



November 20, 2013

Mr. Richard Albertson
Frank Entertainment Companies
9090 Destiny USA Drive
Syracuse, New York 13204
rickhillside@aol.com

RE: FRANK CINE-BOWL-GRILL
ENTERTAINMENT VILLAGE
ADELAAR, SULLIVAN COUNTY, NEW YORK

TENANT RESERVES THE RIGHT TO ADDRESS ANY LEGAL ISSUE INADVERTENTLY MISSED DURING THIS NON-LEGAL REVIEW.

Dear Rick:

The following is a "Letter of Intent" submitted on behalf of EPT Concord II, LLC, a Delaware Limited Liability Corporation ("Landlord"), regarding the terms and conditions upon which the Landlord may be willing to enter into Lease negotiations for a space at The Entertainment Village in Adelaar Resort, New York (the "ADELAAR").

ENTITIES

- 1. **Landlord:** EPT Concord II, LLC, a Delaware Limited Liability Corporation, or a third party Parcel Developer to be identified at a later date.
- 2. **Tenant:** TBD
- 3. **Guarantor:** Frank Entertainment Companies, LLC, a Delaware limited liability company
- 4. **Trade Name:** Frank Cine-Bowl-Grill

PROJECT, PREMISES & COMMON AREA

- 5. **Project:** The Entertainment Village is a 213,000 square-foot (approximately) development located within the Adelaar Resort, Sullivan County, New York; shown generally on the Site Plan attached as Exhibit "A".
- 6. **Premises:** The "Premises" shall consist of a buildable pad of approximately 59,000 square-feet, as shown on the Leasing Plan attached as Exhibit "B".
- 7. **Radius Restriction:** It is understood and agreed, and it is a condition precedent to the execution of the Lease by the Landlord, that the Tenant acknowledges that ADELAAR draws its customers from a large geographic area and the success of the Resort and income of the Landlord therefrom are dependent upon the generation of Gross Revenue and percentage rent.

(a) Prohibited Business. The Tenant agrees that throughout the Term: It shall not, and it shall not permit any Person under its control or connected or affiliated with it, whether as a partner, shareholder, lender, employee or otherwise, to engage directly or indirectly in any business which is the same as, or similar to, or in competition with, the Tenant's business in the Leased Premises within any building or building complex, any portion of which is located within a radius of twenty-five (25) miles from any point on the perimeter of the ADELAAR Resort property. Landlord and Tenant agree to come to a mutual understanding that radius will be reviewed with particular attention paid to the eastern boundaries. RESTRICTION SHALL BE MUTUAL

Richard Albertson

Re: *Frank Cine-Bowl-Grill, Adelaar, New York*

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TERM

8. **Primary Term:** Two-Hundred-Forty-Six (246) months commencing on the Lease Commencement Date.
9. **Option Period:** Four (4), Five-year (5-year) option terms.
10. **Lease & Rent Commencement Date:** The Lease Commencement Date shall be the date construction and outfitting of the Premises is complete, and the preliminary "Certificate of Occupancy" is received from the Building Department. Entertainment Village Grand Opening Date is currently estimated to be March 1st, 2015. Tenant shall not be required to pay rent until open for business.

-----INTENTIONALLY BLANK-----

1/6/14
[Signature]

RENT

11. Minimum Annual Base Rent ("Base Rent"):

| Year | Annual Base Rent | Per Square-foot |
|----------------------|------------------|-----------------|
| First Six (6) Months | \$ 560,000.00 | \$ 9.50 |
| 1 | \$ 1,121,000.00 | \$ 19.00 |
| 2 | \$ 1,121,000.00 | \$ 19.00 |
| 3 | \$ 1,121,000.00 | \$ 19.00 |
| 4 | \$ 1,121,000.00 | \$ 19.00 |
| 5 | \$ 1,121,000.00 | \$ 19.00 |
| 6 | \$ 1,180,000.00 | \$ 20.00 |
| 7 | \$ 1,180,000.00 | \$ 20.00 |
| 8 | \$ 1,180,000.00 | \$ 20.00 |
| 9 | \$ 1,180,000.00 | \$ 20.00 |
| 10 | \$ 1,180,000.00 | \$ 20.00 |
| 11 | \$ 1,239,000.00 | \$ 21.00 |
| 12 | \$ 1,239,000.00 | \$ 21.00 |
| 13 | \$ 1,239,000.00 | \$ 21.00 |
| 14 | \$ 1,239,000.00 | \$ 21.00 |
| 15 | \$ 1,239,000.00 | \$ 21.00 |
| 16 | \$ 1,298,000.00 | \$ 22.00 |
| 17 | \$ 1,298,000.00 | \$ 22.00 |
| 18 | \$ 1,298,000.00 | \$ 22.00 |
| 19 | \$ 1,298,000.00 | \$ 22.00 |
| 20 | \$ 1,298,000.00 | \$ 22.00 |

Base Rent for option(s) period, if exercised, shall be market rent as defined in the Lease, but in no event less than the rent during the immediately preceding period.

- Option Period Rent:** Option 1: \$23.50
 Option 2: \$25.00
 Option 3: \$26.50
 Option 4: \$28.00

12. **Percentage Rent:** 8% in excess of the natural breakpoint including sales from theater box office, concessions, restaurant, bar and all other entertainment components.
13. **Additional Rent (NNN):** Shall be a Gross Rent lease. Tenant to pay increases for taxes, ~~in full~~ after Lease Year 3, with increases thereafter to be capped at 3% annually. Tenant to pay CAM charges agreed to between the parties. Items to be included in CAM charges will be established during the final Lease negotiations. Initial CAM charges to include a per-square-foot cost for snow removal and other carve-outs for those costs associated with components of Common Area Maintenance beyond the control of Landlord or Tenant; however, CAM charges shall be fixed for the first 3 years of the Lease, with increases thereafter capped at 3% annually.

1/6/14
 [Handwritten initials]

Richard Albertson

Re: *Frank Cine-Bowl-Grill, Adelaar, New York*

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14. **Prepaid Rent and Security Deposit:** None.
15. **Opening Covenant & Continuous Operation:** Tenant agrees to open for business to the public as a fully staffed and operational Frank Cine-Bowl-Grill entertainment facility.

Tenant shall comply with all applicable rules and regulations governing the Premises, including, without limitation, those contained in the Concord Resort Development Concept Plan Report dated March 21012, the Comprehensive Development Plan dated January 15, 2013, and the Master Declaration of Covenants, Conditions, Easements and Restrictions for ADELAAR (collectively, the "Master Plan Documents"). Landlord agrees to furnish all documents to Tenant for legal review prior to lease execution.

USE

16. **Permitted Tenant Use:** The Premises shall be used solely for the operation of a Frank Cine-Bowl-Grill entertainment facility consisting of a movie theater, bowling alley, restaurant, bar and arcade consistent with Tenant's other venues operating under the same Trade Name(s) referenced in Section 4 above, and for no other use or purpose. Any change in use shall require Landlord's written reasonable consent.

CONSTRUCTION

17. **Landlord's Work:** Landlord to deliver a compacted pad ready for construction.

Landlord shall be responsible for all off-site utility work to the perimeter of the pad and all other requirements including on and off-site common areas (drive way, parking lots, lights, roads, retention, etc.). Landlord will ensure that all utilities are in the correct location and size based upon requirements and specifications submitted and approved by Tenant or Tenant's consultants to Landlord.

Agreed upon "Construction Allowance"/"Tenant Improvement Allowance", shall be paid-out like a construction loan [American Institute of Architects "Application and Certificate for Payment" (AIA - G702)], along with signed and verified release of liens[✓] from each contractor/sub-contractor, are to be presented to the Landlord for work completed to-date, along with a "draw request" indicating the amount ~~of reimbursement~~ requested. Once received and reviewed by Landlord a check will be processed. Progress Payments will be made within 30-days of submittal of invoice and lean releases, less 10% retainage. *SUBJECT TO PAYMENT IN THE DRAW*
RA

18. **Construction Allowance/Tenant Improvement Allowance:** Landlord shall provide to Tenant an allowance for Tenant's Work, in the amount of One-Hundred-Sixty-Eight Dollars (\$168.00) per rentable square-foot of building area for construction and equipping of the facility.
1. **Construction Deposit:** None.
 2. **Contractor/Subcontractors:** N/A

RIGHT TO RELOCATE

19. **Right to Relocate:** N/A.

MAINTENANCE, REPAIRS & UTILITIES

20. **Tenant's Repairs & Maintenance:** Tenant shall be responsible, at its sole cost and expense, to repair, maintain in good condition and replace, as necessary, the Premises and every part thereof.

1/6/14
RA

Richard Albertson

Re: *Frank Cine-Bowl-Grill, Adelaar, New York*

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21. **Utilities:** Tenant shall pay for all utility costs and expenses required to service the Premises, including all connection, impact and hook-up fees. Landlord agrees to quantify these fees prior to lease execution, and they shall be agreed to, in writing, and included in the Lease prior to its execution. Tenant shall pay for its actual consumption of all utilities, which shall be separately metered or sub-metered.

ASSIGNMENT & SUBLEASE

22. **Assignment/Subletting:** No assignment, subletting, franchising, licensing or concession agreement, mortgage, encumbrance, pledge or other transfer of Tenant's interest in the Lease shall be permitted without the prior written consent of Landlord, which may be withheld at Landlord's sole discretion. More even handed verbiage will be established in the lease allowing for normal leasehold financing of Tenant FF&E. Landlord and Tenant agree to further clarify this paragraph 22 during Lease negotiations, and will incorporate any mutually agreed upon language in the final Lease documents; including terms and conditions for normal leasehold financing of Tenant FF&E items.

SIGNAGE

23. **Tenant Façade Signage:** Tenant shall install and maintain signage consistent with the Commercial Design Guidelines for ADELAAR, and shall follow the procedures established in said Master Plan Documents. Landlord to provide Main Access Road signage.

