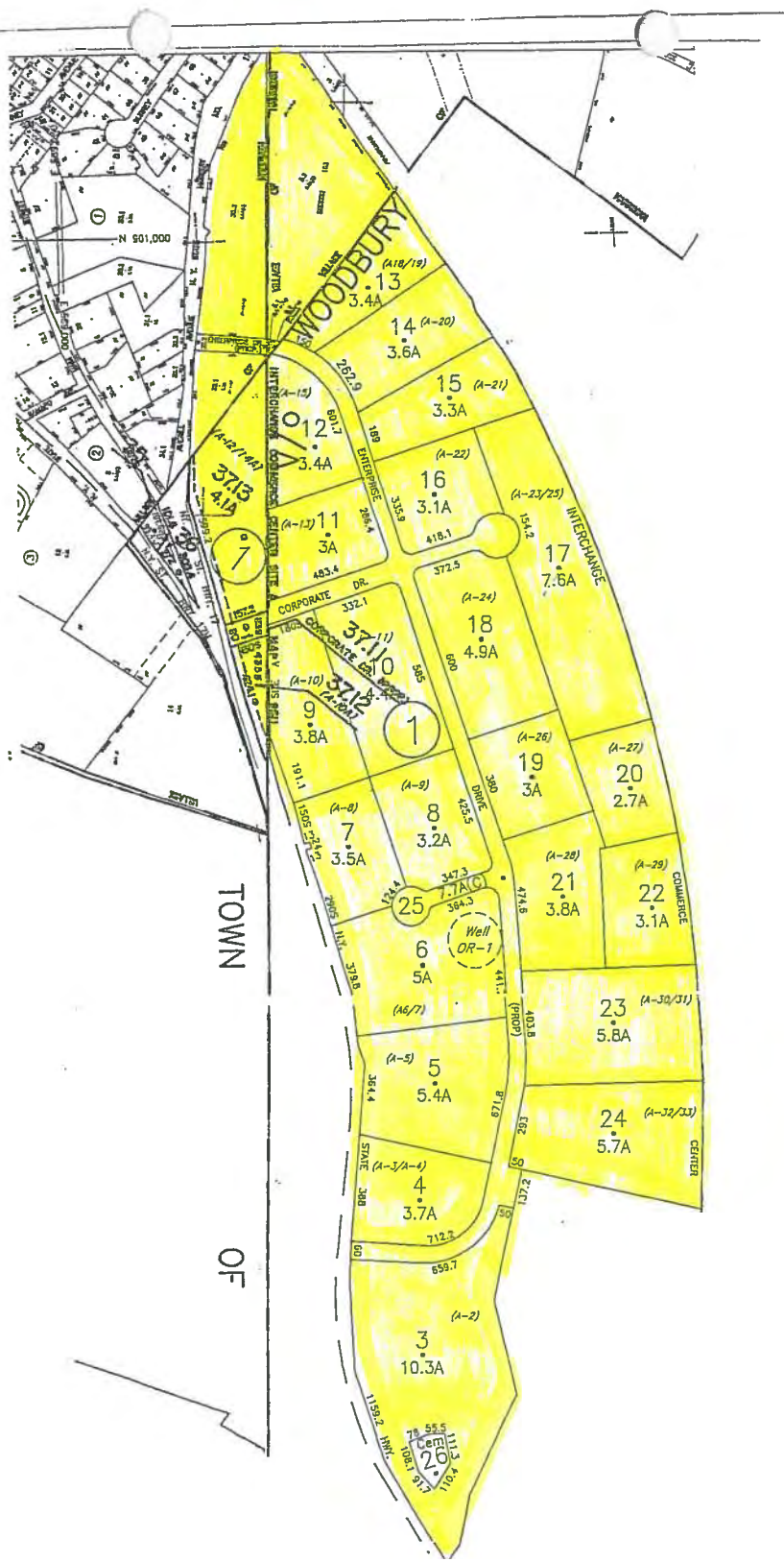
CONTAINING 10.686 acres of land, as surveyed by Mercurio-Norton-Tarolli-Marshall, 45 Main Street, Pine Bush, New York 12566.

INTENDED to be a portion of lands conveyed to Pennsylvania Lines, LLC, recorded in the Orange County Clerk's Office in Liber 5119 of Deeds, at Page 132.

Exhibit B

Site Map of Lessor's Property

(See attached)



TOWN OF WOODBURY



Exhibit C

Legal Description of the Project Site

In general, the legal description is as follows:

ALL THAT LAND, situate in the Village of Woodbury, County of Orange, State of New York, bound and described as follows:

BEGINNING at a point at the intersection of the easterly bounds of NYS Route 17, State Highway No. 8256, with the westerly most corner of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55

THENCE along said road bounds, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet (469.26'), North Twenty Degrees, Sixteen Minutes, Twenty-One Seconds West (N20°16'21"W), Three Hundred Seven and One Hundredths Feet (307.01'), North Five Degrees, Two Minutes, Fifteen Seconds West (N05°02'15"W), Seventy-Seven and Seventy-Nine Hundredths Feet (77.79'), North Five Degrees, Thirty Minutes, Twenty-Seven Seconds West (N05°30'27"W), One Hundred Twenty and Eighty-Four Hundredths Feet (120.84'), North Two Degrees, Twenty Minutes, Thirteen Seconds East (N02°20'13"E), Two Hundred Ninety-Seven and Thirty-Six Hundredths Feet (297.36'), North Five Degrees, Twenty-Six Minutes, Forty-Three Seconds East (N05°26'43"E), Three Hundred Forty-Nine and Eighty-Seven Hundredths Feet (349.87'), North One Degree, Twenty-Eight Minutes, Twenty-Four Seconds East (N01°28'24"E), One Hundred and Twenty-Four Hundredths Feet (100.24'), North Two Degrees, Fifty-Five Minutes, Thirty-Four Seconds West (N02°55'34"W), Two Hundred Fifteen and Fifty-Seven Hundredths Feet (215.57'), North Nine Degrees, Twenty-Nine Minutes, Forty-Six Seconds West (N09°29'46"W), One Hundred Forty-One and Fifteen Hundredths Feet (141.15'), North Sixteen Degrees, Nineteen Minutes, Twelve Seconds West (N16°19'12"W), Four Hundred Fifty-Nine and Eighty-One Hundredths Feet (459.81'), North Twenty Degrees, Eighteen Minutes, Thirty-Three Seconds West (N20°18'33"W), Ninety-Four and Nine Hundredths Feet (94.09'), and North Sixteen Degrees, Fifty-Seven Minutes, Fifty-Three Seconds West (N16°57'53"W), Three Hundred Eighty-Five and Sixty-Two Hundredths Feet (385.62');

THENCE over and through the lands of Woodbury Development, LLC and along the presumed Northerly bounds of the Village of Woodbury; North Zero Degrees, One Minute, Thirty-Five Seconds East (N0°01'35"E), One Thousand Four Hundred Thirty-Six and Twenty-Seven Hundredths Feet (1436.27') to a found copperweld flush in the ground and North Thirty-Six Degrees, Fifty-Three Minutes, Forty-Two Seconds East (N36°53'42"E), Seven Hundred Sixty-Eight and Twenty-Four Hundredths Feet (768.24') to a set 5/8" iron rod with a plastic ID cap;

THENCE along the bounds of the Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, the following courses and distances namely, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03') to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30');

THENCE along the Lands of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, North Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds West (N78°40'42"W), passing over a found marble monument, 6" above grade at One Hundred Ten and Fifty-Five Hundredths Feet (110.55') along the way, for a total distance of Six Hundred Sixty and Seventy-Two Hundredths Feet (660.72') to a found marble monument 4" above grade;

THENCE continuing along Metro North Commuter Rail Road, South Eleven Degrees, Fifteen Minutes, Eleven Seconds West (S11°15'11"W), Four Hundred Sixty-Five and Four Hundredths Feet (465.04') to a found marble monument flush in the ground;

THENCE South Fourteen Degrees, Eight Minutes, Forty-Two Seconds East (S14°08'42"E), Three Hundred Forty-Three and Forty-Four Hundredths Feet (343.44') to a found marble monument, flush in the ground, South Twenty-Six Degrees, One Minute, Thirty-Six Seconds West (S26°01'36"W), Three Hundred Ninety-Two and Sixty-Five Hundredths Feet (392.65'), to a found marble monument, flush in the ground, South Ten Degrees, Fifty-Six Minutes, Two Seconds West (S10°56'02"W), One Hundred Eighty and One Hundredths Feet (180.01'), to a found marble monument, 6" above grade, and South Forty Degrees, Five Minutes, Twenty-Two Seconds West (S40°05'22"W), passing over a found copper weld at Ninety-Eight and Eighteen Hundredths Feet (98.18') along the way, for a total distance of One Hundred Six and Thirteen Hundredths Feet (106.13') to the easterly bounds of New York State Route 17, State Highway No. 8256;

CONTAINING 104.978 gross acres of land, as surveyed by Mercurio-Norton-Tarolli, 45 Main Street, Pine Bush, New York 12566, in April of 2005;

SUBJECT to that land located within the above described premises, known as a cemetery and together with rights of others in and to the same and to cross the premises to go to and from the same and there are rights to the remains interred therein to remain unmolested. The location of the cemetery is more particularly bound and described as follows;

COMMENCING at a point at the intersection of the easterly bounds of NYS Route 17, State Highway No. 8256, with the westerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point of beginning being South Forty Degrees, Five Minutes, Twenty-Two Seconds West (S40°05'22"W), Seven and Ninety-Five Hundredths Feet (7.95') from a found copper weld on the property line between Metro North Commuter Rail Road and Woodbury Development, LLC;

THENCE from said place of commencement, and along the easterly bounds of NYS Route 17, State Highway No. 8256, North Thirty Degrees, Forty-Six Minutes, Two Seconds West (N30°46'02"W), Four Hundred Sixty-Nine and Twenty-Six Hundredths Feet; (469.26')

THENCE over and through the Lands of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287, and along the northerly bounds of a 20' wide temporary access easement, with future permanent easement to be provided in a accordance with the requirements of the Town of Woodbury Town Board, North Seventy-Four Degrees, Forty-Nine Minutes, Fifty-Nine Seconds East (N74°49'59"E), One Hundred Sixteen and Eighty-Seven Hundredths Feet (116.87') to the westerly most corner of the herein described cemetery;

THENCE along the bounds of the cemetery, the following courses and distances namely:

7. North Seventy Degrees, Forty-Two Minutes, Forty-One Seconds East (N70°42'41"E), Seventy-Eight and One Hundredths Feet (78.01');
8. North Eighty-Six Degrees, Forty-Three Minutes, Thirty-One Seconds East (N86°43'31"E), Fifty-Five and Fifty-Five Hundredths Feet (55.55');
9. South Eleven Degrees, Eleven Minutes, Fifty-Nine Seconds East (S11°11'59"E), One Hundred Eleven and Thirty-Five Hundredths Feet (111.35');
10. South Thirty-Two Degrees, Thirty-Two Minutes, One Second West (S32°32'01"W), One Hundred Ten and Thirty-Seven Hundredths Feet (110.37');
11. North Forty Degrees, One Minute, Fifty-Nine Seconds West (N40°01'59"W), Ninety-One and Sixty-Eight Hundredths Feet (91.68'), and;
12. North Seventeen Degrees, Twenty-Six Minutes, Twenty-Nine Seconds West (N17°26'29"W), One Hundred Eight and Ten Hundredths Feet (108.10') to the place of beginning.

THE area of the cemetery contains 0.442 acres of land., leaving a net area of 104.536 acres of land.

SUBJECT to easements, covenants, restrictions and reservations of record, if any.

SUBJECT to that land within the bounds of NYS Route 17 for use as a public highway.

SUBJECT to all notes and details pertaining to a map entitled "Site A Commercial Subdivision Platt" filed in the Orange County Clerk's Office in February 8, 1990. Designated as filed map no. 9811.

TOGETHER with all right title and interest, if any, in and to any street and roads abutting the premises to the centerlines there of.

SUBJECT to the rights, if any, in favor of any electric light or telephone company to maintain guy wires extending from the premises to poles located on the roads abutting the premises.

SUBJECT to underground encroachments and easements, if any, including pipes and drains, in such rights as may exist of entry upon the premises to maintain, and repair the same.

SUBJECT to any details pertaining to a map prepared by Ericson and Schmidt Engineers, PC., dated October 1, 1988, under filed no. G8P-045. A copy of this map was not found. The above described premises is subject to any details that may affect this property.

SUBJECT to riparian rights, if any, in favor of or burdening the premises.

SUBJECT to the rights of others to drain through creeks or streams, if any, which cross the premises and the natural flow thereof.

SUBJECT to an irrevocable offer of dedication and easement as described in Liber 3465 of Deeds, Page 163.

