

AGREEMENT

THIS AGREEMENT (the "Agreement") is made as of January 30, 2006, by and between **THE HISTORIC PRESERVATION TRUST OF LANCASTER COUNTY** ("HPT") and **THE LANCASTER COUNTY CONVENTION CENTER AUTHORITY** ("LCCCA").

Background:

A. LCCCA is the owner of real property located at 45-47 South Queen Street; 49 South Queen Street; 21 East Vine Street and 23 East Vine Street, all in the City of Lancaster, Pennsylvania (the "Historic Properties" and individually "Historic Property").

B. LCCCA is also the owner of real property located at 101-103 South Queen Street and 108-110 South Christian Street, in the City of Lancaster, Pennsylvania (the "Swan Hotel Site").

C. LCCCA is also the owner of real property located at 37-39 and 41-43 South Queen Street, in the City of Lancaster, Pennsylvania (the "Oblender's Properties").

D. HPT was party to a certain Grant of Easement and Declaration of Restrictive Covenants (the "Declaration of Easement") dated December 27, 1983, by and between Lancaster III, a New Jersey limited partnership, and HPT, which is recorded in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania, in Deed Book A, Volume 91, Page 455. The Declaration of Easement applied to the Historic Properties.

E. LCCCA is designing and intends to construct a convention center facility on lands in the City of Lancaster bordered by Queen, Vine, Christian and King Streets (the "Convention Center Site"), which include part or all of each of the Historic Properties and the Oblender's Properties.

F. LCCCA believes it necessary to demolish or alter portions of the Historic Properties and all of the Oblender's Properties, in order to construct and operate the convention center facility in accordance with LCCCA's plans.

G. The parties plan to provide to HPT, or other organizations designated by HPT with the consent of the LCCCA ("HPT Successors"), the opportunity to effectuate the rehabilitation of the Stevens House and the Kleiss Saloon and the Underground Features and provide for the preservation of the Smith Buildings.

H. Additionally, under circumstances described in this Agreement, the parties plan to provide HPT, or the HPT Successors, the opportunity to create a first-class national historic exhibition in such properties and on the Swan Hotel Site in order to commemorate and interpret the lives and accomplishments of Thaddeus Stevens, Lydia Hamilton Smith, and other historical figures and to permit leasing of portions of the Historic Properties for uses that are compatible with the convention center facility and the historic exhibition.

I. HPT plans to renovate, restore and develop adaptive uses for the Smith Buildings that are compatible with the convention center facility and the historic exhibitions.

J. On November 6, 2001, HPT and LCCCA entered into an agreement (the "Prior Agreement") concerning the preservation of the Historic Properties.

K. The Prior Agreement was approved by the Orphans' Court Division of the Court of Common Pleas of Lancaster County, Pennsylvania, by decree dated July 18, 2002, docketed to No. 147½ of 2002.

L. Since approval of the Prior Agreement plans for the convention center facility have been drawn and approved by the LCCCA, plans for certain of the historic exhibitions have been drawn and approved by HPT, historic features were discovered in the cellars and grounds related to the Stevens House and Kleiss Building (both described herein), the parties have agreed to exclude the Oblender's Properties from the Historic Properties, times described in the Prior Agreement have changed, and other modifications are needed as set forth herein.

M. This Agreement terminates the Prior Agreement and restates the rights and obligations towards the Historic Properties as set forth herein.

NOW THEREFORE, in consideration of the benefits to be received by each party from the arrangements set forth herein, other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the parties agree as follows:

1. **Incorporation of Background.** The foregoing Background is incorporated into this Agreement as if stated in full herein.
2. **Termination of Prior Agreement.** The Prior Agreement is hereby terminated.
3. **Identification of the Historic Properties.**
 - (a) *Stevens House.* The original and historically significant residence and law office of Thaddeus Stevens are in part located in the forward portion of 45-47 South Queen Street. This portion is approximately 41 feet, 3 inches wide (measured outside edge-to-edge) at Queen Street and extends for a depth of approximately 35 feet 2 inches (measured from the outside front wall to the outside rear wall). This property having the aforesaid dimensions is referred to as the "Stevens House" (and does not include the existing rear extension of the building, measuring approximately 38 feet by 18 feet).
 - (b) *Kleiss Saloon.* The structure located at 49 South Queen Street was a brewery and tavern operated by the Kleiss Family and later owned by Thaddeus Stevens. The portion to be retained under this agreement extends for a depth of approximately 57 feet (and does not include a rear extension which has a lower roof line than the forward portion). This property having the aforesaid dimensions is referred to as the "Kleiss Saloon."