MISCELLANEOUS CONDITIONS

24. **Brokerage Commission:** Landlord and Tenant acknowledge that **The Zall Company, LLC** represents the Landlord and **Rick Albertson** represents the Tenant in this transaction. Landlord shall pay a real estate brokerage commission to Landlord's Broker pursuant to the terms and conditions of a separate agreement, and pay a fee to Richard Albertson equal to 1/2 of Zall Company's brokerage fee. Except for the foregoing brokers, neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Letter of Intent, and Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys' fees, and other liability for commissions or other compensation claimed by any broker, agent, finder or similar party claiming the same by, through, or under the indemnifying party.
25. **Lease Form:** Following execution of this Letter of Intent and Landlord's approval of Tenant's financials, Landlord shall deliver its lease to Tenant for review. Once delivered, Landlord and Tenant shall use diligent efforts to negotiate and execute the Lease within one-hundred-eighty (180) days.
26. **Sales Reporting:** Tenant shall submit a monthly gross sales report to Landlord by January 15th of each calendar year.
27. **Confidentiality:** Tenant shall keep the terms and conditions of this Letter of Intent confidential.

| | |
|--|---|
| Send Leases to: (Completed by Tenant). | Send Landlord's Plans to: (Completed by Tenant). |
| Name: DAVID MANDEL ASTOR WEISS KAPLAN + MANDEL, LLP | Name: BOB LAUER JR. AIA - PARTNER ADW ARCHITECTS |
| Address: 200 SOUTH BROAD STREET, SUITE 600 | Address: 101 WEST WORTHINGTON AVENUE, SUITE 270 |
| City, State, Zip PHILADELPHIA, PA. 19102 | City, State, Zip CHARLOTTE, N.C. 28203 |

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| | |
|----------------------------------|-------------------------------------|
| Phone: 215 893-4959 - DIRECT | Phone: 704-749-5552 - DIRECT |
| Fax: 215-400-2225 - DIRECT | Fax: 704-379-1920 |
| Email: DMANDEL@ASTORWEISS.COM | Email: BLAUER@ADWARCHEITECTS.COM |

This Letter of Intent expresses the intent of both Landlord and Tenant, however, it does not constitute a legally binding agreement on either party under New York Law, except that Landlord and Tenant shall be bound by the provisions of paragraphs 25 and 28 of this Letter of Intent, regardless of whether a lease is executed by the parties. The parties shall be bound only when the Lease contemplated by this Letter of Intent has been approved and executed by both parties. Any expenditures or obligations undertaken by either party, prior to the execution and delivery of such documents, shall be at such party's sole cost and expense.

If the foregoing provisions are acceptable, please acknowledge your acceptance in the signature space provided below and return a signed copy to the undersigned. The terms of this Letter of Intent shall remain in effect until December 20, 2013. If you have any questions or require additional information, please contact me.

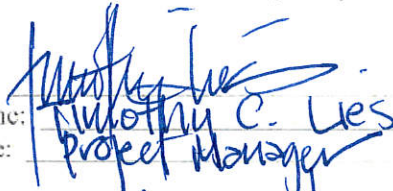
Sincerely,

Stuart Zall

cc: Tim Lies, EPR Properties

AGREED AND ACCEPTED:

EPT PROPERTIES
A Delaware Limited Liability Corporation

By: 
Name: Timothy C. Lies
Title: Project Manager
Date: 7 Jan 2014

AGREED AND ACCEPTED:


FOR THE FRANK ENTERTAINMENT COMPANIES


By: 
Name: Richard C. Albertson
Title: Director of REAL ESTATE
Date: 1/6/14

EXHIBIT "A"
SITE PLAN

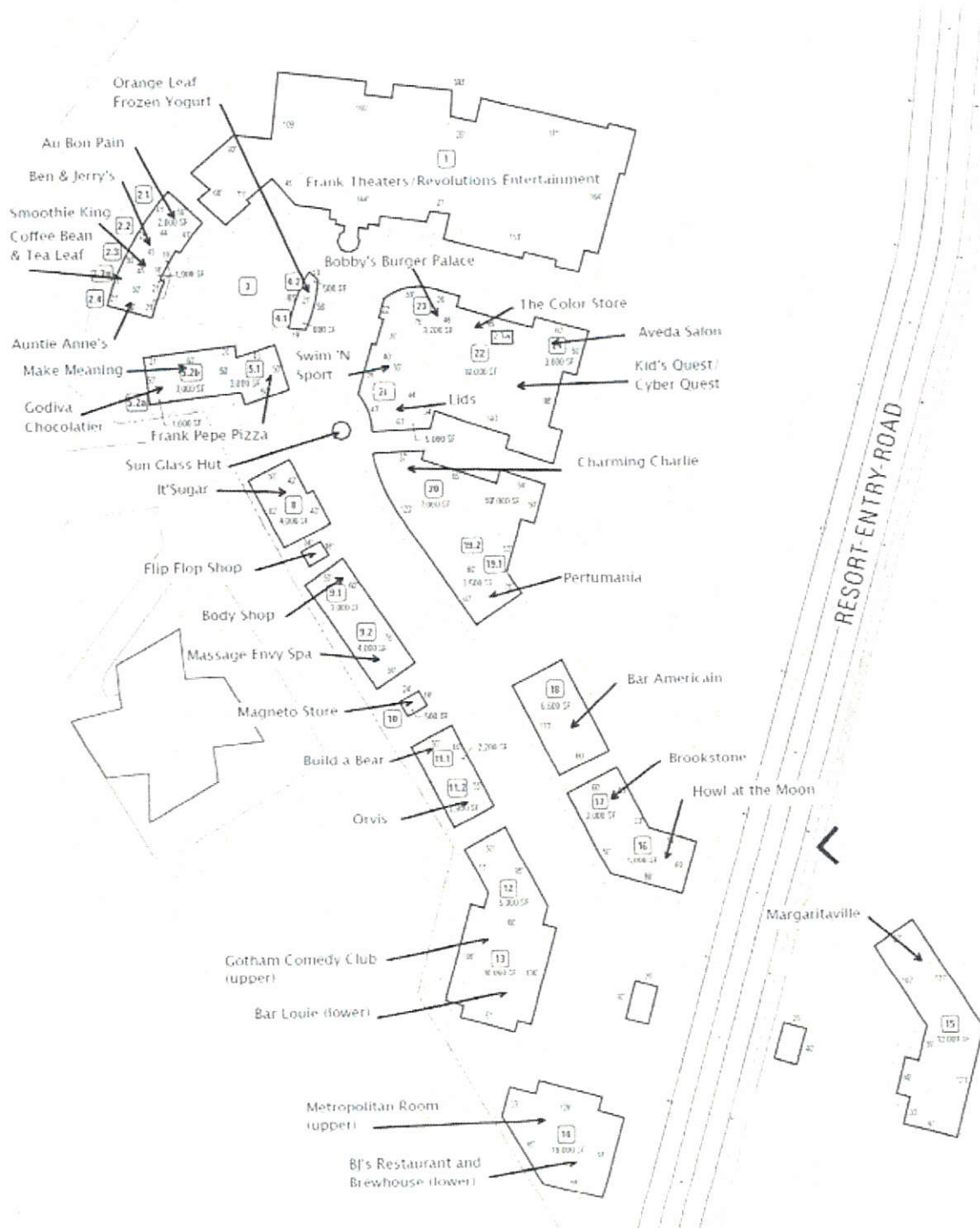


ENTERTAINMENT VILLAGE
108,500 sf Entertainment Retail
37,000 sf Cinema
870 Parking Spaces

59,000 + or - S.F. *PA*

1/6/14
PA

EXHIBIT "B"
PREMISES PLAN





June 5, 2014

Michael Weinstein
Ark Restaurants
85 Fifth Avenue, 14th Floor
New York, New York 10003

**RE: CATSKILLS MARKETPLACE
ENTERTAINMENT VILLAGE
ADELAAR, SULLIVAN COUNTY, NEW YORK**

Dear Michael:

The following is a "Letter of Intent" submitted on behalf of EPT Concord II, LLC, a Delaware Limited Liability Corporation ("Landlord"), regarding the terms and conditions upon which the Landlord may be willing to enter into Lease negotiations for a space at The Entertainment Village in Adelaar Resort, New York (the "ADELAAR").

ENTITIES

1. **Landlord:** EPT Concord II, LLC, a Delaware Limited Liability Corporation, or a third party Parcel Developer to be identified at a later date.
2. **Tenant:** TBD.
3. **Guarantor:** None.
4. **Trade Name:** Catskills Marketplace or similar name that identifies the space being a public marketplace.

PROJECT, PREMISES & COMMON AREA

5. **Project:** The Entertainment Village is a 213,000 square-foot (approximately) development parcel located in Adelaar Resort, Sullivan County, New York, shown generally on the Site Plan attached as Exhibit "A".
6. **Premises:** The "Premises" shall consist of Suite #22, consisting of approximately 20,000 rentable square feet (20,000 square-feet on the ground floor).
7. **Radius Restriction:** It is understood and agreed and it is a condition precedent to the execution of the Lease by the Landlord that the Tenant acknowledges that ADELAAR draws its customers from a large geographic area and the success of the Resort and income of the Landlord therefrom are dependent up the generation of Gross Revenue and percentage rent.

(a) Prohibited Business. The Tenant agrees that throughout the Term: It shall not, and it shall not permit any Person under its control or connected or affiliated with it, whether as a partner, shareholder, lender, employee or otherwise, to engage directly or indirectly in any business which is the same as, or similar to, or in competition with, the Tenant's business in the Leased Premises within any building or building complex, any portion of which is located within a radius of twenty-five (25) miles from any point on the perimeter of the ADELAAR Resort property.

TERM

- 8. **Primary Term:** One hundred eighty (180) months commencing on the Lease Commencement Date.
- 9. **Option Period:** Two (2), five (5) year option periods.
- 10. **Lease & Rent Commencement Date:** The Lease Commencement Date shall be the date Landlord delivers the Premises to Tenant in occupiable condition. Estimated Lease Commencement Date is Project Grand Opening Date, estimated to be July 1st, 2016. Rent Commencement Date shall be the earlier of (a) 180 days after the Lease Commencement Date or (b) Tenant's opening for business.