SUBJECT to the declaration of covenants and restricts as described in Liber 4132 of Deeds, Page 182 and Liber 4137 of Deeds, Page 331.

SUBJECT to filed maps that show detention or retention ponds within the bounds of the premises. The maintenance, repair and replacement of which show pass to the then owners.

SUBJECT to all notes, easements, restrictions, rights-of-way, covenants and similar matters, various lots, roads, etc., pertaining to Site A on a map "Interchanged, Commerce Center Associates", dated October 27, 1987, filed in the Orange County Clerk's Office as map no. 9811, (63 sheets).

SUBJECT to covenants, restrictions, and easements of record.

SUBJECT to municipal and governmental regulations, if any, provided it is not the intent of the parties to make them restrictive covenants.

SUBJECT to procreations in Liber 2234, Page 842, Liber 4495, Page 317 and Liber 5591, Page 313.

SUBJECT to sewer rights as described in Liber 6183 of Deeds, Page 290, 291 and 292.

SUBJECT to an easement in favor of the County of Orange as described in Liber 792 of Deeds, Page 374, and shown on State Highway 115 taking map 10-A,B.

INTENDED to be a portion of the same premises conveyed to Woodbury Development, LLC, recorded in the Orange County Clerk's Office in Liber 6183 of Deeds at Page 287.

AND

ALL THAT LAND, situate in the Village of Woodbury, County of Orange, State of New York, bound and described as follows:

BEGINNING at set 5/8" iron rod with a plastic I.D. cap, on the municipal boundary between the Villages of Harriman and Woodbury, said iron rod being on the westerly bounds of Pennsylvania Lines, LLC, Deed Reference Liber 5119, Page 132, and the easterly bounds of Woodbury Development, LLC, Deed Reference Liber 6183, Page 287;

THENCE from said place of beginning and along the easterly bounds of Woodbury Development, LLC, the following courses and distances, namely, South Thirty-Three Degrees, Forty-Five Minutes, Thirty-Five Seconds East (S33°45'35"E), Four Hundred Ninety-Nine and Eighty-Two Hundredths Feet (499.82'), South Twenty-Three Degrees, Twenty-Three Minutes, Thirty-Four Seconds East (S23°23'34"E), Sixty and Thirty Hundredths Feet (60.30'), South Thirty-Three Degrees, Thirty-Three Minutes, Thirty-Four Seconds East (S33°33'34"E), One Hundred Forty-Four and Three Hundredths Feet (144.03'), to a point of curvature;

THENCE on a curve to the right having a radius of Six Thousand Fourteen and Seventy Hundredths Feet (6,014.70'), along an arc length of Three Thousand One Hundred Ninety-Five and Seventy-Six Hundredths Feet (3,195.76'), having a chord of South Thirteen Degrees, One Minute, Thirty-Six Seconds East (S13°01'36"E), Three Thousand One Hundred Fifty-Eight and Thirty Hundredths Feet (3,158.30') to a point on the northerly bounds of Metro North Commuter Rail Road, Deed Reference Liber 2362, Page 55, said point being South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), One Hundred Ten and Fifty-Five Hundredths Feet (110.55') from a found marble monument, 6" above grade;

THENCE over and through the Lands of Pennsylvania Lines, LLC, aforementioned, South Seventy-Eight Degrees, Forty Minutes, Forty-Two Seconds East (S78°40'42"E), Fifty-Eight and Sixty-Four Hundredths Feet (58.64');

THENCE continuing along a line measured 4.5' westerly of the existing centerline of the existing railroad track, the following courses and distances namely, North Nine Degrees, Fifty-Two Minutes, Seven Seconds East (N09°52'07"E), One Hundred Two and Ninety-Six Hundredths Feet (102.96'), North Nine Degrees, Fifty-Two Minutes, Thirty-Eight Seconds East (N09°52'38"E), One Hundred Sixty-Three and Eight Hundredths Feet (163.08'), North Eight Degrees, Twenty-Two Minutes, Thirty Seconds East (N08°22'30"E), One Hundred Eight and Eighteen Hundredths Feet (108.18'), North Six Degrees, Eleven Minutes, Forty-Two Seconds East (N06°11'42"E), One Hundred Nine and Fifty-Nine Hundredths Feet (109.59'), North Four Degrees, Thirty-Four Minutes, Twenty-Three Seconds East (N04°34'23"E), Sixty-Nine and Fifty-Six Hundredths Feet (69.56'), North Two Degrees, Fifty-Eight Minutes, Nine Seconds East (N02°58'09"E), One Hundred Ten and Thirty-Two Hundredths Feet (110.32'), North Zero Degrees, Fifty Minutes, Fifty-Three Seconds East (N0°50'53"E), One Hundred Fifteen and Sixty-Four Hundredths Feet (115.64'), North One Degree, Twenty-Two Minutes, Thirty-Two Seconds West (N01°22'32"W), One Hundred Four and Fifty-One Hundredths Feet (104.51'), North Two Degrees, Fifty-Four Minutes, Fifty Seconds West (N02°54'50"W), Eighty-Seven and Forty-Two Hundredths Feet (87.42'), North Four Degrees, Seventeen Minutes, Nine Seconds West (N04°17'09"W), One Hundred Nine and Forty-Two Hundredths Feet (109.42'), North Six Degrees, Twenty-Six Minutes, Thirty-Six Seconds West (N06°26'36"W), One Hundred Seventy and Seventy-Five Hundredths Feet (170.75'), North Eight Degrees, Thirty-Six Minutes, Forty-Three Seconds West (N08°36'43"W), One Hundred Twenty and Seventy-Four Hundredths Feet (120.74'), North Ten Degrees, Twenty-Five Minutes, Twenty-Four Seconds West (N10°25'24"W), One Hundred Twenty and Four Hundredths Feet (120.04'), North Twelve Degrees, Fourteen Minutes, Two Seconds West (N12°14'02"W), One Hundred Twenty-Five and Five Hundredths Feet (125.05'), North Fourteen Degrees, Eleven Minutes, Three Seconds West (N14°11'03"W), One Hundred Twenty-Five and Seventy-Seven Hundredths Feet (125.77'), North Fifteen Degrees, Thirty-Three Minutes, Thirty Seconds West (N15°33'30"W), Sixty-Two and Fifty-Two Hundredths Feet (62.52'), North Seventeen Degrees, Six Minutes, Twenty-Eight Seconds West (N17°06'28"W), One Hundred Twenty-Three and Eighty-Seven Hundredths Feet (123.87'), North Nineteen Degrees, Thirty-Four Minutes, Forty-One Seconds West (N19°34'41"W), One Hundred Twenty-Five and Forty-Two Hundredths Feet (125.42'), North Twenty-One Degrees, Twenty-Six Minutes, Forty-Three Seconds West (N21°26'43"W), One Hundred Nineteen and Ninety-Nine Hundredths Feet (119.99'), North Twenty-Three Degrees, Twenty Minutes, Twenty-Three Seconds West (N23°20'23"W), One Hundred Eighteen and Eighty-Four Hundredths Feet (118.84'), North Twenty-Five Degrees, Six Minutes, Forty-Seven Seconds West (N25°06'47"W), One Hundred Twenty-Six and Forty-Seven Hundredths Feet (126.47'), North Twenty-Seven Degrees, Six Minutes, One Second West (N27°06'01"W), One Hundred Forty-One and Eighty-Eight Hundredths Feet (141.88'), North Twenty-Nine Degrees, Two Minutes, Seven Seconds West (N29°02'07"W), One Hundred Twenty-One and Ninety-Five Hundredths Feet (121.95'), North Thirty-One Degrees, Four Minutes, Fifty-Two Seconds West (N31°04'52"W), One Hundred Twenty-Four and Twenty-Four Hundredths Feet (124.24'), North Thirty-Two Degrees, Twenty-Four Minutes, Fourteen Seconds West (N32°24'14"W), One Hundred Eighteen and Forty-Two Hundredths Feet (118.42'), North Thirty-Three Degrees, Twenty-Five Minutes, Twenty-Two Seconds West (N33°25'22"W), Ninety-Two and Nine Hundredths Feet (92.09'), North Thirty-Three Degrees, Thirty-Eight Minutes, Twenty-Three Seconds West (N33°38'23"W), Ninety-Two and Sixty-Three Hundredths Feet (92.63'), North Thirty-Three Degrees, Forty-Three Minutes, Forty-Eight Seconds West (N33°43'48"W), Ninety-Five and Fifty-Three Hundredths Feet (95.53'),

North Thirty-Four Degrees, Eleven Minutes, Fifteen Seconds West (N34°11'15"W), Seventy-Four and Seventy-Three Hundredths Feet (74.73'), North Thirty-Three Degrees, Twenty-Nine Minutes, Forty-Two Seconds West (N33°29'42"W), Ninety-Nine and Forty-Eight Hundredths Feet (99.48'), North Thirty-Three Degrees, Forty-Six Minutes, Fifty-Nine Seconds West (N33°46'59"W), One Hundred Thirty-Two and Sixty-One Hundredths Feet (132.61'), North Thirty-Three Degrees, Forty-Seven Minutes, Nine Seconds West (N33°47'09"W), Ninety-Four and Forty Hundredths Feet (94.40'), North Thirty-Three Degrees, Forty Minutes, Fifty-Eight Seconds West (N33°40'58"W), Ninety-Eight and Seventy-Eight Hundredths Feet (98.78'), North Thirty-Three Degrees, Forty-Three Minutes, Fifty-Six Seconds West (N33°43'56"W), Ninety-Seven and Ten Hundredths Feet (97.10'), North Thirty-Three Degrees, Forty-Six Minutes, Thirty-Three Seconds West (N33°46'33"W), Ninety-Three and Eighty-One Hundredths Feet (93.81'), North Thirty-Three Degrees, Forty-Five Minutes, Twenty-Eight Seconds West (N33°45'28"W), One Hundred Eleven and Thirty Hundredths Feet (111.30'), to a point on the municipal boundary between the Villages of Harriman and Woodbury;

THENCE along said municipal boundary, South Thirty-Six Degrees, Fifty-Three Minutes, Forty-Three Seconds West (S36°53'43"W), Twenty-Two and Thirteen Hundredths Feet (22.13'), to the place of beginning.

CONTAINING 10.686 acres of land, as surveyed by Mercurio-Norton-Tarolli-Marshall, 45 Main Street, Pine Bush, New York 12566.

INTENDED to be a portion of lands conveyed to Pennsylvania Lines, LLC, recorded in the Orange County Clerk's Office in Liber 5119 of Deeds, at Page 132.

Exhibit D

Permitted Exceptions

104.536 Acre Tract

1. Agreement between Mary W. Harriman and Erie Railroad Company, dated July 11, 1911, and recorded in Liber 547, Page 237, Orange County Clerk's Office;
2. Indenture between William Averell Harriman and Marie N. Harriman, and The Harriman Industrial Corporation, dated March 25, 1942, and recorded in Liber 882, Page 425, Orange County Clerk's Office;
3. Indenture between William Averell Harriman and Marie N. Harriman, and The Trustees of Columbia University in the City of New York, dated November 6, 1950, and recorded in Liber 1189, Page 153, Orange County Clerk's Office;
4. Agreement between William Averell Harriman and Orange & Rockland Electric Company, dated May 22, 1951, and recorded in Liber 1198, Page 207, Orange County Clerk's Office;
5. Indenture between William Averell Harriman and Marie N. Harriman, and The People of the State of New York, dated December 28, 1953, and recorded in Liber 1292, Page 477, Orange County Clerk's Office;
6. Indenture between William Averell Harriman and Marie N. Harriman, and The People of the State of New York, dated November 16, 1954, and recorded in Liber 1330, Page 558, Orange County Clerk's Office;
7. Indenture between Elbridge T. Gerry, Sr., and John B. Madden, as trustees under Agreement of Trust dated May 3, 1971, made by William Averell Harriman, for the benefit of certain descendants of William Averell Harriman, and Avon Products, Inc., dated November 5, 1971, and recorded in Liber 1891, Page 418, Orange County Clerk's Office;
8. Notice of Appropriation of Property by the People of the State of New York (New York State Department of Transportation, dated September 29, 1982, and recorded in Liber 2234, Page 842, Orange County Clerk's Office;
9. New York State Department of Transportation Appropriation of Property by the People of the State of New York. Served to Avon Products, Inc, dated March 14, 1983, and recorded in Liber 2249, Page 479, Orange County Clerk's Office;
10. Map of interchange Commerce Center, dated October 27, 1987, and recorded as Map No. 9811, Orange County Clerk's Office;
11. Indenture between Clark M. Clifford and Paul C. Warnke, successor trustees, for the benefit of David Harriman Mortimer, Jay Lawrence Mortimer, Averell Harriman Mortimer, and Robert Carter Fisk; and Michael V. Forrestal and Charles Mc Kay Ganson, Jr., successor trustees for the benefit of Kathleen Lawrence Fisk (now Ames); and Bruce Slovin, successor trustee for the benefit of Averell Harriman Fisk, all acting as such Successor Trustees under six Trust Agreements made by W. Averell Harriman as Grantor, and all dated August 19, 1960; and Clark M. Clifford and Paul C. Warnke, acting as successor trustees under a certain Agreement of Trust dated May 3, 1971 made by William Averell Harriman, as Settlor, for the benefit of certain descendants of said William Averell Harriman; parties of the first part, and Arden Properties, Inc., party of the second part, dated November 9, 1987, and recorded in Liber 2855, Page 89, Orange County Clerk's Office;