- (c) *Smith Buildings.* The two semidetached dwellings located at 21 and 23 East Vine Street were owned and lived in by Lydia Hamilton Smith. The land on which these dwellings are located was owned by Thaddeus Stevens. These structures, in the dimensions as they exist today, extending for a depth of approximately 20 feet, 8 inches, are referred to as the “Smith Buildings.”
- (d) *Underground Historic Area.* The space between the Stevens House and the Kleiss Saloon is an underground historic area (the “Underground Historic Area”) that includes these structures (the “Underground Features”) that shall be preserved: two brick-walled cisterns and the northern and southern cellar walls of the Kleiss Saloon which shall include the below grade area underneath the rear extension. The Underground Historic Area may be developed as an historic exhibit.

4. Creation of the Historic Exhibition.

- (a) HPT is hereby granted the right and opportunity to create a plan for the rehabilitation of the Historic Properties in order to create a first-class national historic exhibition in the Historic Properties to commemorate and interpret the lives and accomplishments of Thaddeus Stevens, Lydia Hamilton Smith and other local historical figures. It shall be HPT’s responsibility, among other things, to:
 - (1) Hire the necessary professionals and other persons to research the Historic Properties and people associated with them and develop and implement a preservation and re-use plan;
 - (2) Secure all necessary funding for (i) research, planning and construction related to the rehabilitation of the Stevens House, Kleiss Saloon, Underground Features and the exterior facades of the Smith Buildings; and (ii) the renovation, restoration and adaptive reuse of the Smith Buildings.
 - (3) Create affiliations with other organizations to assist in carrying out the plan (it being understood that HPT is not expected to be the owner or long-term operator of the Historic Properties); and
 - (4) Carry out the physical development and rehabilitation of the Stevens House and Kleiss Saloon and restore the exteriors of the Smith Buildings, and restore the Underground Features.
- (b) HPT agrees to devote its best efforts to the foregoing responsibilities and all other tasks required to perform and complete its obligations under this Agreement. LCCCA (and not HPT) shall be responsible for any demolition and stabilization and for environmental remediation of any hazardous materials, including lead paint and asbestos, on any of the Historic Properties.

- (c) HPT shall, in all instances, carry out its rights and responsibilities under this Agreement in such manner, and at such times, as to not interfere with, or increase the costs of, the convention center facility in violation of this Agreement. HPT shall at all times maintain commercially reasonable insurance coverages insuring itself and LCCCA as an additional insured from any liability either party may incur as a result of HPT's performance of its obligations under this Agreement.

5. **Commitments Regarding the Historic Properties.**

- (a) The current plans for the convention center facility provide that the Stevens House, the Kleiss Saloon, the Smith Buildings and the Underground Features in the Underground Historic Area shall remain in their present respective locations. However, under circumstances described hereinafter in this Agreement, LCCCA may move the Smith Buildings to the Swan Hotel Site.
- (b) HPT commits to raise funds for and to carry out (i) the rehabilitation of the exteriors of the Stevens House, Kleiss Saloon and Smith Buildings, whether such structures ultimately are devoted to the historic exhibition or are adaptively reused; and (ii) the restoration of the Underground Features.
- (c) LCCCA intends to demolish and remove all improvements on the Convention Center Site other than the Historic Properties and the Underground Features, including, without limitation, additions or other improvements attached to the Historic Properties. HPT has reviewed LCCCA's demolition plans and consents to such demolition. In return, LCCCA commits to stabilize the interiors of the Historic Properties and the Underground Historic Area (excluding the cisterns, which shall be restored in accordance with plans prepared by HPT architects, and stabilized by contractors retained and paid for by HPT) and make those facilities available to HPT to use as part of the historic exhibition or for other use compatible with the convention center facility and the historic exhibition. "To stabilize" means to take action necessary to maintain the Historic Properties in a stable structural condition, secure from the effects of weather to structural and interior components during demolition of structures that are not part of the Historic Properties; and to close the structural portion of the Historic Properties remaining after demolition so that structural and interior portions of the Historic Properties are secured and protected for the long term against the effects of weather; and to secure and make stable for the long term (including any needed bracing, reinforcing and re-installing of materials) any structural components or exterior features of the Historic Properties that may have been compromised by demolition or construction activities, including any condition that might have been deficient because of age or elements.

6. **Lease.** LCCCA or its successors for nominal consideration will lease Stevens House, Kleiss Sloon, Smith Buildings, and Underground Historic Area, to HPT or the HPT Successors to operate the historic exhibition. With the prior written consent of LCCCA, which shall not be unreasonably withheld, HPT or the HPT Successors may sublease

such areas for other uses compatible with and not detrimental to the convention center facility or the historic exhibition. The LCCCA shall not incur development or operating costs in respect to the interiors of the Historic Properties or the Underground Historic Area, except as expressly required by this Agreement.