RENT

- 11. **Minimum Annual Gross Rent ("Gross Rent"):**

| Years | Per Square Foot | Annual Gross Rent |
|-------|-----------------|-------------------|
| 1 | \$ 24.00 | \$ 480,000.00 |
| 2 | \$ 24.48 | \$ 489,600.00 |
| 3 | \$ 24.97 | \$ 499,392.00 |
| 4 | \$ 25.47 | \$ 509,379.84 |
| 5 | \$ 25.98 | \$ 519,567.44 |
| 6 | \$ 26.50 | \$ 529,958.79 |
| 7 | \$ 27.03 | \$ 540,557.96 |
| 8 | \$ 27.57 | \$ 551,369.12 |
| 9 | \$ 28.12 | \$ 562,396.50 |
| 10 | \$ 28.68 | \$ 573,644.43 |
| 11 | \$ 29.26 | \$ 585,117.32 |
| 12 | \$ 29.84 | \$ 596,819.67 |
| 13 | \$ 30.44 | \$ 608,756.06 |
| 14 | \$ 31.05 | \$ 620,931.18 |
| 15 | \$ 31.67 | \$ 633,349.81 |

Base Rent for option(s) period, if exercised, shall be market rent as defined in the Lease, but in no event less than the rent during the immediately preceding period.

- 12. **Percentage Rent:** 10% of restaurant sales over the natural break, and 10% of any concessionaire rent. Rent shall be collected on a monthly basis.
- 13. **Additional Rent (NNN):** N/A; Tenant is entering into a Gross Rent Lease.
- 14. **Security Deposit:** \$100,000.00 Starting with Month 20 and ending with Month 25, an amount of \$20,000 per month shall be deducted from the Security Deposit and applied to Tenant's monthly rent payment so long as Tenant is not in monetary default.
- 15. **Opening Covenant & Continuous Operation:** Tenant covenants to open for business to the public as a fully leased Catskills Marketplace from the Rent Commencement Date and throughout the Primary Term and any options, if exercised. Tenant shall comply with all applicable rules and regulations governing the Premises, including, without limitation, those contained in the Concord Resort Development Concept Plan Report dated March 12, 2012, the

Comprehensive Development Plan dated January 15, 2013, and the Master Declaration of Covenants, Conditions, Easements and Restrictions for ADELAAR (collectively, the "Master Plan Documents").

USE

16. **Permitted Tenant Use:** The Premises shall be used solely for the operation of a public emporium or marketplace. Tenant shall operate an indoor, 20,000 SF, micro-version of a French Market, La Bouqueria or Mercato Centrale in New Orleans, Barcelona or Florence, respectively. In seasonal months, as agreed by Landlord and Tenant, the premises may be expanded onto a similar size of the plaza/parking to resemble Brooklyn Flea or Smorgasbord in Brooklyn or Greenmarket in Union Square. Area shall contain shops, boutiques, stalls and kiosks; featuring consumable products, foods, wines, spirits and beverages, as well as hand-crafted soft goods from the Catskills and Upstate New York region (number of compartments to be mutually agreed upon by Landlord and Tenant prior to execution of the Master Lease).

Suggested sub-tenants for the spaces within the Marketplace may include a curated collection of the following: At least one (1), 50-seat (including bar seating) "Farm to Table" restaurant featuring products, recipes and instructional classes from the region; a bakery featuring local flours and baked goods; a cheese purveyor; a coffee and tea vendor; a cooking equipment purveyor; a seasonal produce outlet featuring foodstuffs of Upstate New York; a mushroom, truffle, truffle oil, pate and mustard outlet; a books, cookbooks and posters of the region venue; a fruits and nuts vendor; a maple syrup, honey and honey comb stall; a full service butcher shop; a "general store" which will provide a friendly hub for buying a wide variety of staples, along with convenience items such as prepackaged food; a certified extra virgin olive oil, in both bottles and in bulk, outlet; a wine, craft beer and spirits merchant, for buying, tasting, and learning about wines, craft beer and spirits, particularly those produced in the region; among any other purveyors that celebrate the arts, crafts and workmanship of Upstate New York deemed appropriate.

Tenant shall use premises as referenced in Section 4 above, and for no other use or purpose. Any change in use shall require Landlord's written consent; which consent may be withheld in Landlord's sole discretion.

CONSTRUCTION

17. **Landlord's Work:** Landlord shall provide Tenant a 20,000 square-foot box in a "white box" condition by completing the "Landlord's Work" described on attached Exhibit "C". Tenant shall provide all other improvements and equipment necessary for Tenant's business, including as described as "Tenant's Work" on attached Exhibit "C". Building should have at least 16 foot ceilings, and overhead garage doors that will allow vendors and customers to expand onto the pedestrian plaza. The building should have a unique barn-like, rural or market feel.
18. **Construction Allowance:** To be negotiated by both parties at a later date.
1. **Construction Deposit:** Five-Thousand Dollars (\$5,000) to be paid by Tenant's general contractor to partially cover any damage to the buildings or property during construction.
 2. **Contractor; Subcontractors:** Tenant shall use Landlord's designated or approved contractor and subcontractors for all of Tenant's Work.

RIGHT TO RELOCATE

19. **Right to Relocate:** As a condition for Landlord to enter into a Lease with Tenant, Landlord shall, throughout the Term of the Lease and any renewals thereof, have the right at Landlord's sole cost and expense to relocate Tenant to other premises ("New Premises") within ADELAAR; provided however, Landlord shall have no right to relocate Tenant for the purpose of leasing the Premises to a tenant that will operate the Premises as an emporium or similar marketplace specializing in the sale of local and regional food and soft goods. The New Premises will (i) be reasonably comparable in size and frontage to the Premises, and (ii) contain substantially the same leasehold improvements, at Landlord's sole cost and expense, as the Premises as of the date of Landlord's Notice (to be defined). Landlord will reimburse Tenant all reasonable costs Tenant incurs to move Tenant's fixtures, equipment and inventory to the New Premises. In the event Landlord elects to exercise the right of relocation, Landlord shall deliver written notice to Tenant identifying the location of the proposed New Premises at least one hundred twenty (120) days' prior to the date that Tenant is required to relocate to the New Premises ("Landlord's Notice"). Tenant shall have no obligation to vacate the Premises until the New Premises are delivered to Tenant in a condition that allows tenant to operate its business therein.

MAINTENANCE, REPAIRS & UTILITIES

20. **Tenant's Repairs & Maintenance:** Tenant shall be responsible, at its sole cost and expense, to repair, maintain in good condition and replace, as necessary, the Premises and every part thereof.
21. **Utilities:** Tenant's share of all utility costs and expenses required to service the Premises, including all connection, impact and hook-up fees shall be included in Tenant's Gross Rent payment. Additionally, Tenant's actual consumption of all utilities, which shall be separately metered or sub-metered, shall be included in Tenant's Gross Rent payment.

ASSIGNMENT & SUBLEASE

22. **Assignment/Subletting:** Assignment, subletting, franchising, licensing or concession agreement, mortgage, encumbrance, pledge or other transfer of Tenant's interest in the Master Lease shall be permitted with the written consent of Landlord, which may not be unreasonably withheld. Landlord and Tenant shall work together during lease negotiations to further define a reasonable level of criteria that would apply to an assignee or subtenant.

SIGNAGE

27. **Tenant Façade Signage:** Tenant shall install and maintain signage consistent with the Commercial Design Guidelines for ADELAAR, and shall follow the procedures established in said Master Plan Documents.

MISCELLANEOUS CONDITIONS

28. **Brokerage Commission:** Landlord and Tenant acknowledge that **The Zall Company, LLC** represents the Landlord and the Tenant in this transaction. Landlord shall pay a real estate brokerage commission to Landlord's Broker pursuant to the terms and conditions of a separate agreement. Except for the foregoing broker, neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Letter of Intent, and Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys' fees, and other liability for commissions or other compensation claimed by any broker, agent, finder or similar party claiming the same by, through, or under the indemnifying party.
29. **Lease Form:** Upon award of a casino license by the State of New York for the Adelaar site, the Landlord shall use its diligent efforts to negotiate and execute the Lease within 90 days of award.
30. **Sales Reporting:** Tenant shall submit a monthly gross sales report to Landlord by January 15th of each calendar year.

Michael Weinstein

Re: Catskills Marketplace, Adelaar, New York

Thursday, June 05, 2014

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31. **Confidentiality:** Tenant shall keep the terms and conditions of this Letter of Intent confidential.

| Send Leases to: (Completed by Tenant). | Send Landlord's Plans to: (Completed by Tenant). |
|---|---|
| Name: ART RESTAURANTS Corp | Name: EPR Properties |
| Address: 85 5 th Ave | Address: 909 Walnut, Ste 200 |
| City, State, Zip NYC NY 10002 | City, State, Zip Kansas City, MO 64106 |
| Phone: 212 206 8800 | Phone: 816.472.1700 |
| Fax: 212 206 8814 | Fax: 816.472.5794 |
| Email: | Email: |

Michael Weinstein

Re: Catskills Marketplace, Adelaar, New York

Thursday, June 05, 2014

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This Letter of Intent expresses the intent of both Landlord and Tenant, however, it does not constitute a legally binding agreement on either party under New York Law, except that Landlord and Tenant shall be bound by the provisions of paragraphs 29 and 31 of this Letter of Intent, regardless of whether a lease is executed by the parties. The parties shall be bound only when the Lease contemplated by this Letter of Intent has been approved and executed by both parties. Any expenditures or obligations undertaken by either party, prior to the execution and delivery of such documents, shall be at such party's sole cost and expense.

If the foregoing provisions are acceptable, please acknowledge your acceptance in the signature space provided below and return a signed copy to the undersigned. The terms of this Letter of Intent shall remain in effect until June 10, 2015. If you have any questions or require additional information, please contact me.