12. Grant of Easement between Interchange Commerce Center Associates, and the Village of Harriman, dated January 26, 1990, and recorded in Liber 3465, Page 187, Orange County Clerk's Office;
13. Irrevocable Offer of Dedication made by Interchange Commerce Center Associates, and Village of Harriman, dated January 31, 1990, and recorded in Liber 3465, Page 163, Orange County Clerk's Office;
14. Declaration and Covenant made by Interchange Commerce Center Associates, dated March 22, 1990, and recorded in Liber 3269, Page 262, Orange County Clerk's Office;
15. Release of Restrictive Covenants between Arden Properties, Inc., and Interchange Commerce Center Associates, dated May 20, 1990, and recorded in Liber 3317, Page 238, Orange County Clerk's Office;
16. Restrictive Covenants placed by Interchange Commerce Center Associates and the Village of Harriman, dated April 10, 1992, and recorded in Liber 3616, Page 196, Orange County Clerk's Office, as partially released by Release of Restrictive Covenant, dated October 21, 1994, and recorded in Liber 4132, Page 192, and as further partially released by Release of Restrictive Covenant, dated October 21, 1994, and recorded in Liber 4137, Page 337;
17. Declaration of Protective Covenants and Restrictions for Interchange Commerce Center, made by O&R Development, Inc., dated October 26, 1994, and recorded in Liber 4132, Page 182, Orange County Clerk's Office;
18. Declaration of Protective Covenants and Restrictions for Interchange Commerce Center, made by O&R Development, Inc., dated October 26, 1994, and recorded in Liber 4137, Page 331, Orange County Clerk's Office;
19. Corrected Release of Restrictive Covenants between Arden Properties, Inc., and O&R Development, dated as of November 28, 1994, and recorded in Liber 4151, Page 313, Orange County Clerk's Office;
20. Notice of Appropriation of Property by the People of the State of New York (New York State Department of Transportation), dated July 10, 1995, and recorded in Liber 4266, Page 164, Orange County Clerk's Office;
21. Notice of Appropriation of Property by the People of the State of New York (New York State Department of Transportation), dated November 1, 1996, and recorded in Liber 4495, Page 317, Orange County Clerk's Office;
22. Modification of Offers of Dedication between O&R Development, Inc., as successor to Interchange Commerce Center Associates, and the Village of Harriman, dated as of March 10, 1999, and recorded in Liber 5100, Page 179, Orange County Clerk's Office;
23. Sewer Easement Agreement by and among O&R Development, Inc., and Woodbury Center LLC, and SC-WC, Inc., dated as of June 23, 1999, and recorded in Liber 5101, Page 28, Orange County Clerk's Office;
24. Affidavit of Service re: Appropriation of Property by the People of the State of New York, dated as of March 15, 2001, and recorded in Liber 5591, Page 313, Orange County Clerk's Office; and
25. Bargain and Sale Deed between O&R Development, Inc., as grantor, and Woodbury Development LLC, as grantee, dated January 22, 2003, and recorded in Liber 6183, Page 287, Orange County Clerk's Office.

10.686 Acre Tract

1. Deed made by Erie Lackawanna Railway Company, Thomas F. Patton and Ralph S. Tyler, Jr., as trustees, to Consolidated Rail Corporation, recorded September 21, 1978 in Liber 2110, Page 852, Orange County Clerk's Office;
2. Deed made by Consolidated Rail Corporation to Pennsylvania Lines LLC, recorded June 5, 1999 in Liber 5119, Page 132; and
3. Deed made by John M. Bull to The New York & Erie Rail-Road Company, recorded July 26, 1841 in Liber 71, Page 25.

Exhibit E

Development Plan

(See Development Plan submitted with, and approved in connection with, the Application for and award of the Region 1 License.)

Program Element	Program Area	Design Area	Delta	Comments
Casino	155,130 SF	- SF	(155,130) SF	
Gaming Area	138,130 SF	- SF	(138,130) SF	
2460 Slots @30SF	73,800 SF	SF	(73,800) SF	assumed slot total based on gaming area not an actual layout
153 Tables @ 250 SF	38,250 SF	SF	(38,250) SF	
100 HL Slots @35 SF	3,500 SF	SF	(3,500) SF	
16 HL Tables @250 SF	4,000 SF	SF	(4,000) SF	
16 Asian Gaming @ 280 S	4,480 SF	SF	(4,480) SF	
5 Private Tables @ 320 S	1,600 SF	SF	(1,600) SF	
50 Poker @ 250 SF	12,500 SF	SF	(12,500) SF	
Casino FOH	17,000 SF	- SF	(17,000) SF	
rewards	1,800 SF	SF	(1,800) SF	
cage	3,600 SF	SF	(3,600) SF	
coat room	600 SF	SF	(600) SF	
casino lobby	400 SF	SF	(400) SF	
parking lobbies (2)	800 SF	SF	(800) SF	
pedestrian bridges (2)	1,500 SF	SF	(1,500) SF	
public restrooms (4)	4,800 SF	SF	(4,800) SF	
service bars (4)	3,200 SF	SF	(3,200) SF	
casino valet	300 SF	SF	(300) SF	
Gaming Positions	4,200	-	(4,200)	
Slots	2,460	-	(2,460)	gaming positions are based on square foot allocations not an actual gaming layout
Tables	153	-	(153)	
HL Slots	100	-	(100)	
HL Tables	16	-	(16)	
Asian Games	16	-	(16)	
Private Tables	5	-	(5)	
Poker	50	-	(50)	
Food & Beverage	61,800 SF	- SF	(61,800) SF	
total outlets	13	-	(13)	
seats	1,400	-	(1,400)	
Bars Lounges	10,000 SF	- SF	(10,000) SF	
outlets	6	-	(6)	
seats	250	-	(250)	
Casino Bar 1	1,000 SF	SF	(1,000) SF	center bar
Casino Bar2	1,000 SF	SF	(1,000) SF	
WSOP Bar	3,000 SF	SF	(3,000) SF	added during Friday design meeting
Shimmer	2,000 SF	SF	(2,000) SF	
Players' Lounge	3,000 SF	SF	(3,000) SF	
Pool Bar	600 SF	SF	(600) SF	
Restaurants	38,800 SF	- SF	(38,800) SF	
outlets	7	-	(7)	
seats	1,150	-	(1,150)	
Sports Bar	5,000 SF	SF	(5,000) SF	
Fine Dining 1	6,200 SF	SF	(6,200) SF	
Fine Dining 2	6,200 SF	SF	(6,200) SF	
Asian Noodles	2,400 SF	SF	(2,400) SF	double the size of Boston
24 Hour Restaurant	5,000 SF	SF	(5,000) SF	
Starbucks	1,000 SF	SF	(1,000) SF	
Streets of Boston/ NY	13,000 SF	SF	(13,000) SF	4 food outlets
seats	245	-	(245)	
Flex Entertainment	64,600 SF	- SF	(64,600) SF	
FOH				
Ballroom	20,000 SF	SF	(20,000) SF	
Prefunction	13,500 SF	SF	(13,500) SF	
Meeting Rooms	- SF	SF	(0) SF	deleted per VE
Circulation	900 SF	SF	(900) SF	exclusive of prefunction, corridors to restrooms
Coat Check	650 SF	SF	(650) SF	
Reception	350 SF	SF	(350) SF	
Restrooms (4)	2,200 SF	SF	(2,200) SF	
BOH				
Kitchen & Support	4,300 SF	SF	(4,300) SF	
Storage	2,800 SF	SF	(2,800) SF	
Green Room	1,050 SF	SF	(1,050) SF	
BOH Circulation	11,250 SF	SF	(11,250) SF	
Stairs and Exiting	7,600 SF	SF	(7,600) SF	
Back of House	113,875 SF	- SF	(113,875) SF	
Admin/Offices	14,100 SF	SF	(14,100) SF	includes Marketing, gaming, Finance, Accounting, planning, and HR
Gaming Commission	1,500 SF	SF	(1,500) SF	
Employee Lockers	6,700 SF	SF	(6,700) SF	includes restrooms
Wardrobe	3,000 SF	SF	(3,000) SF	
EDR / Employee lounge	6,000 SF	SF	(6,000) SF	employee dining room/lounge/nurse
Main Prep Kitchen	7,900 SF	SF	(7,900) SF	
Berg System	1,150 SF	SF	(1,150) SF	soda and liquor storage included seperately below
Training Room	1,850 SF	SF	(1,850) SF	
Non-Gaming EVS/F&B/Sec	2,100 SF	SF	(2,100) SF	
Security	1,050 SF	SF	(1,050) SF	command center, interview/trama rooms
Main Bank	3,000 SF	SF	(3,000) SF	
Card & Dice	800 SF	SF	(800) SF	
IT	2,550 SF	SF	(2,550) SF	
Surveillance	2,200 SF	SF	(2,200) SF	
Slot Tech	1,625 SF	SF	(1,625) SF	
EVS	3,000 SF	SF	(3,000) SF	
Loading/Receiving	6,000 SF	SF	(6,000) SF	
Warehouse	8,200 SF	SF	(8,200) SF	
Cold & Dry Storage	8,300 SF	SF	(8,300) SF	includes soda and liquor storage
Building Services	6,100 SF	SF	(6,100) SF	
Circulation	11,000 SF	SF	(11,000) SF	10% factor
HOTEL				
Admin/Offices	1,750 SF	SF	(1,750) SF	
EVS	2,000 SF	SF	(2,000) SF	
Building Services	3,000 SF	SF	(3,000) SF	Laundry, toilet rooms,
Circulation	9,000 SF	SF	(9,000) SF	
Mechanical	48,580 SF	- SF	(48,580) SF	
Central Plant	20,000 SF	SF	(20,000) SF	2 levels @ 10,000 SF each, includes utility entrance rooms
Boiler Room	800 SF	SF	(800) SF	
Mech Rooms				
Main Electric Room	2,200 SF	SF	(2,200) SF	
EM Electric Room	1,200 SF	SF	(1,200) SF	
Fan Rooms (3)	17,000 SF	SF	(17,000) SF	
MDF	500 SF	SF	(500) SF	
UPS Room	800 SF	SF	(800) SF	
IDF/Elec (8)	3,200 SF	SF	(3,200) SF	
Elevator Control Rooms (10)	500 SF	SF	(500) SF	
HOTEL				
Main Electric Room	1,080 SF	SF	(1,080) SF	
EM Electrical Room	850 SF	SF	(850) SF	
Fire Pump	450 SF	SF	(450) SF	
Mechanical Service Yard	8,400 SF			not included in total Mechanical total above
Hotel	238,500 SF	242,600 SF	4,100 SF	
total keys	300			
Hotel	225,000 SF	230,000 SF	(5,000) SF	
keys	300	300	-	
Spa / Fitness	10,000 SF	12,600 SF	(2,600) SF	
Pool	3,500 SF		3,500	
Building Program Area	682,485 SF	242,600 SF	(439,885) SF	
Parking	1,500,000 SF	1,497,130	(2,870) SF	
structured	4,000	4,251		
surface				
valet				
overflow				
total cars	4,000	4,251		
parking per position	1			
Total Program Area	2,182,485 SF	1,739,730 SF		



LOADING DOCK
EMPLOYEE
DROP-OFF
REINFORCED
TURF FIRE
LANE

FIRE ACCESS ROAD
VISITOR DROP OFF
ENTRY PLAZA
WATER FEATURE
BRIDGE

HOTEL

PARKING
GARAGE

CASINO

EXISTING WETLAND

OVERLOOK AREAS, TYP.
WITH NATIVE MEADOW
PLANTINGS

MEANDERING
PATHWAYS, TYP.

STORMWATER
DETENTION AREAS, TYP.

ENTRY DRIVE

ENTRY DRIVE
LIGHTING, TYP.

EXISTING LANDFORMS,
TYP.

BUS PARKING
OVERLOOK
TERRACE
EVENTS LAWN

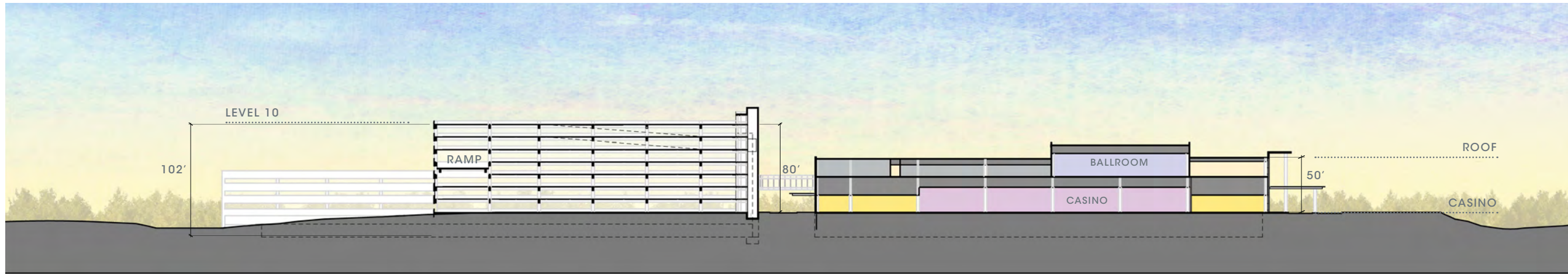
HARRIMAN
TRAIN STATION

ROUTE 17

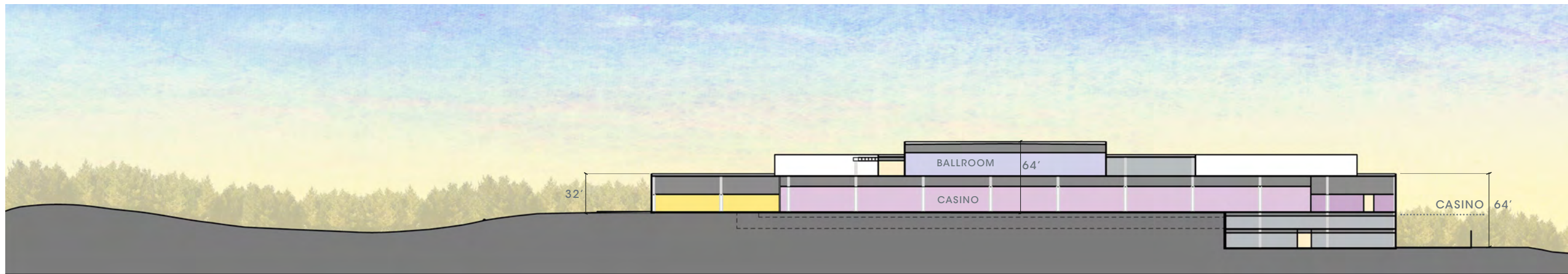
INTERSTATE 87

MONROE

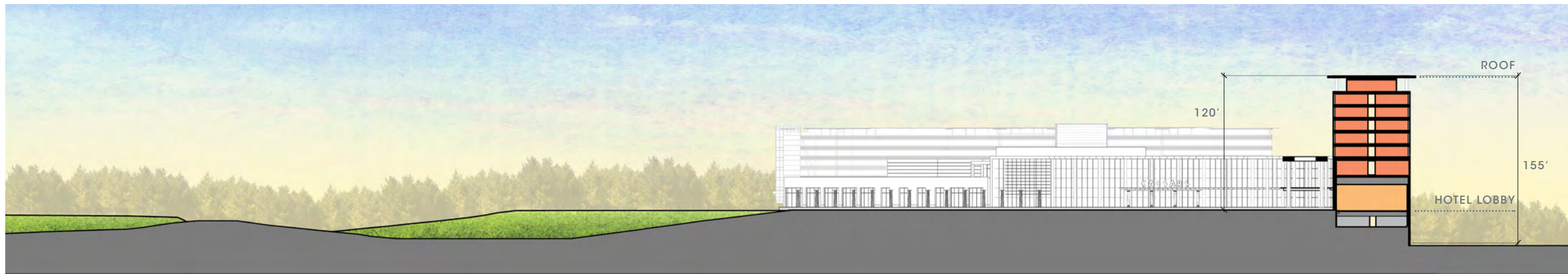
VIII C.5.A_A1



NORTH/SOUTH CASINO SECTION "A"



EAST/WEST CASINO SECTION "B"



EAST/WEST HOTEL SECTION "C"