Sincerely,


Stuart Zall

cc: Tim Lies, EPR Properties

AGREED AND ACCEPTED:

EPT PROPERTIES

A Delaware Limited Liability Corporation

By: 
Name: *Tim Lies*
Title: *Project Mgr*
Date: *6 June 2014*

AGREED AND ACCEPTED:


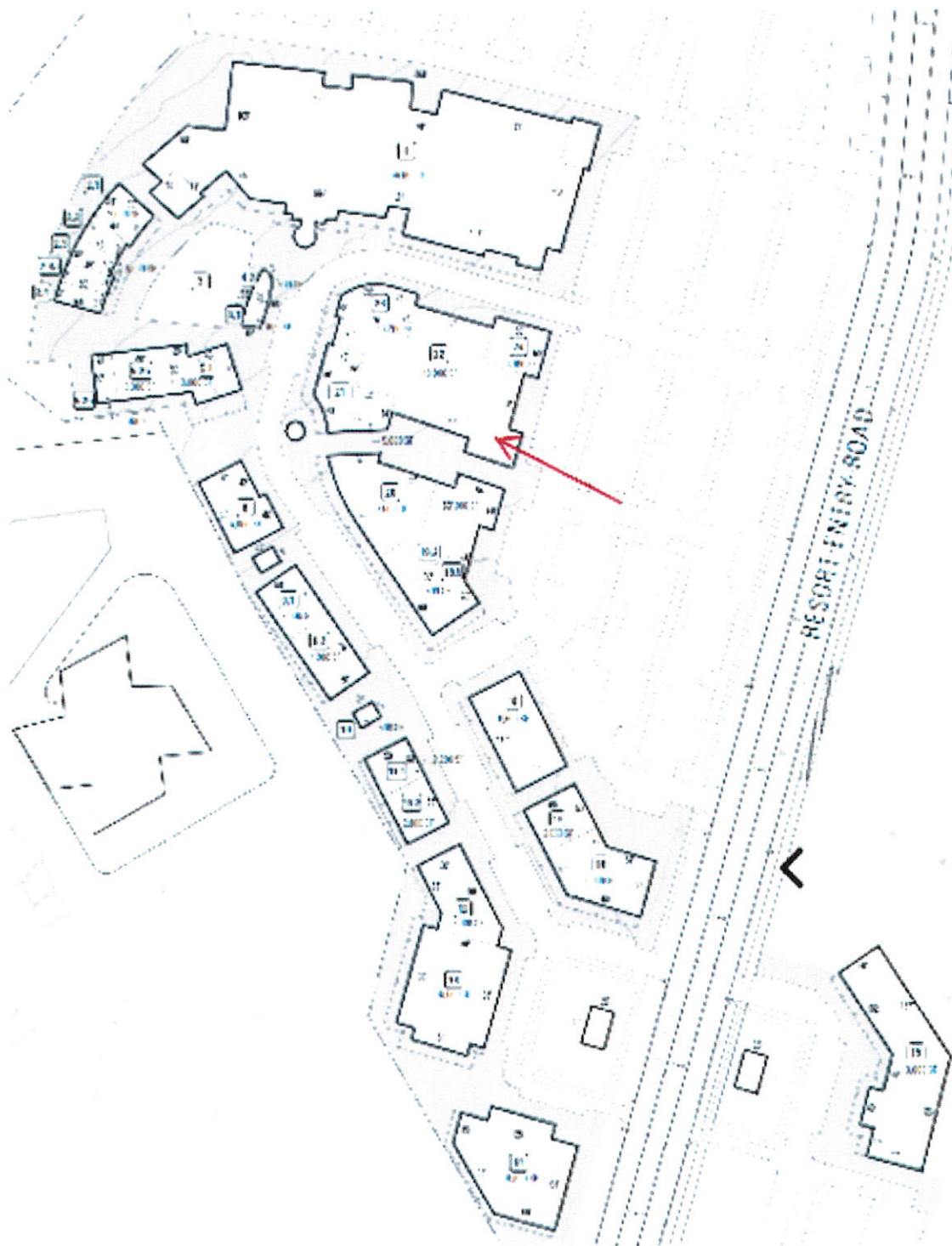
By: 
Name: *Michael Weinstein*
Title: *C.E.O*
Date: *6/09/2014*

EXHIBIT "A"
SITE PLAN



EXHIBIT "B"
PREMISES PLAN



Michael Weinstein

Re: Catskills Marketplace, Adelaar, New York

Thursday, June 05, 2014

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EXHIBIT "C"

**LANDLORD'S WORK & TENANT'S WORK
DRAFT: SUBJECT TO NEGOTIATION AND CHANGE**

- I. Landlord's Work: The Landlord's work shall be limited to the following:
1. Exterior Windows: Selected by Landlord without regard to Tenant's needs or use.
 2. Interior Windows (to common areas): Not included and to be provided by Tenant subject to Landlord approval.
 3. Floor: Smooth unpainted concrete.
 4. Landlord will provide entry door(s).
 5. Walls: All perimeter and demising walls shall be constructed per Landlord's standards without regard to Tenant's specific needs or use. All perimeter and demising wall construction shall include drywall that is taped, patched, and sanded only. Primer and paint not included.
 6. Ceilings: Clear height between floor slab and finished ceiling to be verified and determined by Landlord.
 7. Toilet Facilities: Toilet facilities shall be furnished complete as required by ADA as located in the common areas of the building.
 8. Water and Sewer: Landlord shall furnish and install water as stubbed only up to the Premises location per the existing stub valve as located just outside the Premises along the common corridor wall. All water and installation beyond the stubbed locations shall not be part of the Landlord's Work. Sanitary shall be furnished and installed as stubbed only into the Premises per the existing stub location. Any sanitary installation beyond the stubbed conditions, including cutting and capping of the stub, shall not be part of Landlord's Work.
 9. Electrical: Landlord shall furnish and install electrical service to the building meter serving the Premises, subject to the limitations of the serving utility. In addition, Landlord shall furnish a distribution system to provide electrical service to the Premises for Landlord's standard ceiling lights, outlets and HVAC system only. The Premises shall be furnished with a 100 Amp panel with wire pulled to the panel in the Premises, including disconnect and main panel board, individually metered to the Premises. Landlord shall furnish and install up to four (4) outlets, into demising walls only, as located by Landlord without regard to Tenant's specific layout needs or use. Wet-pipe sprinkler fire protection as required by local code with Landlord's standard distribution.
 10. Gas: Provide individually metered gas service, and install the gas pipe, turn-off and connections to the HVAC rooftop unit only. Gas piping stubbed to premises is not included.
 11. Landlord to furnish and install a packaged heating and air conditioning system to the Premises including Landlord's standard HVAC distribution of ductwork, grilles, and diffusers, without

Michael Weinstein

Re: Catskills Marketplace, Adelaar, New York

Thursday, June 05, 2014

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regard to Tenant's specific layout needs or use. The Premises shall include one temperature control unit. The Premises is equipped with a 3-ton rooftop mounted HVAC unit.

12. Telephone, Cable/Data and Fiber Optic Conduits: Landlord shall furnish and install conduits for Tenant's use in routing telephone, cable/data and fiber optic to the building meter area serving the Premises. Landlord shall provide separate low-voltage conduits stubbed to the Premises for Tenant's use, installed from the building meter area to the Premises. Any hub connections, wiring and cabling required from the meter area to the Premises for telephone, cable/data and fiber optics shall be by Tenant. Service providers available with service to the Landlord's buildings at the Property typically are _____ (telephone), _____ (cable/data), and _____ (fiber optics), which are subject to change and subject to the limitations of each service provider.
13. Directory Signage: Directory signs including Tenant's name and suite number shall be provided by Landlord at each of the building's common area directory sign locations.

Michael Weinstein

Re: Catskills Marketplace, Adelaar, New York

Thursday, June 05, 2014

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II. Tenant's Work: Tenant's work shall include but not be limited to the following:

1. Selective Demolition: If applicable and only as approved by Landlord, Tenant shall provide selective demolition of any existing improvements as required for Tenant's needs or use.
2. Interior Finishes: All interior partition walls and doors, decorating, priming, painting, wall coverings, flooring, wall base and trim.
3. Furniture and Fixtures: All countertops, cabinets, cases, millwork, furniture, equipment and appliances.
4. Security System: All security alarm systems and other protective devices.
5. Special Plumbing: All extra plumbing, either roughing in or fixtures required for Tenant's needs beyond Landlord's standard delivery. This includes all extra piping, vent piping, floor saw cutting, and floor slab in-fill.
6. Special Electrical: All extra electrical, either roughing in or fixtures required for Tenant's needs and use beyond Landlord's standard delivery. This includes all extra devices, distribution, switching and outlets, and includes any upgrades to tenant's electrical service and main panel board required for any tenant equipment needs; such as x-ray equipment, if applicable.
7. Special HVAC: Any rework, additions, relocation or reconfiguration of mechanical system (including rooftop mounted HVAC units, connections, curb and supports, penetrations and roof seal, ductwork, grilles, and diffusers) as required for Tenant's layout needs or use beyond Landlord's standard delivery.
8. Special Fire Protection: All rework and modification of fire protection system as required for Tenant's needs beyond Landlord's standard delivery, including head drops, piping reconfiguration and relocation, and any applicable system shut-down fees. Tenant shall be responsible for all final inspections of the portions of the Property's fire alarm system, which exclusively performs detection for the Premises. Should the Tenant add any devices or modify in any way the Landlord's standard fire alarm system as part of Tenant's Work, then Tenant shall be responsible to properly incorporate any changes in the Property fire alarm system, and shall make any additions and modifications compliant with all municipal and code requirements.
9. Walls and Doors: All supplemental interior doors, walls and partitions including the separation of storage areas and office areas.
10. Signage: If building signs are applicable, all building and other interior signs to be compliant with local code and as approved by Landlord. Tenant to furnish and install conduit and wiring from the electrical panel to each sign as required. The design, fabrication and mounting details of all Tenant signs are to be entirely negotiated and specified by Landlord on a case-by-case basis, requiring Landlord's written approvals prior to Tenant's manufacture and installation.
11. Telephone, Cable/Data and Fiber Optic Service Connections and Wiring: All arrangements and associated costs to provide service connections for telephone, cable/data and fiber optic to the Premises from the Landlord's main building meter source, including distribution within the Premises. Any service hub connections, wiring and cabling required from the building meter

Michael Weinstein

Re: Catskills Marketplace, Adelaar, New York

Thursday, June 05, 2014

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area to the Premises shall be installed by Tenant within the Landlord's standard delivery of low-voltage conduits to the Premises.

12. All required building and occupancy permits for Tenant's work including any associated costs for architectural and/or engineering services required in obtaining such permits. Tenant shall submit copies of its Certificate of Occupancy and Building Permits to Landlord.
13. Tenant shall provide dumpsters, clean up, and removal (off site disposal) of all demolished materials and construction debris.
14. Any voice and data outlets for Tenant's connections of telephone, cable/data and fiber optics in the Premises.
15. Any window treatments, including tinting of storefront windows, and only as subject to Landlord's prior review and prior written approval of any such proposed application by Tenant.
16. Any other items not furnished by Landlord and required for Tenant's needs.

ADELAAR

March 24, 2014

Mr. Chris Mazzilli
Gotham Comedy Club
208 W. 23rd Street
New York, NY 10011
chrisatarezzo@aol.com

**RE: GOTHAM COMEDY CLUB
ENTERTAINMENT VILLAGE
ADELAAR, SULLIVAN COUNTY, NEW YORK**

Dear Chris:

The following is a "Letter of Intent" submitted on behalf of EPT Concord II, LLC, a Delaware Limited Liability Corporation ("Landlord"), regarding the terms and conditions upon which the Landlord may be willing to enter into Lease negotiations for a space at The Entertainment Village in Adelaar Resort, New York (the "ADELAAR").

ENTITIES

1. **Landlord:** EPT Concord II, LLC, a Delaware Limited Liability Corporation, or a third party Parcel Developer to be identified at a later date.
2. **Tenant:** Gotham Comedy Club or New Entity to be Formed
3. **Guarantor:** Good Guy Guaranty only. A Letter of Credit or guaranty from an entity with assets reasonably acceptable to Landlord may fulfill this requirement. If Tenant makes payments without any defaults for first two (2) years of term, the Good Guy Guaranty shall be returned by Landlord to Tenant and this requirement shall then be eliminated.

PROJECT, PREMISES & COMMON AREA

4. **Project:** The Entertainment Village is a 213,000 square-foot (approximately) development located in Adelaar Resort, Sullivan County, New York, shown generally on the Site Plan attached as Exhibit "A".
5. **Premises:** The "Premises" shall be Suite 13 (a two-story space) for a second-story comedy club and kitchen, with a comedy museum, bar and the facility's box office located on the ground level. Suite 13 contains approximately Eight-Thousand-Five-Hundred (8,500) rentable square-feet, and is identified on the Premises Plan attached hereto as Exhibit "B".
6. **Radius Restriction:** It is understood and agreed, and it is a condition precedent to the execution of the Lease by the Landlord, that the Tenant acknowledges that ADELAAR draws its customers from a large geographic area and the success of the Resort and income of the Landlord therefrom are dependent upon the generation of revenue and corresponding percentage rent.

(a) Prohibited Business. The Tenant agrees that throughout the Term: It shall not engage, and it shall not permit any Person under its control or connected or affiliated with it, whether as a partner, shareholder, lender, employee or otherwise to engage, directly or indirectly in any business which is the same as, or similar to, or in competition with, the Tenant's business in the Leased Premises within any building or building complex, any portion of which is located within

Chris Mazzilli

Re: *Gotham Comedy Club, Adelaar, New York*

Monday, March 24, 2014

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a radius of twenty-five (25) miles from any point on the perimeter of the ADELAAR Resort property.

TERM

7. **Primary Term:** One-hundred-twenty (120) months commencing on the Lease Commencement Date.
8. **Option Period:** One, sixty (60) month option period (the "Option Period"), to be exercised in Tenant's sole and absolute discretion by no later than the nine (9) year anniversary of the Commencement Date, provided that Tenant is not in material default (which is incapable of being cured) of the Lease at such time..
9. **Lease & Rent Commencement Date:** The Lease Commencement Date shall be the date Landlord delivers the Premises to Tenant in occupiable condition as shall be reasonably determined by Tenant and/or its agents. Lease Commencement Date is Project Grand Opening Date, estimated to be March 1st, 2016. Rent Commencement Date shall be the later of (a) 90-days after the Lease Commencement Date or (b) Tenant's opening for business.

RENT

10. **Minimum Annual Base Rent ("Base Rent"):**

| Years | Annual Base Rent |
|-------|------------------|
| 1 | \$240,000.00 |
| 2 | \$244,800.00 |
| 3 | \$249,696.00 |
| 4 | \$254,689.92 |
| 5 | \$259,783.72 |
| 6 | \$264,979.39 |
| 7 | \$270,278.98 |
| 8 | \$275,684.56 |
| 9 | \$281,198.25 |
| 10 | \$286,822.22 |

Base Rent for the Option Period shall begin in year 11, if exercised, and shall continue at 2% annual increases from the previous year Base Rent for lease years 12-15 so that, if exercised, the Base Rent for the Option Period shall be:

| Years | Annual Base Rent |
|-------|------------------|
| 11 | \$329,845.55 |
| 12 | \$336,442.46 |
| 13 | \$343,171.31 |
| 14 | \$350,034.74 |
| 15 | \$357,035.43 |

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Re: *Gotham Comedy Club, Adelaar, New York*

Monday, March 24, 2014

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11. **Percentage Rent:** 8% in excess of \$3,000,000 annually in sales. If the Option Period is exercised, Percentage Rent shall continue as 8% in excess of \$3,000,000 annually in sales.
12. **Prepaid Rent and Security Deposit:** \$65,151.85 [Equal to first and last month's rent], subject to review of Tenant's current financial information. Security Deposit shall be paid upon lease execution.
13. **Opening Covenant & Continuous Operation:** Tenant covenants to open for business to the public as a fully staffed live performance comedy club and comedy museum. Landlord and Tenant have discussed, and Tenant will consider the addition of matinee performances by stage magicians, to be held on weekends, and during high-traffic vacation and holiday periods, in addition to the comedy club's typical comedic offerings. These comedic and magic performances are to be held from the Rent Commencement Date throughout the Primary Term and during any options, if exercised.

Tenant shall comply with all applicable rules and regulations governing the Premises, including, without limitation, those contained in the Concord Resort Development Concept Plan Report dated March 21, 2012, the Comprehensive Development Plan dated January 15, 2013, and the Master Declaration of Covenants, Conditions, Easements and Restrictions for ADELAAR (collectively, the "Master Plan Documents").

USE

14. **Permitted Tenant Use:** The Premises shall be used solely for the operation of a live performance comedy and magic club featuring national, regional, or local comedy and magic acts consistent with Tenant's other venues operating under the same Trade Name referenced in Section 4 above. Tenant shall also assist in procuring the historic display and exhibit materials for, and operate a Catskills Comedy Museum on the Premises (exact size and content to be determined and agreed upon prior to execution of the final Lease for the Premises). Tenant shall use Premises for no other use or purpose. Any change in use shall require Landlord's written consent; which consent may be withheld in Landlord's reasonable discretion.

Landlord anticipates that Tenant will be open for business six-days each week, with a variety of live performance comedy shows and museum exhibitions; and magic shows on days when visitor traffic is sufficient to support them (Landlord and Tenant agree to work together to establish an operating schedule for the magic presentations that is mutually acceptable).

CONSTRUCTION

15. **Landlord's Work:** Landlord shall provide the Premises in a "white box" condition by completing the "Landlord's Work" described on attached Exhibit C (Landlord and Tenant agree to review Exhibit "C" prior to completion of Lease negotiations, and collectively reserve comments on Exhibit "C" until that time). Tenant shall provide all other improvements and equipment necessary for Tenant's business, including as described as "Tenant's Work" in attached Exhibit "C".

On the Lease Commencement Date Landlord shall ensure that:

(i) the Premises have HVAC (heating and air-conditioning) in the Premises, which shall be in good working order.

Landlord shall notify Tenant in writing of the commencement dates of any warranties for the HVAC system, and shall pass through to Tenant any contractor's warranty and/or manufacturer's warranty for the HVAC system. It is understood that the contractor's warranty or manufacturer's warranty may exclude remedy for improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. Tenant shall be responsible for maintenance of the HVAC system and repair of same as of the Lease Commencement Date;

(ii) all Building systems (including, but not limited to, HVAC, electrical, lavatory, plumbing, life safety systems, etc.) shall be free of problems and malfunctions and shall be in good working condition;

(iii) the roof, the foundation and walls to the Building and/or the Premises are and shall be free of leaks;

(iv) there are and shall be no hazardous materials or substances in or on the Building or Premises;

(v) the Premises and the Building are and shall be asbestos free.

Landlord shall represent and warrant that as of the Lease Commencement Date the Certificate of Occupancy permits the Permitted Use and shall be responsible for obtaining any and all Department of Building and safety Permits for the Building', environmental agency, federal, State, city, municipal, county approvals, permits, etc. Tenant shall obtain any and all necessary building and safety permits for its Work.

Landlord shall provide and furnish heat and hot water to the Premises, and shall furnish and distribute condenser water (if required) to the air handling unit/air conditioning units servicing the Premises.

Landlord shall be fully responsible for any and all required fire safety and fire alarm systems, and carbon monoxide detection systems at the Premises and in the Building, and Landlord shall install and maintain the same at its expense. Such systems shall include any required smoke or gas detection systems.

Landlord shall warrant/rep that the Premises have reasonably adequate wiring, plumbing, wattage capability, conduits, utility lines and related installations or other electrical, plumbing, water, air conditioning, gas or steam/heat facilities fixtures, equipment and mechanicals in place to afford Tenant the ability to have electricity, air conditioning, gas, steam heat, and hot water at maximum capacity suitable for the Premises throughout the term of the Lease.

Landlord shall warrant/rep that the Premises, the Building and the Property are compliant, in all respects, with the Americans with Disabilities Act.

16. **Construction Allowance:** Landlord shall provide to Tenant an Improvement Allowance, as a contribution toward Tenant's Work, in the amount of One-Million-Four-Hundred-Fifty-Thousand Dollars (\$1,450,000.00) (more definitive parameters and schedule must be agreed to between

Chris Mazzilli

Re: *Gotham Comedy Club, Adelaar, New York*

Monday, March 24, 2014

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Landlord and Tenant prior to conclusion of Lease negotiations as to when and how Improvement Allowance shall be paid). Tenant, at Tenant's sole expense, will provide all additional capital solely in connection with fixtures, furniture, equipment, pre-opening costs and initial operating capital related to Tenant's opening of its business in the Premises.

1. **Construction Deposit:** \$5,000.00 (to be paid by Tenant's general contractor) to partially cover damage to the Buildings or property during construction of Tenant's Work.
2. **Contractor; Subcontractors:** Tenant shall use its own contractor and subcontractors (concerning which Landlord shall not unreasonably withhold its consent) for all of Tenant's Work.