VIII C.5.A_A6



© ELKUS MANFREDI ARCHITECTS

VIII C.5.A_A7.1

CAESARS NEW YORK
WOODBURY, NEW YORK

VIEW FROM I-87

ELKUS | MANFREDI
ARCHITECTS



© ELKUS MANFREDI ARCHITECTS

VIII C.5.A_A7.2

CAESARS NEW YORK
WOODBURY, NEW YORK

AERIAL VIEW

ELKUS | MANFREDI
ARCHITECTS

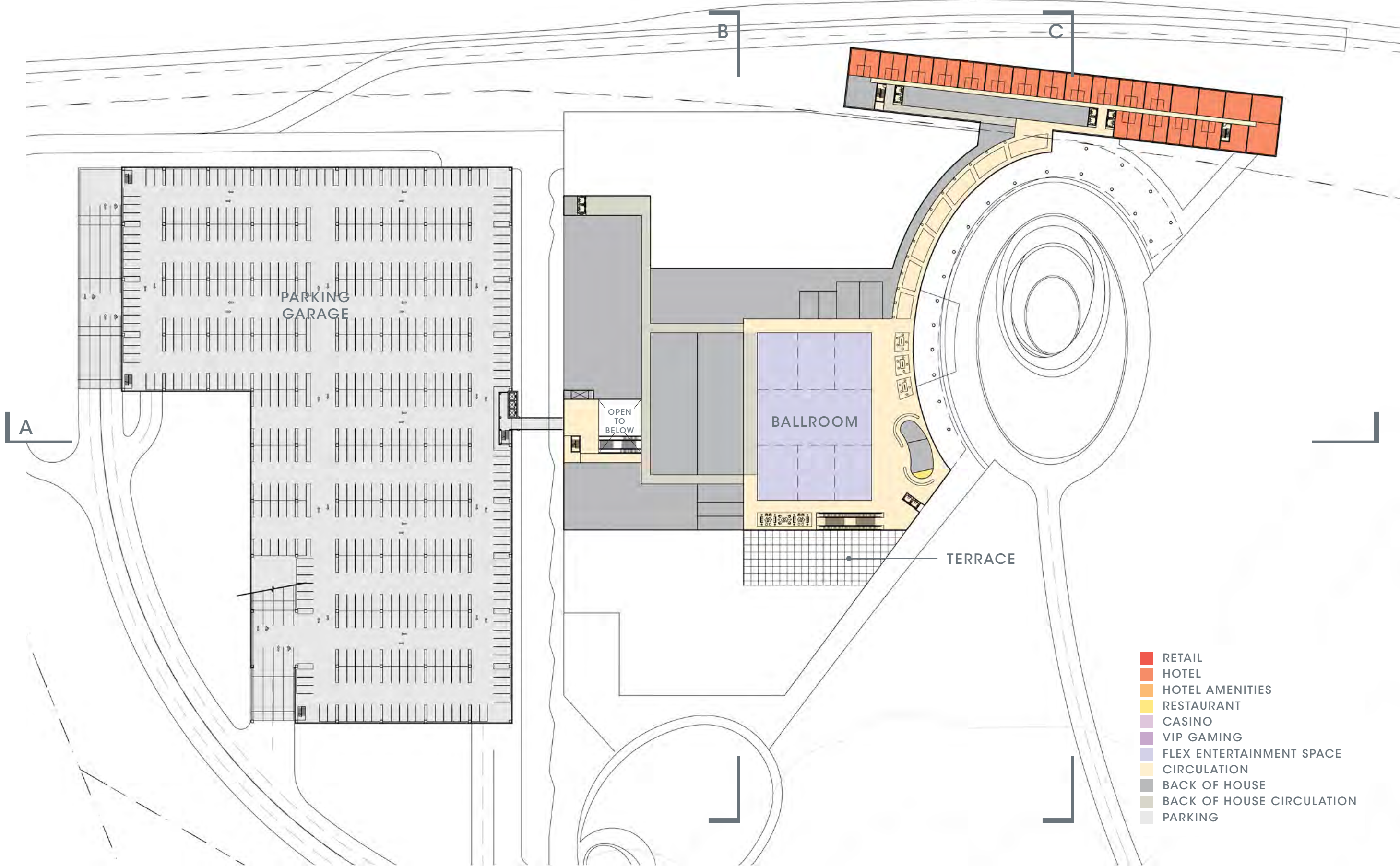


VIII C.5.A_A7.3

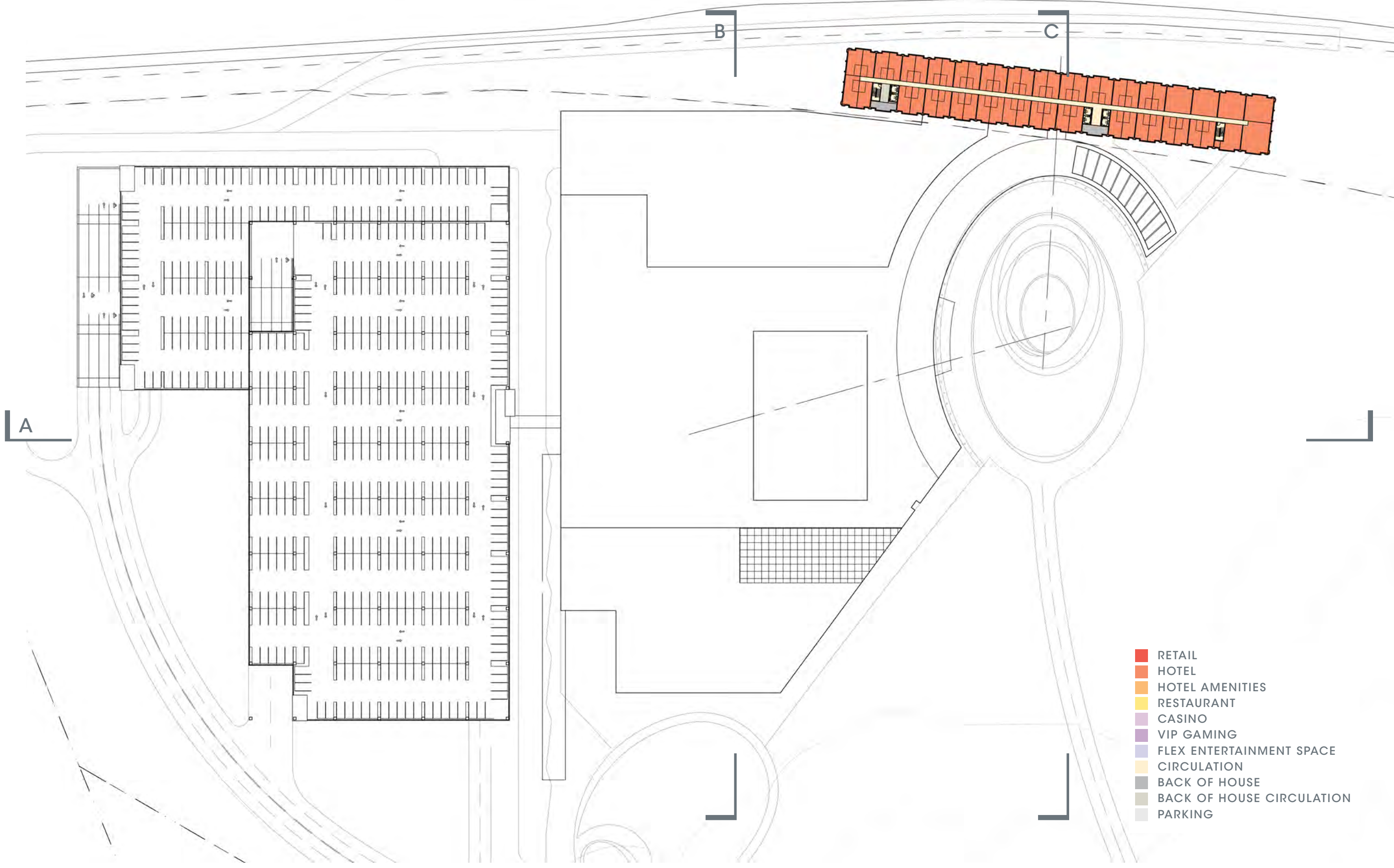
CAESARS NEW YORK
WOODBURY, NEW YORK

ENTRY COURT VIEW TO HOTEL

ELKUS | MANFREDI
ARCHITECTS

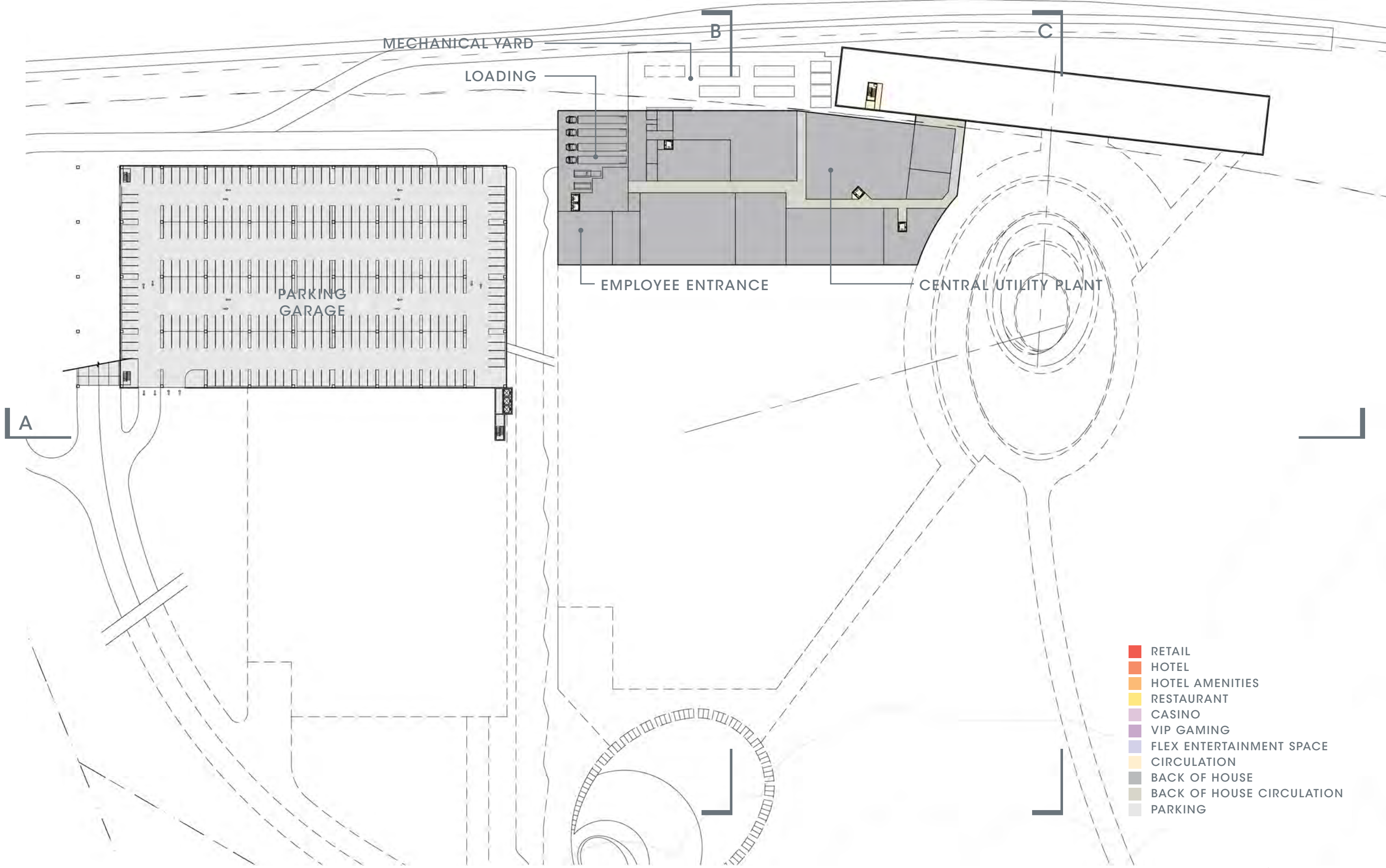


VIII C.5.A_A4.2



- RETAIL
- HOTEL
- HOTEL AMENITIES
- RESTAURANT
- CASINO
- VIP GAMING
- FLEX ENTERTAINMENT SPACE
- CIRCULATION
- BACK OF HOUSE
- BACK OF HOUSE CIRCULATION
- PARKING

VIII C.5.A_A4.3



VIII C.5.A_A4.4



© ELKUS MANFREDI ARCHITECTS

VIII C.5.A_A7.4

CAESARS NEW YORK
WOODBURY, NEW YORK

ENTRY COURT VIEW TO CASINO

ELKUS | MANFREDI
ARCHITECTS

Attachment VIII.C.2.b_A3

**OPTION AGREEMENT FOR PURCHASE OF REAL
PROPERTY**

THIS OPTION AGREEMENT ("Agreement") made and entered into this 24 day of February, 2014, by and between Woodbury Real Estate Group, LLC whose principal address is c/o Kera & Graubard, 240 Madison Avenue, 7th Floor, New York, New York 10016 (hereinafter referred to as "Seller"), and Flaum Management Company Inc., whose principal address is 400 Andrews Street, Suite 500, Rochester, New York 14604 (hereinafter referred to as "Purchaser").

WITNESSETH:

WHEREAS, Seller is the fee simple owner of certain real property being, lying and situated in the County of Orange, State of New York, such real property know as Interchange Commerce Center ("Premises") and such property being more particularly described as follows: 34 parcels equal to 121.39 acres, excluding the two southern most lots consisting of approximately 8 acres, parcels 243-1-1 and 243-1-2, as further described on "Exhibit A" attached hereto, it being understood that the acreage amounts listed on the Exhibit are merely estimates and not representations; and

WHEREAS, Purchaser desires to procure an option to purchase the Premises upon the terms and provisions as hereinafter set forth;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto and for the mutual covenants contained herein, Seller and Purchaser hereby agree as follows:

1. **DEFINITIONS.** For the purposes of this Agreement, the following terms shall have the following meanings:

(a) "Execution Date" shall mean the day upon which the last party to this Agreement shall duly execute this Agreement;

(b) "Option Fee" shall mean monthly payments of Twenty Thousand dollars (\$20,000.00), payable as set forth below;

(c) "Option Term" shall mean that period of time of one (1) year commencing on the Execution Date;

(d) "Option Term Extension" shall mean that period of time of six (6) months beginning on the last day of the Option Term;

(e) "Option Term Extension Exercise Date" shall mean that date, during the Option Term, upon which the Purchaser shall send its written notice to Seller exercising its Option Term Extension;

(f) "Option Exercise Date" shall mean that date, within the Option Term, upon which the Purchaser shall send its written notice to Seller exercising its Option to Purchase;

(g) "Right of First Refusal Term" shall mean that period of time of six (6) months commencing on the earliest of: (i) date Purchaser first has knowledge that the Premises have not been selected by the New York State Resort Gaming Facility Location Board for a casino location; or (ii) the expiration of the Option Term or the Option Term Extension of this Agreement.

2. **GRANT OF OPTION.** For and in consideration of the Option Fee payable to Seller as set forth herein, Seller does hereby grant to Purchaser the exclusive right and Option ("Option") to purchase the Premises upon the terms and conditions as set forth herein.

3. **PAYMENT OF OPTION FEE.** Seller agrees to waive the payment of the Option Fees for the first two (2) months after the Execution Date in order for the Purchaser to be able to

resolve deed and title restrictions. The Purchaser shall deliver to seller the first monthly payment of the Option Fee on or before the 60th days after the Execution Date and thereafter each monthly payment of the Option fee shall be delivered to the Seller on the same calendar day of each subsequent month as the first payment (example: if the first payment is made on the first (1st) day of a month, monthly payments will be made on the first (1st) day of each subsequent month). During the Option term Extension period, the Option Fee payments shall be made on a quarterly basis, in advance.

4. EXERCISE OF OPTION. Purchaser may exercise its exclusive right and option to purchase the Premises pursuant to the Option at any time during the Option Term by giving written notice thereof to Seller. As provided for above, the date of sending of said notice shall be the Option Exercise Date. In the event the Purchaser does not exercise its exclusive right to purchase the Premises granted by the Option during the Option Term or, if applicable, the Extended Option Term, Seller shall be entitled to retain all monthly payments of the Option Fee received during the Option Term, this Agreement shall become null and void, and neither party hereto shall have any other liability, obligation or duty pursuant to this Agreement.

5. INSPECTION RIGHTS OF PURCHASER. During the Option Term, Purchaser and Purchaser's representatives shall have the right to enter upon the Premises for the purpose of conducting land surveys, inspections, soil tests, core drillings, environmental tests and such other examinations and investigations as the Purchaser may desire. Purchaser shall repair any and all damage by reason thereof, and shall indemnify and save Seller harmless from and against any loss, damage and liability resulting from or arising out of such activity, which obligations shall survive the closing or termination of this Agreement. If Purchaser wishes to conduct soil tests, borings, or the like at the Premises: (a) Purchaser shall give reasonable advance notice to Seller of its intention so that Seller can have its own consultant present to observe said testing; (b) all findings shall be immediately reported to the Seller by Purchaser; and (c) Seller shall have the exclusive right and obligation to report any reportable findings to the applicable government authorities. Prior to entering the Premises, Purchaser, its agents, employees and consultants shall name Seller as an additional insured on, and provide Seller with evidence of, a liability insurance policy in form and substance reasonably acceptable to Seller.

Purchaser will provide to Seller copies of any and all studies or reports Purchaser generates or commissions for the Property, promptly upon Purchaser's receipt thereof.

Seller hereby authorizes any and all applicable governmental agencies and authorities to provide Purchaser and Purchaser's representatives copies of their records, if any, regarding the Premises. Upon request, Seller shall furnish to Buyer an authorization necessary to enable Purchaser to make inquiries of any governmental authorities about the existence or status of violations of any governmental requirements at the Premises to facilitate the subject sale.

6. CONTRACT FOR PURCHASE & SALE OF REAL PROPERTY. In the event that the Purchaser exercises its exclusive Option as provided for in herein, Seller agrees to sell and Purchaser agrees to buy the Premises, and both parties agree to execute within thirty (30) days of the option Exercise Date, a mutually acceptable contract (the "Contract") for such purchase and sale of the Premises in accordance with the following terms and conditions:

(a) **Purchase Price.** The purchase price for the Premises shall be the sum of Sixteen Million dollars (\$16,000,000.00), with a deposit of \$ 1,000,000.00 (the "Deposit") payable upon Purchaser's execution of the contract, to be held in escrow pursuant to the customary terms for real estate contracts;

K.D

(b) **Closing Date.** The closing date shall be on or about the forty-fifth(45th) day following Purchaser's election to purchase the Premises or on or about the forty-fifth (45th) day after the NYS Resort Gaming Facility Location Board selects the Premises for a casino location;

(d) Closing Costs. Purchaser's and Seller's costs of closing, and all closing related adjustments shall be as customarily handled for closings in the jurisdiction where the Premises are located;

(e) Default by Purchaser; Remedies of Seller. In the event Purchaser, after exercise of the Option, fails to proceed with the closing of the purchase of the Premises pursuant to the terms and conditions of the Contract, Seller's sole remedy is to retain the Deposit plus any Option Fees made by Purchaser, as liquidated damages and shall have no further recourse against Purchaser

(f) Successors and Assigns. This Agreement shall apply to, inure to the benefit of and be binding upon and enforceable against the parties hereto and their respective heirs, successors, and or assigns;

(g) Default by Seller; Remedies of Purchaser. In the event Seller is able, but fails to close the sale of the Premises pursuant to the terms and provisions of this Agreement and/or under the Contract, Purchaser shall be entitled to either sue for specific performance of the real estate purchase and sale contract or terminate such Contract and sue for money damages, such remedies being mutually exclusive and not cumulative. In the event that Purchaser commences suit seeking, inter alia, money damages, it shall not file a lis pendens against the Premises.

(h) The property is to be conveyed subject to: (a) Building and zoning regulations; (b) Conditions, agreements, restrictions and easements of record so long as no new conditions, agreements, restrictions and easements of record have been recorded against the Premises subsequent to the Execution Date which will prevent use of the Premises for their intended use as a resort and casino facility; (c) Any state of facts an inspection or survey of the Property may show as long as it does not make the title to the property unmarketable; and (d) Unpaid assessments payable after the date of the transfer of title.

(i) At the Closing Seller shall deliver to Purchaser a Warranty deed with lien covenant so as to convey a fee simple title to the Property free and clear of all encumbrances except as stated in this Contract. The deed shall be prepared, signed and acknowledged by Seller and transfer tax stamps in the correct amount shall be affixed to the deed, all at Seller's expense.

(j) The risk of loss or damage by fire or other casualty before title closing is assumed by Seller.

7. Right of First Refusal. If the Premises are not selected by the New York State Resort Gaming Facility Location Board for a casino location, Seller will grant Purchaser a Right of First Refusal during the Right of First Refusal Term. If at any time during the Right of First Refusal Term Seller receives a bona fide purchase offer from a third party, which offer Seller shall have determined to accept (subject to this right of First Refusal), Seller shall provide written notice to Purchaser ("Purchase Offer Notice") within seven (7) business days of receipt of such offer. For ten (10) business days beginning on the date that Purchaser receives the Purchase Offer Notice, Purchaser shall have the exclusive right to Purchase the Property upon the same terms and conditions contained in the third party purchase offer. Purchaser must exercise its exclusive right to Purchase by giving written notice to Seller (the "Exercise Notice") within such ten (10) business day time period and execute a contract (similar to the Contract other than as necessitated to match the third party offer) and deliver the Deposit within twenty (20) calendar days of the Exercise Notice.

8. MISCELLANEOUS.

(a) Execution by Both Parties. This Agreement shall not become effective and binding until fully executed by both Purchaser and Seller.

(b) This Agreement is not transferable or assignable except to Purchaser's gaming partner disclosed to Seller by letter of even date or to any entity of which Flaum and such gaming partner are the majority equity members, partners or shareholders.

(c) Notice. All notices, demands and/or consents provided for in this Agreement shall be in writing and shall be delivered to the parties hereto by electronic mail or certified mail with postage pre-paid. Such notices shall be deemed to have been served on the date received. All such notices and communications shall be addressed to the Seller at the address shown at the beginning of this Agreement or to an email address designated by Seller for such purposes, and to Purchaser at the address shown at the beginning of this Agreement or to an email address designated by Purchaser for such purposes, or at such other address as either may specify to the other in writing.

(d) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York;

(e) Time. Time is of the essence of this Agreement and the payment of the Option Fee.

(f) Headings. The headings inserted at the beginning of each paragraph and/or subparagraph are for convenience of reference only and shall not limit or otherwise affect or be used in the construction of any terms or provisions hereof.

(g) Cost of this Agreement. Any cost and/or fees incurred by the Purchaser or Seller in executing this Agreement shall be borne by the respective party incurring such cost and/or fee.

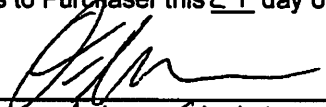
(h) Entire Agreement. This Agreement contains all of the terms, promises, covenants, conditions and representations made or entered into by or between Seller and Purchaser and supersedes all prior discussions and agreements whether written or oral between Seller and Purchaser with respect to the Option and all other matters contained herein and constitutes the sole and entire agreement between Seller and Purchaser with respect thereto. This Agreement may not be modified or amended unless such amendment is set forth in writing and executed by both Seller and Purchaser with the formalities hereof.

(i) This agreement, or any memorandum thereof, shall not be recorded. Any recordation or attempted thereof shall be a material breach of this agreement and if by Purchaser, shall entitle Seller to declare this Agreement null and void, with any option fees theretofore paid being retained by Seller as liquidated damages.

(j) In the event that Purchaser shall file a lis pendens against the premises and Seller shall be successful in having same removed or vacated, Purchaser shall be liable to immediately pay and/or reimburse Seller for all losses, expenses or damages caused by such filing, including Seller's actual attorneys' fees.

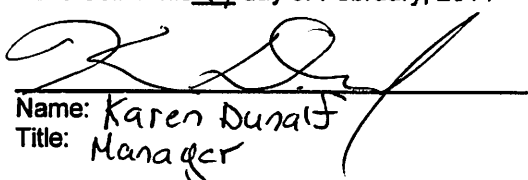
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under proper authority:

As to Purchaser this 24th day of February, 2014



Name: Asner Flamm
Title: President

As to Seller this 24 day of February, 2014



Name: Karen Dunat
Title: Manager

"Exhibit A"
(Property Description)

<u>Municipality</u>	<u>S-B-L</u>	<u>Acreage</u>	<u>Address</u>
Monroe	24-1-37.11	0.29	Corporate Dr
Monroe	24-1-37.12	1.27	St Rte 17M
Monroe	24-1-37.13	4.10	St Rte 17M
V/Harriman, Monroe	106-1-35.1	1.20	2002 St Rte 17M
V/Harriman, Monroe	106-1-35.2	0.35	Enterprise Dr
V/Harriman, Monroe	106-1-35.3	4.50	2018 St Rte 17M
V/Harriman, Woodbury	108-1-5.1	0.00	Off Rte 17
V/Harriman, Woodbury	108-1-5.2	0.07	Off Hwy 17
V/Harriman, Woodbury	108-1-5.3	6.60	Intst Hwy 87
V/Woodbury, Woodbury	243-1-3	10.30	Rte 17
V/Woodbury, Woodbury	243-1-4	3.70	Rte 17
V/Woodbury, Woodbury	243-1-5	5.40	Rte 17
V/Woodbury, Woodbury	243-1-6	5.00	Rte 17
V/Woodbury, Woodbury	243-1-7	3.50	Rte 17
V/Woodbury, Woodbury	243-1-8	3.20	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-9	3.80	Rte 17
V/Woodbury, Woodbury	243-1-10	4.40	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-11	3.00	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-12	3.00	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-13	3.40	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-14	3.60	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-15	3.30	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-16	3.10	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-17	7.60	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-18	4.90	Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-19	3.00	Enterprise dr (Prop)
V/Woodbury, Woodbury	243-1-20	2.70	Enterprise Dr (Prop) E
V/Woodbury, Woodbury	243-1-21	3.80	of Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-22	3.10	Enterprised Dr (Prop)
V/Woodbury, Woodbury	243-1-23	5.80	E of Enterprise Dr (Prop)
V/Woodbury, Woodbury	243-1-24	5.70	Enterprised Dr (Prop)
V/Woodbury, Woodbury	243-1-25	7.70	Enterprised Dr (Prop)
		121.39	

Attachment VIII.C.2.b_A4

LEASE AGREEMENT

THIS LEASE is made as of the 22nd day of May, 2014 by and between NORFOLK SOUTHERN RAILWAY COMPANY, a(n) Virginia corporation (the "Landlord") and WGLNS, LLC, a(n) New York limited liability company (the "Tenant").

1. **Premises; Use.** For and in consideration of the agreements set forth herein, to be paid, kept and performed by Tenant, Landlord hereby leases and rents to Tenant, insofar as its right, title and interest in the Premises enables it to do so, that certain vacant real property located at Milepost ZU-45.0 in the **Village of Woodbury, Orange County, New York** (part of tax parcel no. 233-1-2.2), having an area of 10.7 acres, more or less, the location and dimensions of which are substantially shown on print of Drawing No. IDD-14-118 dated April 16, 2014, hereunto annexed as **Exhibit "A"** attached hereto (the "Land"), together with all improvements thereon (the "Improvements"). The Land and the Improvements are collectively referred to herein as the "Premises". This Lease is subject to all encumbrances, easements, conditions, covenants and restrictions, whether or not of record.

The Premises shall be used for a hotel, casino and related development and for no other purpose. The Premises shall not be used for any illegal purposes, for the storage of unlicensed vehicles, nor in any manner to create any nuisance or trespass. Landlord reserves unto itself and its permittees, the permanent right to construct, maintain or replace upon, under, or over the Premises, any pipe, electrical, telecommunications, and signal lines, or any other facilities of like character now installed or hereinafter to be installed in areas that do not materially interfere with Tenant's development, use and enjoyment of the Premises. Landlord further reserves unto itself and its permittees the right to enter upon the Premises at any and all times on reasonable advance written notice except in case of emergency for the purposes of operating, maintaining, constructing or relocating any trackage or railroad facilities located on, or in the vicinity of, the Premises.

2. **Term.** To have and to hold for a term of seventy (70) years, said term to begin on the date that a final non-appealable license to conduct gaming operations is issued relative to the Premises and Tenant closes on the purchase of adjacent property end at midnight on the last day of the 840th month thereafter (the "Initial Term"), unless sooner terminated as hereinafter provided.

3. **Base Rental.** Commencing on the Term Commencement Date of May 22, 2014 (the "Rental Commencement Date"), Tenant shall pay to Landlord, without offset, abatement or demand, unless specifically provided for in this Lease, an initial base rental of **TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$250,000.00)** payable in equal monthly installments of **TWENTY THOUSAND EIGHT HUNDREDD THIRTY-THREE AND 33/100 (\$20,833.33)**. Thereafter, the amount of the base rental shall be as set forth on the rent schedule attached hereto and made a part hereof as Exhibit B.

Base rental shall be due in advance. Except in the event of default, base rental for any partial rental periods shall be prorated. The acceptance by Landlord of base rental shall not constitute a waiver of any of Landlord's rights or remedies under this Lease. All payments of base rental, and any additional rental payable hereunder, shall be sent to the Treasurer of Landlord at P.O. Box 116944, Atlanta, Georgia 30368-6944, or such other address as Landlord may designate in any invoice delivered to Tenant. Prior to or simultaneously with Tenant's execution of this Lease, Tenant has paid to Landlord (a) a non-refundable, application fee in the amount of \$30,000.00, and (b) the first installment of base rental due hereunder. In the event Tenant fails to pay base rental or any other payment called for under this Lease on or before the due date, Tenant shall pay a late charge equal to five percent (5%) of the unpaid amount. In addition, any sum not paid within thirty (30) days of its due date shall accrue interest thereafter until

paid at the rate per annum equal to the lesser of (a) the highest interest rate permitted by applicable law; or (b) twelve percent (12%).

4. Utilities. Landlord shall have no obligation to provide light, water, heat, air conditioning or any other utilities or services to the Premises. Tenant shall place any and all utility and service related bills in its name and shall timely pay the same, along with all assessments or other governmental fees or charges pertaining to the Premises. If Tenant does not pay same, Landlord may (but shall not be obligated to) pay the same, including any and all late fees and penalties, and such payment shall be added to and treated as additional rental of the Premises, due and payable within fifteen (15) days after receipt of Landlord's billing thereof, which billing shall be accompanied by paid receipts. Landlord hereby agrees to cooperate with Tenant in securing any utility easements needed for Tenant's development of the Premises, at no cost to Landlord.

5. Maintenance and Repairs. Tenant, at its sole cost, shall keep and maintain all of the Premises (including, but not limited to, all structural and non-structural components thereof and all systems) in good order and repair (including replacements) and shall keep the Premises free of pests and rodents. Tenant hereby waives (a) any rights at law or in equity to require Landlord to perform any repair, replacement or maintenance to the Premises, and (b) any right to abate rental or terminate this Lease due to the failure by Landlord to perform any repairs, replacements or maintenance. With the exception of possible leasehold mortgage financing and utility easements, Tenant shall not create any lien, charge or encumbrance upon the Premises, and Tenant shall promptly remove or bond over any such lien, charge or encumbrance.

6. Modifications and Alterations to the Premises. Tenant shall make no modifications, alterations or improvements to the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord's consent shall not be required for building plans, except with respect to the placement of structures and improvements at the Premises so as to avoid any conflict with Landlord's adjacent railroad operations. Any modifications or alterations shall be completed in a good, workmanlike and lien-free manner, in accordance with all applicable laws, codes, regulations and ordinances and by reputable contractors. Unless otherwise agreed by the parties hereto, any alterations or improvements to the Premises made by Tenant shall remain become the property of Tenant until the expiration or earlier termination of this Lease; provided, however, that at the expiration of the term of this Lease, Landlord, at its option, may require Tenant to remove any improvements or repair any alterations in order to restore the Premises to the condition existing at the time Tenant took possession. Tenant may remove any structures, equipment, personal property, trade fixtures or any other property owned by Tenant during the term of this Lease, provided that any damage caused by such removal shall be repaired by Tenant in a manner acceptable to Landlord. For purposes of this lease, all references to "Tenant" shall include Tenant's sub-tenants, licensees and assigns.

7. Return of Premises. Tenant agrees that any alterations, additions or improvements made by the Tenant shall upon being made become part of the Premises and remain in the Premises at the expiration of the Lease or any renewal thereof, except for trade fixtures and personal property removed by Tenant as hereinafter provided, and shall become the property of Landlord. Within thirty (30) days immediately following the expiration date of this Lease or earlier termination of this Lease, Tenant shall have the right to remove moveable trade fixtures and other personal property of Tenant, and shall further have the right to remove all attached trade fixtures and equipment provided Tenant repairs any damage caused thereby within said time period in a good and workmanlike manner. Any trade fixtures and equipment not removed from the Premises shall, at the option of Landlord, be deemed abandoned and shall become the property of the Landlord or shall be removed by Landlord at Tenant's cost and expense, as additional rent. This obligation shall survive the expiration or earlier termination of this Lease. Upon the expiration or earlier

termination of this Lease, Tenant shall deliver the Premises, including all improvements, parking areas, landscaping and mechanical systems, to Landlord broom clean and in good condition and repair, reasonable wear and tear excepted, free and clear of any and all liens, encumbrances and environmental contamination.

8. Destruction of or Damage to Premises. In the event that, at any time during the term of this Lease, the buildings and improvements then on the Premises shall be destroyed or damaged in whole or in part by a fire or other cause, then unless Landlord otherwise agrees in writing, and subject to Tenant's receipt of insurance proceeds, Tenant shall restore, repair, replace or rebuild on the Premises the building or improvement so damaged or destroyed to at least the same condition as said Premises were in immediately prior to such damage.