17. Intentionally Deleted.

MAINTENANCE, REPAIRS & UTILITIES

18. **A. Landlord's Repairs & Maintenance:** Landlord shall, at its sole cost and expense, keep, maintain and repair all structural and non-structural portions of the Building and all structural portions of the Premises (including, without limitation, all structural elements of the exterior the Premises, and the roof, ceilings, floors, and foundations of the Demised Premises) in good working order, condition and repair.
B. Tenant's Repairs & Maintenance: Tenant shall be responsible, at its sole cost and expense, to repair, maintain in good condition and replace, as necessary, solely the non-structural portions of the Premises and every part thereof, as well as any fixtures installed by Tenant.
19. **Utilities:** Tenant shall pay for its actual consumption of all utilities, which shall be separately metered or sub-metered and which shall be provided directly by and billed by utility service providers to the Premises.

ASSIGNMENT & SUBLEASE

20. **Assignment/Subletting:** No assignment, subletting, franchising, licensing or concession agreement, mortgage, encumbrance, pledge or other transfer of Tenant's interest in the Lease shall be permitted without the prior written consent of Landlord, which shall not be unreasonably withheld.

SIGNAGE

21. **Tenant Façade Signage:** Tenant shall install and maintain signage consistent with the Commercial Design Guidelines for ADELAAR, and shall follow the procedures established in said Master Plan Documents.

MORE SPECIFICS AS TO SIGNAGE SHALL BE DETERMINED AT OR PRIOR TO LEASE NEGOTIATION STAGE

MISCELLANEOUS CONDITIONS

22. **Brokerage Commission:** Landlord and Tenant acknowledge that **The Zall Company, LLC** ("Zall") represents the Landlord and the Tenant in this transaction. Landlord shall pay a real estate brokerage commission to Landlord's Broker pursuant to the terms and conditions of a separate agreement. Except for the foregoing broker, neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Letter of Intent, and Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys' fees, and other liability for commissions or other compensation claimed by any broker, agent, finder or similar party other than Zall claiming the same by, through, or under the indemnifying party. Landlord shall indemnify and hold harmless Tenant from any claims, monies sought by Zall

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Re: *Gotham Comedy Club, Adelaar, New York*

Monday, March 24, 2014

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and/or the Landlord's Broker in connection with any fees, commissions, etc. due from Landlord in connection with the Premises.

23. **Lease Form:** Upon execution of this Letter of Intent and Landlord's approval of Tenant's financials, Landlord shall deliver its lease to Tenant for review. Landlord and Tenant shall use reasonably diligent efforts to negotiate and execute the Lease within ninety (90) days from mutual execution of this Letter of Intent.
24. **Sales Reporting:** Tenant shall submit a monthly gross sales report to Landlord by January 15th of each calendar year.
25. **Confidentiality:** Tenant and Landlord shall keep the terms and conditions of this Letter of Intent confidential.

| Send Leases to: (Completed by Tenant). | Send Landlord's Plans to: (Completed by Tenant). |
|---|--|
| Name: David C. Berg, Esq. Law Offices of David C. Berg | Name: |
| Address: 425 Madison Avenue, 19 th Floor | Address: |
| City, State, Zip New York, New York 10017-1110 | City, State, Zip |
| Phone: (212) 829-0400 | Phone: |
| Fax: (212) 829-9398 | Fax: |
| Email: davidberg@dberglaw.com | Email: |

This Letter of Intent expresses the intent of both Landlord and Tenant, however, it does not constitute a legally binding agreement on either party under New York Law, except that Landlord and Tenant shall be bound by the provisions of paragraphs 23 and 25 of this Letter of Intent, regardless of whether a lease is executed by the parties. The parties shall be bound only when the Lease contemplated by this Letter of Intent has been approved and executed by both parties. Any expenditures or obligations undertaken by either party, prior to the execution and delivery of such documents, shall be at such party's sole cost and expense.

If the foregoing provisions are acceptable, please acknowledge your acceptance in the signature space provided below and return a signed copy to the undersigned. The terms of this Letter of Intent shall remain in effect until April 20, 2014. If you have any questions or require additional information, please contact me.

Sincerely,

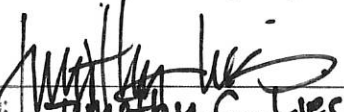
Stuart Zall

Chris Mazzilli
Re: *Gotham Comedy Club, Adelaar, New York*
Monday, March 24, 2014
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AGREED AND ACCEPTED:

EPT PROPERTIES

A Delaware Limited Liability Corporation

By: 
Name: Timothy C. Lies
Title: Project Manager
Date: 28 March 2014

AGREED AND ACCEPTED:

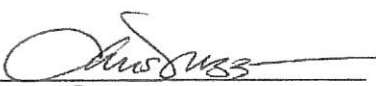
By: 
Name: CHRIS MAZZILLI
Title: MANAGING MEMBER
Date: 3/24/14

EXHIBIT "A"
SITE PLAN



EXHIBIT "B"
PREMISES PLAN



EXHIBIT "C"

LANDLORD'S WORK & TENANT'S WORK

DRAFT: SUBJECT TO NEGOTIATION AND CHANGE **[Tenant will need to review Ex. C further with contractor at or prior to lease negotiations and reserves comments on Exhibit C until then]**

1. Landlord's Work: The Landlord's work shall be limited to the following:
 1. Exterior Windows: Selected by Landlord taking into account Tenant's needs and use.
 2. Interior Windows (to common areas): Not included and to be provided by Tenant subject to Landlord approval.
 3. Floor: Smooth unpainted concrete.
 4. Landlord will provide entry door(s).
 5. Walls: All perimeter and demising walls shall be constructed per Landlord's standards taking into account Tenant's specific needs and uses. All perimeter and demising wall construction shall include drywall that is taped, patched, and sanded only. Primer and paint not included.
 6. Ceilings: Clear height between floor slab and finished ceiling to be verified and determined by Landlord.
 7. Toilet Facilities: Toilet facilities shall be furnished complete as required by ADA as located in the common areas of the building.
 8. Water and Sewer: Landlord shall furnish and install water as stubbed only up to the Premises location per the existing stub valve as located just outside the Premises along the common corridor wall. All water and installation beyond the stubbed locations shall not be part of the Landlord's Work. Sanitary shall be furnished and installed as stubbed only into the Premises per the existing stub location. Any sanitary installation beyond the stubbed conditions, including cutting and capping of the stub, shall not be part of Landlord's Work.
 9. Electrical: Landlord shall furnish and install electrical service to the building meter serving the Premises, subject to the limitations of the serving utility. In addition, Landlord shall furnish a distribution system to provide electrical service to the Premises for Landlord's standard ceiling lights, outlets and HVAC system only. The Premises shall be furnished with a 100 Amp panel with wire pulled to the panel in the Premises, including disconnect and main panel board, individually metered to the Premises. Landlord shall furnish and install up to four (4) outlets, into demising walls only, as located by Landlord without regard to Tenant's specific layout needs or use. Wet-pipe sprinkler fire protection as required by local code with Landlord's standard distribution.
 10. Gas: Provide individually metered gas service, and install the gas pipe, turn-off and connections to the HVAC rooftop unit (if utilized) only. Gas piping stubbed to premises is not included.
 11. Landlord to furnish and install a heating and air conditioning system to the Premises including Landlord's standard HVAC distribution of ductwork, grilles, and diffusers, taking into account Tenant's specific layout needs and uses. The Premises shall include one temperature control unit.

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Re: *Gotham Comedy Club, Adelaar, New York*

Monday, March 24, 2014

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12.

13. Telephone, Cable/Data and Fiber Optic Conduits: Landlord shall furnish and install conduits for Tenant's use in routing telephone, cable/data and fiber optic to the building meter area serving the Premises. Landlord shall provide separate low-voltage conduits stubbed to the Premises for Tenant's use, installed from the building meter area to the Premises. Any hub connections, wiring and cabling required from the meter area to the Premises for telephone, cable/data and fiber optics shall be by Tenant. Service providers available with service to the Landlord's buildings at the Property typically are _____ (telephone), _____ (cable/data), and _____ (fiber optics), which are subject to change and subject to the limitations of each service provider.

14. Directory Signage: Directory signs including Tenant's name and suite number shall be provided by Landlord at each of the building's common area directory sign locations.

II. Tenant's Work: Tenant's work shall include but not be limited to the following: (Tenant reserves the right to make comments on this section at or prior to lease negotiation stage after reviewing with its contractor)

1. Selective Demolition: If applicable and only as approved by Landlord, Tenant shall provide selective demolition of any existing improvements as required for Tenant's needs or use.
2. Interior Finishes: All interior partition walls and doors, decorating, priming, painting, wall coverings, flooring, wall base and trim.
3. Furniture and Fixtures: All countertops, cabinets, cases, millwork, furniture, equipment and appliances.
4. Security System: All security alarm systems and other protective devices.
5. Special Plumbing: All extra plumbing, either roughing in or fixtures required for Tenant's needs beyond Landlord's standard delivery. This includes all extra piping, vent piping, floor saw cutting, and floor slab in-fill.
6. Special Electrical: All extra electrical, either roughing in or fixtures required for Tenant's needs and use beyond Landlord's standard delivery. This includes all extra devices, distribution, switching and outlets, and includes any upgrades to tenant's electrical service and main panel board required for any tenant equipment needs; such as x-ray equipment, if applicable.
7. Special HVAC: Any rework, additions, relocation or reconfiguration of mechanical system (including rooftop mounted HVAC units, connections, curb and supports, penetrations and roof seal, ductwork, grilles, and diffusers) as required for Tenant's layout needs or use beyond Landlord's standard delivery.
8. Special Fire Protection: All rework and modification of fire protection system as required for Tenant's needs beyond Landlord's standard delivery, including head drops, piping reconfiguration and relocation, and any applicable system shut-down fees. Tenant shall be responsible for all final inspections of the portions of the Property fire alarm system which exclusively perform detection for the Premises. Should the Tenant add any devices or modify in any way the Landlord's standard fire alarm system as part of Tenant's Work, then Tenant shall be responsible to properly incorporate any changes with Property fire alarm system and shall make any additions and modifications compliant

Chris Mazzilli

Re: *Gotham Comedy Club, Adelaar, New York*

Monday, March 24, 2014

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with all municipal and code requirements. Landlord must install and provide working sprinkler system at the Premises