9. Indemnity. Except for damage caused solely by Landlord's negligence, Tenant agrees to indemnify, defend and save harmless Landlord, Landlord's parent companies, subsidiaries, affiliates, lessors, licensors, and subsidiaries of parent companies (collectively the "**Landlord Related Entities**") and Landlord's and Landlord's Related Entities' officers, directors, members, shareholders, lenders, agents and employees (collectively the "**Landlord Entities**") against all claims (including but not limited to claims for bodily injury, death or property damage), economic losses, liabilities, costs, injuries, damages, actions, mechanic's liens, losses and expenses (including but not limited to reasonable attorney's fees and costs) to whomsoever, including, but not limited to, Tenant's agents, workmen, servants or employees, or whatsoever occurring (collectively, "**Claims**") arising out of or relating to Tenant's use or occupancy of the Premises. To the fullest extent permitted by applicable laws, Tenant hereby waives and releases the Landlord Entities from any Claims (including but not limited to Claims relating to interruptions in services) arising out of or relating in any way to the Tenant's use or occupancy of the Premises.

10. Governmental Orders. Tenant agrees, at its own expense, to comply with all laws, orders, regulations, ordinances or restrictions applicable by reason of Tenant's use or occupancy of the Premises or operation of its business.

11. Condemnation. If the Premises or such portion thereof as will make the Premises unusable for the purpose herein leased shall be condemned by any legally constituted authority for any public use or purpose, or sold under threat of condemnation, then this Lease shall terminate as of the date of such condemnation or sale, and rental shall be accounted for between Landlord and Tenant as of such date. All condemnation awards shall belong to Landlord; provided, however, and to the extent permitted under applicable law, Tenant shall be entitled to file a separate claim against the condemning authority for loss of its personal property and improvements, good will and moving expenses.

12. Assignment. Tenant may not assign this Lease or any interest thereunder or sublet the Premises in whole or in part or allow all or a portion of the Premises to be used by a third party without the prior written consent of Landlord. If Tenant is a corporation, partnership, limited liability company or other entity, the transfer of more than fifty percent (50%) of the ownership interests of Tenant or the transfer of a lesser percentage which results in a transfer of control of Tenant (WHICH INCLUDES, WITHOUT LIMITATION, TRANSACTIONS IN WHICH TENANT SELLS ITS BUSINESS, SELLS ALL OR SUBSTANTIALLY ALL OF THE ASSETS OF ITS BUSINESS OR MERGES OR CONSOLIDATES WITH ANOTHER ENTITY), whether in one transaction or a series of related transactions, shall constitute an assignment for purposes of this Lease. All requests for an assignment or sublease shall be accompanied by a copy of the proposed assignment or sublease agreement and an administrative fee in the amount of \$750.00. Any assignee shall become liable directly to Landlord for all obligations of Tenant hereunder. No such assignment or sublease nor any subsequent amendment of the Lease shall release Tenant or any guarantor of Tenant's obligations hereunder. Notwithstanding the

foregoing, Tenant shall have the right to freely sublet all or any portion of the Premises for the permitted uses under this Lease without Landlord's consent but on written notice to Landlord. Further, Tenant shall be permitted to assign its interest in this Lease without Landlord's consent to: (i) an entity related to Tenant or in which Tenant's principals maintains at least a fifty percent (50%) interest, or (ii) Trusts, family members or other entities of Tenant's principals. Any assignment or sublease made in violation of this Paragraph 12 shall be void and shall constitute a default hereunder.

13. Environmental. Tenant covenants that neither Tenant, nor any of its agents, employees, contractors or invitees shall cause or permit any aboveground or underground storage tanks or associated piping (collectively "Tanks") to be located on or under the Premises or any Hazardous Materials (as hereinafter defined) to be stored, handled, treated, released or brought upon or disposed of on the Premises. Tenant shall comply, at its own expense, with any and all applicable laws, ordinances, rules, regulations and requirements respecting solid waste, hazardous waste, air, water, pollution or otherwise relating to the environment or health and safety (collectively "Environmental Laws"). Tenant shall not under any circumstance dispose of trash, debris or wastes on the Premises and will not conduct any activities on the Premises which require a hazardous waste treatment, storage or disposal permit. As used herein, the term "Hazardous Materials" means asbestos, polychlorinated biphenyls, oil, gasoline or other petroleum based liquids, and any and all other materials or substances deemed hazardous or toxic or regulated by applicable laws, including but not limited to substances defined as hazardous under the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. §9601 et seq., Resource Conservation and Recovery Act 42 U.S.C. 6901 et seq. (or any state counterpart to the foregoing statutes) or determined to present the unreasonable risk of injury to health or the environment under the Toxic Substances Control Act, as amended, 15 U.S.C. 2601 et seq. Tenant shall indemnify, defend and hold the Landlord Entities harmless from and against any and all claims, judgments, damages, penalties, fines, costs (including without limitation, consultant's fees, experts' fees, attorney's fees, investigation and cleanup costs and courts costs), liabilities or losses resulting from (1) the storage, handling, treatment, release, disposal, presence or use of Hazardous Materials in, on or about the Premises from and after the date of this Lease or (2) the violation by Tenant of any provision of any Environmental Laws. Without limiting the generality of the foregoing indemnity, in the event Landlord has reason to believe that the covenants set forth in this Paragraph 13 have been violated by Tenant, Landlord shall be entitled, at Tenant's sole expense, to take such actions as Landlord deems necessary in order to assess, contain, delineate and/or remediate any condition created by such violation. Any sums expended by Landlord shall be reimbursed by Tenant, as additional rental, within thirty (30) days after demand therefor by Landlord. Landlord has the right to enter the Premises at all reasonable times for purposes of inspecting the Premises in order to evaluate Tenant's compliance with the covenants of this Paragraph 13. In the event Tenant delivers or receives any notices or materials from any governmental or quasi-governmental entity and such notices or materials relate to Tanks or Hazardous Materials in, on or about the Premises, Tenant shall immediately send to Landlord a copy of such notices or materials. Tenant shall also provide Landlord with a detailed report relating to any release of a Hazardous Material in, on or about the Premises whenever such release is required to be reported to governmental authorities pursuant to the Environmental Laws. Upon the expiration or earlier termination of this Lease, Landlord shall have the right to cause to be performed such environmental studies of the Premises by an environmental consultant as are necessary to determine whether any Hazardous Materials have been stored, handled, treated, released, brought upon or disposed of on the Premises during the term of this Lease in violation of the terms hereof. If any such study reveals any violation of this Lease, Tenant shall promptly reimburse Landlord for the costs of such studies and Tenant shall immediately undertake a further investigation, if necessary, and remediation of such contamination. Landlord may undertake such investigation and remediation if Tenant fails to do so within a reasonable time frame, in which case Tenant shall promptly reimburse Landlord for the cost of same within thirty (30) days after demand therefore by Landlord. The obligations of this Paragraph 13 shall survive the expiration or earlier termination of this Lease.

14. Default; Remedies. In the event (i) any payment of rental or other sum due hereunder is not paid within ten (10) days after the due date thereof; (ii) the Premises shall be deserted or vacated; (iii) Tenant shall fail to comply with any term, provision, condition or covenant of this Lease, other than an obligation requiring the payment of rental or other sums hereunder, and shall not cure such failure within twenty (20) days after notice to the Tenant of such failure to comply; (iv) Tenant shall attempt to violate or violate Paragraph 12 above; or (v) Tenant or any guarantor shall file a petition under any applicable federal or state bankruptcy or insolvency law or have any involuntary petition filed thereunder against it, then Landlord, in addition to any remedy available at law or in equity, shall have the option to do any one or more of the following:

(a) Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord. Tenant agrees to indemnify the Landlord Entities for all loss, damage and expense which Landlord may suffer by reason of such termination.

(b) Without terminating this Lease, terminate Tenant's right of possession, whereupon rental shall continue to accrue and be owed by Tenant hereunder. Thereafter, at Landlord's option, Landlord may enter upon and relet all or a portion of the Premises (or relet the Premises together with any additional space) for a term longer or shorter than the remaining term hereunder and otherwise on terms satisfactory to Landlord. Tenant shall be liable to Landlord for the deficiency, if any, between Tenant's rental hereunder and all net sums received by Landlord on account of such reletting (after deducting all costs incurred by Landlord in connection with any such reletting, including without limitation, tenant improvement costs, brokerage commissions and attorney's fees).

(c) Pursue a dispossession, eviction or other similar action against Tenant, in which event Tenant shall remain liable for all amounts owed hereunder, including amounts accruing hereunder from and after the date that a writ of possession is issued.

(d) Perform any unperformed obligation of Tenant, including, but not limited to, cleaning up any trash, debris or property remaining in or about the Premises upon the expiration or earlier termination of this Lease. Any sums expended by Landlord shall be repaid by Tenant, as additional rent, within ten (10) days after demand therefor by Landlord.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any other remedies available at law or in equity. Tenant agrees to pay all costs and expenses, including, but not limited to, reasonable attorney's fees and consultant's fees, incurred by Landlord in connection with enforcing the performance of any of the provisions of this Lease, whether suit is actually filed or not. Acceptance of rental or any other sums paid by Tenant shall not constitute the waiver by Landlord of any of the terms of this Lease or any default by Tenant hereunder. Landlord shall not be required to mitigate damages, and the parties intend to waive any burden that applicable law may impose on Landlord to mitigate damages; provided, however, if applicable law nevertheless requires Landlord to mitigate damages then (i) Landlord shall have no obligation to treat preferentially the Premises compared to other premises Landlord has available for leasing; (ii) Landlord shall not be obligated to expend any efforts or any monies beyond those Landlord would expend in the ordinary course of leasing space; and (iii) in evaluating a prospective reletting of the Premises, the term, rental, use and the reputation, experience and financial standing of prospective tenants are factors which Landlord may properly consider.

15. Signs; Entry by Landlord. Landlord may place "For Lease" signs upon the Premises one hundred twenty (120) days before the expiration of this Lease. Landlord may enter the Premises with

prior notice to Tenant at reasonable hours during the term of this Lease (a) to show the same to prospective purchasers or tenants, (b) to make repairs to Landlord's adjoining property, if any, (c) to inspect the Premises in order to evaluate Tenant's compliance with the covenants set forth in this Lease, or (d) to perform activities otherwise permitted or contemplated hereby. Any damage cause by Landlord, its agents, contractors, employees, or others under the control of Landlord to the Premises as a result of any such entry shall promptly be repaired at Landlord's request to the condition that existed prior to such damage. If Landlord fails to promptly repair such damage after written notice from Tenant, Tenant reserves the right, but not the obligation, to repair such damage at Landlord's cost and expense, and any sums expended by Tenant shall be reimbursed by Landlord within thirty (30) days after demand therefor by Tenant, which demand shall be accompanied by all paid receipts and invoices therefor.

16. No Estate in Land. This Lease shall create the relationship of landlord and tenant between Landlord and Tenant; Tenant's interest is not assignable by Tenant except as provided in Paragraph 12, above.

17. Holding Over. If Tenant remains in possession of the Premises after expiration of the term hereof with Landlord's written consent, Tenant shall be a month-to-month tenant upon all the same terms and conditions as contained in this Lease, and there shall be no renewal of this Lease by operation of law. Such month-to-month tenancy shall be terminable upon thirty (30) days written notice by either party to the other. Tenant waives any right that it may have to additional notice pursuant to applicable law. If Tenant remains in possession of the Premises after the expiration of the term hereof without Landlord's written consent, Tenant shall be a tenant at sufferance subject to immediate eviction. In such event, in addition to paying Landlord any damages resulting from such holdover, Tenant shall pay base rental at the rate of one and one-half times the then current base rental. In such circumstance, acceptance of base rental by Landlord shall not constitute consent or agreement by Landlord to Tenant's holding over and shall not waive Landlord's right to evict Tenant immediately.

18. Notices. Any notice given pursuant to this Lease shall be in writing and sent by certified mail, return receipt requested, by hand delivery or by reputable overnight courier to:

(a) Landlord: c/o Director Real Estate, Norfolk Southern Corporation, 1200 Peachtree Street, NE 12th Floor, Atlanta, Georgia 30309-3579, or at such other address as Landlord may designate in writing to Tenant.

(b) Tenant: WGLNS, LLC, 400 Andrews Street, Suite 500, Rochester, New York 14604, or at such other address as Tenant may designate in writing to Landlord.

Any notice sent in the manner set forth above shall be deemed delivered three (3) days after said notice is deposited in the mail if sent by certified mail (return receipt requested), or upon receipt if sent by hand delivery or reputable overnight courier. Any change of notice address by either party shall be delivered to the other party by the manner of notice required hereby.

19. Track Clearance. Notwithstanding anything contained in this Lease, and irrespective of the sole, joint, or concurring negligence of Landlord, Tenant shall assume sole responsibility for and shall indemnify, save harmless and defend the Landlord Entities from and against all claims, actions or legal proceedings arising, in whole or in part, from the conduct of Tenant's operations, or the placement of Tenant's fixtures, equipment or other property, within twenty-five feet (25') of Landlord's tracks, if any, located on or adjacent to the Premises. In this connection it is specifically understood that knowledge on the part of Landlord of a violation of the foregoing clearance requirement, whether such knowledge is

actual or implied, shall not constitute a waiver and shall not relieve Tenant of its obligations to indemnify the Landlord Entities for losses and claims resulting from any such violation.

20. Brokerage. Landlord and Tenant hereby covenant and agree to indemnify and hold the other harmless from and against any and all loss, liability, damage, claim, judgment, cost and expense (including without limitation attorney's fees and litigation costs) that may be incurred or suffered by the other because of any claim for any fee, commission or similar compensation with respect to this Lease, made by any broker, agent or finder claiming by, through or under the indemnifying party, whether or not such claim is valid.

21. Tenant's Insurance. Tenant shall procure and maintain, at all times and at its expense, in a form and with an insurance company acceptable to Landlord, Commercial General Liability Insurance for the Premises. Such coverage shall (a) have a single limit of not less than \$2,000,000.00 for each occurrence (or such greater amount over time so as to be commercially reasonable) and shall provide for a deductible of not more than \$5,000.00, (b) cover Tenant's contractual liability hereunder, (c) cover Tenant and Landlord for liability arising out of work performed by any third parties for Tenant in or about the Premises, (d) name the Landlord Entities as additional insureds, and (e) be considered primary and noncontributory, regardless of any insurance carried by Landlord. Any property insurance maintained by Tenant on its furniture, fixtures, equipment and personal property shall include a waiver of subrogation in favor of Landlord. Tenant shall deliver certificates of insurance evidencing the insurance required hereinabove to Landlord simultaneously with the execution of this Lease by Tenant, which certificates shall reflect that the policies shall not be canceled without at least thirty (30) days prior notice to Landlord. If Tenant fails to obtain the necessary coverages, Landlord may do so at Tenant's expense and the same shall constitute additional rental. All insurance certificates should be delivered to Landlord's Risk Management Department, Three Commercial Place, Norfolk, Virginia 23510, simultaneously with the execution of this Lease by Tenant. The minimum limits of insurance provided for hereunder are not intended to be a limitation on the liability of Tenant hereunder and shall not waive Landlord's right to seek a full recovery from Tenant.

22. Taxes and Assessments. Tenant agrees to reimburse Landlord, as additional rental, for all real estate taxes and assessments (regular or special) pertaining to the Premises ("Taxes") paid by Landlord with respect to the Premises. Tenant reserves the right, but not the obligation, to pay any real estate taxes and assessments (regular or special) pertaining to the Premises which have not been timely paid by Landlord. In the event Tenant does pay any such taxes, Tenant shall be permitted to deduct the amount paid from any payments due Landlord under this Lease, until such amount paid has been satisfied. Landlord may, but shall not be obligated to, invoice Tenant for the estimated Taxes for each calendar year (but no more frequently than monthly), which amount shall be adjusted each year based upon anticipated Taxes. If the Premises are part of a larger tract, the Taxes for which Tenant is responsible for reimbursing Landlord pursuant to the terms hereof shall be the share of such total Taxes that Landlord reasonably determines are applicable to the Premises, giving due consideration to the relative value of the Premises and the value of the land and improvements reflected in the applicable tax valuation. Upon request from Tenant, Landlord shall provide Tenant with copies of tax bills for the Taxes. If Landlord has been invoicing Tenant for Taxes and the tax bills indicate that the total of the payments made by Tenant exceeds the amount of Taxes applicable to the Premises, Landlord shall credit any such amount against the Tax reimbursement payment next coming due. In the event the accounting shows that the total of the Tax payments made by Tenant is less than the amount of Tax payment due from Tenant under this Paragraph, the accounting shall be accompanied by an invoice for the additional payment. During the year in which the Lease terminates, Landlord shall have the option to invoice Tenant for Taxes based upon the previous year's Taxes. If this Lease commences on a day other than the first day of a tax year or ends on a day other than the last day of a tax year, the amount of any Taxes payable by Tenant applicable

to the year in which the term commences or ends shall be prorated. Tenant agrees to pay any sum due under this Lease within ten (10) days following receipt of the invoice showing the amount due. With Landlord's consent, which shall not be unreasonably withheld, delayed or conditioned, Tenant shall have the right, at its sole cost and expense, to contest by appropriate proceedings any real estate tax assessment against the Premises.

23. Joint and Several. If Tenant comprises more than one person, corporation, partnership or other entity, the liability hereunder of all such persons, corporations, partnerships or other entities shall be joint and several.

24. No Warranties; Entire Agreement. TENANT ACCEPTS THE PREMISES "AS IS" WITHOUT WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF QUIET ENJOYMENT, THE IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER IMPLIED WARRANTIES. LANDLORD SHALL NOT BE LIABLE FOR, AND TENANT HEREBY RELEASES LANDLORD FROM ALL CLAIMS FOR ECONOMIC LOSSES AND ALL OTHER DAMAGE OF ANY NATURE WHATSOEVER ACCRUING TO TENANT, INCLUDING, BUT NOT LIMITED TO THE VALUE OF ANY BUILDINGS, STRUCTURES OR IMPROVEMENTS OF TENANT UPON THE PREMISES, RESULTING FROM OR ARISING BY REASON OF ANY DEFICIENCY, INSUFFICIENCY OR FAILURE OF TITLE OF LANDLORD. THIS LEASE CONTAINS THE ENTIRE AGREEMENT OF THE PARTIES HERETO AS TO THE PREMISES, AND NO REPRESENTATIONS, INDUCEMENTS, PROMISES OR AGREEMENTS, ORAL OR OTHERWISE, BETWEEN THE PARTIES, NOT EMBODIED HEREIN, SHALL BE OF ANY FORCE OR EFFECT.

25. Survival. The provisions of Paragraphs 6, 7, 9, 13, 17, 20 and 22 shall survive the expiration or earlier termination of this Lease.

26. Miscellaneous. Knowledge on the part of Landlord or any employee, agent or representative of Landlord of any violation of any of the terms of this Lease by Tenant shall constitute neither negligence nor consent on the part of Landlord, and shall in no event relieve Tenant of any of the responsibilities and obligations assumed by Tenant in this Lease. All rights, powers and privileges conferred hereunder upon the parties hereto shall be cumulative but not restrictive to those given by law. No failure of Landlord to exercise any power given Landlord hereunder, or to insist upon strict compliance by Tenant with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof. Subject to the terms of Paragraph 12 above, this Lease shall be binding upon and shall inure to the benefit of the respective successors and permitted assigns of Landlord and Tenant. If any term, covenant or condition of this Lease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons, entities or circumstances other than those which or to which used may be held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Lease shall be valid and enforceable to the fullest extent permitted by law. Time is of the essence in this Lease. Neither party shall be bound hereunder until such time as both parties have signed this Lease. This Lease shall be governed by the laws of the State or Commonwealth in which the Premises are located.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals, effective the day and year first above written.

Witness: As to Landlord

Keyna Holloway
Name And Signature
Name: Keyna Holloway

Witness: As to Landlord

Trosten Lynn
Signature
Name: Trosten Lynn

Witness: As To Tenant

Terr Luccia
Signature
Name: Terr Luccia

Witness: As to Tenant

Ellen C Smith
Signature
Name: Ellen C Smith

KSH /Activity No. 1193394/<1183016v1>

LANDLORD:

NORFOLK SOUTHERN RAILWAY COMPANY
a(n) Virginia corporation

By: Malcolm G. Roof
Name: Malcolm G. Roof
Title: Real Estate Manager

Date of Landlord Signature: 5/22/14

[SEAL]

TENANT:

WGLNS, LLC
a(n) New York limited liability company

By: David M. Flaum
Name: David M. Flaum
Title: Authorized Signatory

Date of Tenant Signature: 5/21/14

[SEAL]

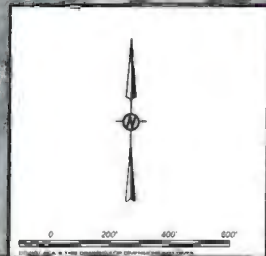
AERIAL IMAGE FROM NYGIS

Orange County, New York



LEGEND:

- EXISTING TRACKS —————
- APPROX. RAILWAY R/W LINE - - - - -
- PROP. LEASE OF PROPERTY BY NSRC TO FLAUM MANAGEMENT COMPANY [Cross-hatched pattern]



CONCEPTUAL PLAN
FOR STUDY PURPOSES ONLY

NSR NORFOLK SOUTHERN

OFFICE OF THE AVP INDUSTRIAL DEVELOPMENT - ATLANTA, GA
20134

Woodbury (Harriman), NY

Proposed Lease Of Property To
Flaum Management Company
(1193854-001) (1193894-001)
Project: NSR
Harriman

Sheet No. V-2-01035	Scale: 1" = 200'	Date: 2/1/15
City: NA	State: NY	Project: 1193854-001
Client: NSR	Drawn: [Signature]	Checked: [Signature]
Project: NSR	Date: April 16, 2014	Sheet: 1 of 1

IDD-14-118

EXHIBIT B
RENT SCHEDULE

<u>Year</u>	<u>Rental</u>	<u>Percent Increase</u>	<u>Year</u>	<u>Rental</u>	<u>Percent Increase</u>
2	\$ 250,000.00	0%	36	\$ 697,837.96	3%
3	\$ 250,000.00	0%	37	\$ 718,773.10	3%
4	\$ 250,000.00	0%	38	\$ 740,336.29	3%
5	\$ 250,000.00	0%	39	\$ 762,546.38	3%
6	\$ 287,500.00	15%	40	\$ 785,422.77	3%
7	\$ 296,125.00	3%	41	\$ 808,985.46	3%
8	\$ 305,008.75	3%	42	\$ 833,255.02	3%
9	\$ 314,159.01	3%	43	\$ 858,252.67	3%
10	\$ 323,583.78	3%	44	\$ 884,000.25	3%
11	\$ 333,291.30	3%	45	\$ 910,520.26	3%
12	\$ 343,290.04	3%	46	\$ 937,835.87	3%
13	\$ 353,588.74	3%	47	\$ 965,970.94	3%
14	\$ 364,196.40	3%	48	\$ 994,950.07	3%
15	\$ 375,122.29	3%	49	\$ 1,024,798.57	3%
16	\$ 386,375.96	3%	50	\$ 1,055,542.53	3%
17	\$ 397,967.24	3%	51	\$ 1,087,208.80	3%
18	\$ 409,906.25	3%	52	\$ 1,119,825.07	3%
19	\$ 422,203.44	3%	53	\$ 1,153,419.82	3%
20	\$ 434,869.55	3%	54	\$ 1,188,022.42	3%
21	\$ 447,915.63	3%	55	\$ 1,223,663.09	3%
22	\$ 461,353.10	3%	56	\$ 1,260,372.98	3%
23	\$ 475,193.69	3%	57	\$ 1,298,184.17	3%
24	\$ 489,449.51	3%	58	\$ 1,337,129.69	3%
25	\$ 504,132.99	3%	59	\$ 1,377,243.59	3%
26	\$ 519,256.98	3%	60	\$ 1,418,560.89	3%
27	\$ 534,834.69	3%	61	\$ 1,461,117.72	3%
28	\$ 550,879.73	3%	62	\$ 1,504,951.25	3%
29	\$ 567,406.12	3%	63	\$ 1,550,099.79	3%
30	\$ 584,428.31	3%	64	\$ 1,596,602.78	3%
31	\$ 601,961.15	3%	65	\$ 1,644,500.87	3%
32	\$ 620,019.99	3%	67	\$ 1,693,835.89	3%
33	\$ 638,620.59	3%	68	\$ 1,744,650.97	3%
34	\$ 657,779.21	3%	69	\$ 1,796,990.50	3%
35	\$ 677,512.58	3%	70	\$ 1,850,900.21	3%

Ownership of Land

Total Amount Spent/Proposed to Spend

Caesars Acquisition Corporation, through its subsidiary Woodbury Casino LLC, has agreed to an option to ground lease 115.222 acres in Woodbury, NY from Flaum Management. The ground lease is structured as a 70-year, triple-net lease with an upfront payment, annual fixed rent and annual percentage rent.

- Upon license award, Caesars is to pay Flaum Management \$6 million which will be applied to Flaum's fee purchase of the land. Flaum will also be reimbursed for all Option Payments equal to \$20,000 per month.
- During each year of operations of the casino, Caesars will pay Flaum Management fixed rent equal to \$5 million annually, with an escalation of 12.5% occurring during the 6th year of operation and every five years thereafter.
- Flaum will also receive percentage rent equal to 1.5% of Gross Gaming Revenue over \$333,000,000 and up to \$600,000,000 and 2% of Gross Gaming Revenue over \$600,000,000.