9. Walls and Doors: All supplemental interior doors, walls and partitions including the separation of storage areas and office areas.
10. Signage: If building signs are applicable, all building and other interior signs to be compliant with local code and as approved by Landlord. Tenant to furnish and install conduit and wiring from the electrical panel to each sign as required. The design, fabrication and mounting details of all Tenant signs are to be entirely negotiated and specified by Landlord on a case-by-case basis, requiring Landlord's written approvals prior to Tenant's manufacture and installation.
11. Telephone, Cable/Data and Fiber Optic Service Connections and Wiring: All arrangements and associated costs to provide service connections for telephone, cable/data and fiber optic to the Premises from the Landlord's main building meter source, including distribution within the Premises. Any service hub connections, wiring and cabling required from the building meter area to the Premises shall be installed by Tenant within the Landlord's standard delivery of low-voltage conduits to the Premises. The Premises should be outfitted with necessary wiring, outlets, etc. {In other words, Landlord must make it so that basic phone service can be obtained at the Premises. Additional wiring should be Tenant's obligation}.
12. All required building and occupancy permits for Tenant's work including any associated costs for architectural and/or engineering services required in obtaining such permits. Tenant shall submit copies of its Certificate of Occupancy and Building Permits to Landlord. [Landlord must provide C of O for the Premises; Tenant will obtain permits for its own work]
13. Tenant shall provide dumpsters, clean up, and removal (off site disposal) of all demolished materials and construction debris.
14. Any voice and data outlets for Tenant's connections of telephone, cable/data and fiber optics in the Premises.
15. Any window treatments, including tinting of storefront windows, and only as subject to Landlord's prior review and prior written approval of any such proposed application by Tenant which approval shall not be unreasonably withheld, delayed and/or conditioned.
16. Any other items not furnished by Landlord and required for Tenant's needs.



March 6, 2014

Steve Vegliante
Legit
510 Wild Turnpike / P.O. Box 368
Mountindale, NY 12763
svegliante@hvc.rr.com

**RE: LEGIT
ENTERTAINMENT VILLAGE
ADELAAR, SULLIVAN COUNTY, NEW YORK**

Dear Steve:

The following is a "Letter of Intent" submitted on behalf of EPT Concord II, LLC, a Delaware Limited Liability Corporation ("Landlord"), regarding the terms and conditions upon which the Landlord may be willing to enter into Lease negotiations for a space at The Entertainment Village in Adelaar Resort, New York (the "ADELAAR").

ENTITIES

1. **Landlord:** EPT Concord II, LLC, a Delaware Limited Liability Corporation, or a third party Parcel Developer to be identified at a later date.
2. **Tenant:** TBD
3. **Guarantor:** Steven Vegliante (subject to six (6) month "good guy" clause to be defined in lease)_
4. **Trade Name:** Legit

PROJECT, PREMISES & COMMON AREA

5. **Project:**
6. Entertainment Village is a 213,000 square-foot (approximately) development parcel located in Adelaar Resort, Sullivan County, New York, shown generally on the Site Plan attached as Exhibit "A".
7. **Premises:** The "Premises" shall consist of Suite 3, consisting of approximately 5,000 rentable square feet, identified as Suite "5.1" and a portion of Suite "5.2" on the Premises Plan attached as Exhibit "B".
8. **Radius Restriction:** It is understood and agreed and it is a condition precedent to the execution of the Lease by the Landlord that the Tenant acknowledges that ADELAAR draws its customers from a large geographic area and the success of the Resort and income of the Landlord therefrom are dependent up the generation of Gross Revenue and percentage rent.

(a) Prohibited Business. The Tenant agrees that throughout the Term: It shall not, and it shall not permit any Person under its control or connected or affiliated with it, whether as a partner, shareholder, lender, employee or otherwise, to engage directly or indirectly in any business which is the same as, or similar to, or in competition with, the Tenant's business in the Leased Premises within any building or building complex, any portion of which is located within a radius of

twenty-five (25) miles from any point on the perimeter of the ADELAAR Resort property. Nothing in the preceding paragraph shall prohibit Tenant from operating any other businesses that exist on or before the opening of the subject business or that have a concept that is distinguishable from the subject business by cuisine.

(b) Landlord agrees to not lease to any other tenant any space that will specifically compete with Tenant's business. Competing businesses shall be further defined in the written lease. Tenant agrees to reasonably negotiate and offer Tenant's products and services throughout the property owned by Landlord upon request by Landlord or any other tenant / operator.

TERM

9. **Primary Term:** One hundred twenty (120) months commencing on the Lease Commencement Date.
10. **Option Period:** One (1), five (5) year option period.
11. **Lease & Rent Commencement Date:** The Lease Commencement Date shall be the date Landlord delivers the Premises to Tenant in occupiable condition. Estimated Lease Commencement Date is Project Grand Opening Date, estimated to be March 1st, 2016. Rent Commencement Date shall be the earlier of (a) 90 days after the Lease Commencement Date or (b) Tenant's opening for business. Landlord agrees to give periodic notice of construction progress and to coordinate with Tenant on timetables throughout construction period

RENT

12. **Minimum Annual Base Rent ("Annual Base Rent"):**

| Years | Per Square Foot | Annual Base Rent |
|-------|-----------------|------------------|
| 1 | \$ 35.00 | \$ 175,000.00 |
| 2 | \$ 36.05 | \$ 180,250.00 |
| 3 | \$ 37.13 | \$ 185,657.50 |
| 4 | \$ 38.25 | \$ 191,227.23 |
| 5 | \$ 39.39 | \$ 196,964.04 |
| 6 | \$ 40.57 | \$ 202,872.96 |
| 7 | \$ 41.79 | \$ 208,959.15 |
| 8 | \$ 43.05 | \$ 215,227.93 |
| 9 | \$ 44.34 | \$ 221,684.76 |
| 10 | \$ 45.67 | \$ 228,335.31 |

Base Rent for option(s) period, if exercised, shall be market rent as defined in the Lease, but in no event less than the rent during the immediately preceding period.

12. **Percentage Rent:** 8% in excess of the natural breakpoint There shall be no rent stabilization.
13. **Additional Rent (NNN):** \$15.00 per square-foot (estimated) - Tenant shall pay its proportionate or pro-rata share, as the case may be, of all assessments, charges, taxes, common expenses, and other fees related to the operation and maintenance of its Premises, and the ADELAAR Resort in general. Tenant shall receive a proportional waterfall benefit of any tax abatements including, if allowed under the terms of Landlord's leaseback agreement with the Sullivan County Industrial Development Agency including an abatement of the real estate and sales taxes for the proportional share of the demised premises leased by tenant.

14. **Prepaid Rent and Security Deposit:** \$46,111.27 [Equal to first and last month's rent], subject to review of Tenant's current financial information. Security Deposit shall be paid upon lease execution.
15. **Opening Covenant & Continuous Operation:** Tenant covenants to open for business to the public as a fully staffed Legit Pizza, Pasta and Gelato restaurant stocked with inventory from the Rent Commencement Date and throughout the Primary Term and any options, if exercised. Tenant shall comply with all applicable rules and regulations governing the Premises, including, without limitation, those contained in the Concord Resort Development Concept Plan Report dated March 21012, the Comprehensive Development Plan dated January 15, 2013, and the Master Declaration of Covenants, Conditions, Easements and Restrictions for ADELAAR (collectively, the "Master Plan Documents").

USE

16. **Permitted Tenant Use:** The Premises shall be used solely for the operation of a Legit restaurant serving pizza, pasta, and gelato as referenced in Section 4 above, and for no other use or purpose. Any change in use shall require Landlord's written consent; which consent may be withheld in Landlord's sole discretion.

CONSTRUCTION

17. **Landlord's Work:** Landlord shall provide the Premises in a "white box" condition by completing the "Landlord's Work" described on attached Exhibit C. Tenant shall provide all other improvements and equipment necessary for Tenant's business, including as described as "Tenant's Work" on attached Exhibit C.
18. **Construction Allowance:** Landlord shall contribute to Tenant an allowance for Tenant's Work, an amount of Twenty-Five dollars (\$25) per square foot.
 1. **Construction Deposit:** \$5,000.00 (to be paid by Tenant's general contractor).
 2. **Contractor; Subcontractors:** Tenant shall use Landlord's designated or approved contractor and subcontractors for all of Tenant's Work, approval of same not to be unreasonably withheld presuming that Tenant's contractors and subcontractors hold any and all necessary licenses or permits to perform work in their specialty. Nothing in this paragraph shall require Tenant to utilize union labor in the construction or build out of the premises.

RIGHT TO RELOCATE

19. **Right to Relocate:** As a condition for Landlord to enter into a Lease with Tenant, Landlord shall, throughout the Term of the Lease and any renewals thereof, have the right at Landlord's sole cost and expense to relocate Tenant to other premises ("New Premises") within ADELAAR; provided however, Landlord shall have no right to relocate Tenant for the purpose of leasing the Premises to a tenant that will operate the Premises as a pizza, pasta, and gelato restaurant. The New Premises will (i) be reasonably comparable in size and frontage to the Premises, and (ii) contain substantially the same leasehold improvements, at Landlord's sole cost and expense, as the Premises as of the date of Landlord's Notice (to be defined). Landlord will reimburse Tenant all reasonable costs Tenant incurs to move Tenant's fixtures, equipment and inventory to the New Premises. In the event Landlord elects to exercise the right of relocation, Landlord shall deliver written notice to Tenant identifying the location of the proposed New Premises at least one hundred twenty (120) days' prior to the date that Tenant is required to relocate to the New

Premises ("Landlord's Notice"). Tenant shall have no obligation to vacate the Premises until the New Premises are delivered to Tenant in a condition that allows tenant to operate its business therein.

MAINTENANCE, REPAIRS & UTILITIES

- 20. **Tenant's Repairs & Maintenance:** Tenant shall be responsible, at its sole cost and expense, to repair, maintain in good condition and replace, as necessary, the Premises and every part thereof.
- 21. **Utilities:** Tenant shall pay for all utility costs and expenses required to service the Premises, including all connection, impact and hook-up fees. Tenant shall pay for its actual consumption of all utilities, which shall be separately metered or sub-metered.

ASSIGNMENT & SUBLEASE

- 22. **Assignment/Subletting:** No assignment, subletting, franchising, licensing or concession agreement, mortgage, encumbrance, pledge or other transfer of Tenant's interest in the Lease shall be permitted without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.

SIGNAGE

- 23. **Tenant Façade Signage:** Tenant shall install and maintain signage consistent with the Commercial Design Guidelines for ADELAAR, and shall follow the procedures established in said Master Plan Documents.

MISCELLANEOUS CONDITIONS

- 24. **Brokerage Commission:** Landlord and Tenant acknowledge that **The Zall Company, LLC** represents the Landlord and the Tenant in this transaction. Landlord shall pay a real estate brokerage commission to Landlord's Broker pursuant to the terms and conditions of a separate agreement. Except for the foregoing broker, neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Letter of Intent, and Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys' fees, and other liability for commissions or other compensation claimed by any broker, agent, finder or similar party claiming the same by, through, or under the indemnifying party.
- 25. **Lease Form:** Upon award of a casino license by the State of New York for the Adelaar site, the Landlord shall use it's diligent efforts to negotiate and execute the Lease within 30 days of award.
- 26. **Sales Reporting:** Tenant shall submit a monthly gross sales report to Landlord by January 15th of each calendar year.
- 27. **Confidentiality:** Tenant shall keep the terms and conditions of this Letter of Intent confidential.

| | |
|--|---|
| Send Leases to: (Completed by Tenant). | Send Landlord's Plans to: (Completed by Tenant). |
| Name: <i>Steven Vegliante</i> | Name: |
| Address: <i>510 Wild Turnpike, Mountmankin NY 12763</i> | Address: |

Steve Vegliante
Re: Legit, Adelaar, New York
Tuesday, March 11, 2014
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| | |
|---------------------------------|------------------|
| City, State, Zip | City, State, Zip |
| Phone: 845-434 6688 | Phone: |
| Fax: 845-436-7788 | Fax: |
| Email: svegliante@hvc.rr.com | Email: |

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Re: Legit, Adelaar, New York
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This Letter of Intent expresses the intent of both Landlord and Tenant, however, it does not constitute a legally binding agreement on either party under New York Law, except that Landlord and Tenant shall be bound by the provisions of paragraphs 25 and 27 of this Letter of Intent, regardless of whether a lease is executed by the parties. The parties shall be bound only when the Lease contemplated by this Letter of Intent has been approved and executed by both parties. Any expenditures or obligations undertaken by either party, prior to the execution and delivery of such documents, shall be at such party's sole cost and expense.

If the foregoing provisions are acceptable, please acknowledge your acceptance in the signature space provided below and return a signed copy to the undersigned. The terms of this Letter of Intent shall remain in effect until April 6, 2014. If you have any questions or require additional information, please contact me.

Sincerely,

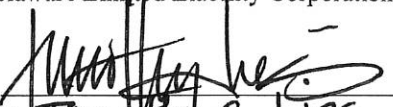
Stuart Zall

cc: Tim Lies, EPR Properties

AGREED AND ACCEPTED:

EPT PROPERTIES

A Delaware Limited Liability Corporation

By: 
Name: Timothy C. Lies
Title: Project Manager
Date: 17 March 2014

AGREED AND ACCEPTED:



By: Steve Vegliante
Name: 01610 Legit Pizza, Pasta & Gelato
Title: Manager/Member
Date: 3/12/14

EXHIBIT "A"
SITE PLAN



EXHIBIT "B"
PREMISES PLAN



EXHIBIT "C"

**LANDLORD'S WORK & TENANT'S WORK
DRAFT: SUBJECT TO NEGOTIATION AND CHANGE**

- I. Landlord's Work: The Landlord's work shall be limited to the following:
 1. Exterior Windows: Selected by Landlord without regard to Tenant's needs or use but subject to review prior to execution of lease.
 2. Interior Windows (to common areas): Not included and to be provided by Tenant subject to Landlord approval.
 3. Floor: Smooth unpainted concrete.
 4. Landlord will provide entry door(s).
 5. Walls: All perimeter and demising walls shall be constructed per Landlord's standards without regard to Tenant's specific needs or use. All perimeter and demising wall construction shall include drywall that is taped, patched, and sanded only. Primer and paint not included.
 6. Ceilings: Clear height between floor slab and finished ceiling to be verified and determined by Landlord.
 7. Toilet Facilities: Toilet facilities shall be furnished complete as required by ADA as located in the common areas of the building.
 8. Water and Sewer: Landlord shall furnish and install water as stubbed only up to the Premises location per the existing stub valve as located just outside the Premises along the common corridor wall. All water and installation beyond the stubbed locations shall not be part of the Landlord's Work. Sanitary shall be furnished and installed as stubbed only into the Premises per the existing stub location.. Any sanitary installation beyond the stubbed conditions, including cutting and capping of the stub, shall not be part of Landlord's Work.
 9. Electrical: Landlord shall furnish and install electrical service to the building meter serving the Premises, subject to the limitations of the serving utility. In addition, Landlord shall furnish a distribution system to provide electrical service to the Premises for Landlord's standard ceiling lights, outlets and HVAC system only. The Premises shall be furnished with a 200 Amp panel with wire pulled to the panel in the Premises, including disconnect and main panel board, individually metered to the Premises. Landlord shall furnish and install up to four (4) outlets, into demising walls only, as located by Landlord without regard to Tenant's specific layout needs or use. Wet-pipe sprinkler fire protection as required by local code with Landlord's standard distribution.
 10. Gas: Provide individually metered gas service, and install the gas pipe, turn-off and connections to the HVAC rooftop unit only. Gas piping stubbed to premises shall be included in a form and capacity to fully service Tenant's design needs for the intended use of the premises. Interior piping to be completed by Tenant.

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11. Landlord to furnish and install a packaged heating and air conditioning system to the Premises including Landlord's standard HVAC distribution of ductwork, grilles, and diffusers, without regard to Tenant's specific layout needs or use but sufficient to heat and cool the premises to industry standard for a restaurant taking into consideration the heat load of kitchen and occupancy.. The Premises shall include one temperature control unit. The Premises is equipped with a 3-ton rooftop mounted HVAC unit.
12. Telephone, Cable/Data and Fiber Optic Conduits: Landlord shall furnish and install conduits for Tenant's use in routing telephone, cable/data and fiber optic to the building meter area serving the Premises. Landlord shall provide separate low-voltage conduits stubbed to the Premises for Tenant's use, installed from the building meter area to the Premises. Any hub connections, wiring and cabling required from the meter area to the Premises for telephone, cable/data and fiber optics shall be by Tenant. Service providers available with service to the Landlord's buildings at the Property typically are _____ (telephone), _____ (cable/data), and _____ (fiber optics), which are subject to change and subject to the limitations of each service provider.
13. Directory Signage: Directory signs including Tenant's name and suite number shall be provided by Landlord at each of the building's common area directory sign locations.

- II. Tenant's Work: Tenant's work shall include but not be limited to the following:
1. **Selective Demolition**: If applicable and only as approved by Landlord, Tenant shall provide selective demolition of any existing improvements as required for Tenant's needs or use.
 2. **Interior Finishes**: All interior partition walls and doors, decorating, priming, painting, wall coverings, flooring, wall base and trim.
 3. **Furniture and Fixtures**: All countertops, cabinets, cases, millwork, furniture, equipment and appliances.
 4. **Security System**: All security alarm systems and other protective devices.
 5. **Special Plumbing**: All extra plumbing, either roughing in or fixtures required for Tenant's needs beyond Landlord's standard delivery. This includes all extra piping, vent piping, floor saw cutting, and floor slab in-fill.
 6. **Special Electrical**: All extra electrical, either roughing in or fixtures required for Tenant's needs and use beyond Landlord's standard delivery. This includes all extra devices, distribution, switching and outlets, and includes any upgrades to tenant's electrical service and main panel board required for any tenant equipment needs; such as x-ray equipment, if applicable.
 7. **Special HVAC**: Any rework, additions, relocation or reconfiguration of mechanical system (including rooftop mounted HVAC units, connections, curb and supports, penetrations and roof seal, ductwork, grilles, and diffusers) as required for Tenant's layout needs or use beyond Landlord's standard delivery, except as defined above under Landlord's work..
 8. **Special Fire Protection**: All rework and modification of fire protection system as required for Tenant's needs beyond Landlord's standard delivery, including head drops, piping reconfiguration and relocation, and any applicable system shut-down fees. Tenant shall be responsible for all final inspections of the portions of the Property fire alarm system which exclusively perform detection for the Premises. Should the Tenant add any devices or modify in any way the Landlord's standard fire alarm system as part of Tenant's Work, then Tenant shall be responsible to properly incorporate any changes with Property fire alarm system and shall make any additions and modifications compliant with all municipal and code requirements.
 9. **Walls and Doors**: All supplemental interior doors, walls and partitions including the separation of storage areas and office areas.
 10. **Signage**: If building signs are applicable, all building and other interior signs to be compliant with local code and as approved by Landlord. Tenant to furnish and install conduit and wiring from the electrical panel to each sign as required. The design, fabrication and mounting details of all Tenant signs are to be entirely negotiated and specified by Landlord on a case-by-case basis, requiring Landlord's written approvals prior to Tenant's manufacture and installation.
 11. **Telephone, Cable/Data and Fiber Optic Service Connections and Wiring**: All arrangements and associated costs to provide service connections for telephone, cable/data and fiber optic to the Premises from the Landlord's main building meter source, including distribution within the Premises. Any service hub connections, wiring and cabling required from the building meter area to the

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Premises shall be installed by Tenant within the Landlord's standard delivery of low-voltage conduits to the Premises.

12. All required building and occupancy permits for Tenant's work including any associated costs for architectural and/or engineering services required in obtaining such permits. Tenant shall submit copies of its Certificate of Occupancy and Building Permits to Landlord.
13. Tenant shall provide dumpsters, clean up, and removal (off site disposal) of all demolished materials and construction debris.
14. Any voice and data outlets for Tenant's connections of telephone, cable/data and fiber optics in the Premises.
15. Any window treatments, including tinting of storefront windows, and only as subject to Landlord's prior review and prior written approval of any such proposed application by Tenant.
16. Any other items not furnished by Landlord and required for Tenant's needs.