7. **Timing and Other Plans.**

- (a) *Six Months—Initial Planning.* HPT will have six months from the date of the commencement of excavation for foundations of the convention center to undertake historical research and planning for the rehabilitation and restoration of the Historic Properties and to continue fundraising.
- (b) *Twenty-four Months—Funding and Completion.* Within twenty-four months after commencement of excavation for foundations, HPT shall have completed and adopted final development and operating plans (including securing the agreement of an operating entity), presented the same to LCCCA, obtained funding for and completed its rehabilitation, restoration and construction of (i) the exteriors of the Stevens House, Kleiss Saloon and Smith Buildings; and (ii) the restoration of the Underground Features. If HPT fails for whatever reason to obtain funding and complete its rehabilitation, restoration and construction as provided in this paragraph, LCCCA will have the sole right to adopt and pursue alternative plans for the adaptive reuse of the Historic Properties, and subject to the Substituted Easements described in paragraph 10, below, LCCCA and HPT shall each be released of all their obligations under this Agreement.
- (c) *December 31, 2015 –Reversion.* If excavation for foundations of the convention center on the Convention Center Site is not commenced by December 31, 2015, or if prior to that date the LCCCA commences excavation for foundations for a convention center on a site other than the Convention Center Site, or if, prior to that date LCCCA takes board action to permanently abandon plans to construct a convention center on the Convention Center Site, HPT's easements on the Historic Properties (and on the entire lot on which each of the Historic Properties is located), as described in the Declaration of Easements, shall revert to their original form and status before the condemnation of those easements (and the LCCCA will sign a deed of confirmation in recordable form, confirming that HPT holds such easements). In addition, the LCCCA will convey the Historic Properties to HPT in fee simple, or if such properties are subject to a condominium regime, by transfer of condominium units; such conveyance will consist of the "rectangle" containing the Stevens, Kleiss and Smith properties (the tract bordered by Queen, Vine, Christian and a line running from Queen to Christian abutting the north side of Stevens and paralleling Vine), more specifically described as parcels 13K1D-7-19, 20, 21 and 22 on the tax map attached hereto as **Exhibit "A"**.

8. Option On Swan Hotel Site.

- (a) The LCCCA shall grant an option to HPT (the "Option") to acquire the Swan Hotel Site (at the discretion of the LCCCA either by conveyance or long term lease with unlimited renewal options) at any time during a period that will begin at the commencement of excavation of foundations of the Convention Center and terminate five years from the date of the opening of the convention center; the exercise price or annual rent shall be \$1.00 (subject to any legal restrictions on the consideration for the conveyance or the lease) and shall be conditioned on HPT providing plans to the LCCCA for development of a museum on the site, restoration of the historic properties on the site and evidence of available funding to complete all of the foregoing.
- (b) If the current hotel/convention center project is abandoned by the LCCCA for any reason and the LCCCA commences construction of a convention center under an alternate plan on the Convention Center Site, LCCCA shall grant HPT the Option with the proviso that the LCCCA can require, at its discretion and at its expense, the removal of the Smith properties from the current site and their relocation to the Swan site, to be utilized by HPT, at its expense, as part of any development plan implemented on the Swan site; as an alternative, and at HPT's discretion, HPT can terminate its Option and require the LCCCA to provide approximately 15,000 square feet of below grade space on the Convention Center Site suitable for construction of an exhibit area and comparable in scope to the previously designed "underground connector" provided that HPT notifies LCCCA in writing and executes all documents required by the LCCCA to effect this at least 90 days prior to any drawings being commenced on the convention center.
- (c) If excavation for the foundations of the convention center on the Convention Center Site is not commenced by December 31, 2015, or if the LCCCA takes board action to permanently abandon plans to construct a convention center on the Convention Center Site, LCCCA thereupon shall grant HPT the Option, with the provision that the Option shall terminate two years after LCCCA gives HPT written notice that HPT may exercise this Option or it shall terminate in two years.
- (d) HPT shall exercise the Option by providing written notice to the LCCCA, prior to expiration of the Option, of its intent to exercise. Closing shall be held on or before the one-hundredth (100th) day following the delivery of such notice. The Property shall be conveyed or leased free of liens and encumbrances securing any financial obligations (other than those of HPT) but otherwise in AS IS, condition, except as specifically required by this Agreement. All pro-ratable items, including taxes, if any, shall be prorated as of the Closing.
- (e) Until exercise or expiration of the Option, LCCCA covenants to maintain the Swan Hotel Site, and all improvements thereon, to the extent commercially reasonable, in substantially current condition.

- (f) During the period of time that HPT has the right to exercise the Option, HPT shall have the right, at reasonable times, and upon at least five (5) days' prior notice to LCCCA, to enter upon the Swan Hotel Site to perform topographic, engineering and environmental tests, studies and investigations, provided that HPT (i) maintains insurance coverage with policy limits reasonably acceptable to LCCCA; (ii) agrees to repair any damage it causes to the site and to restore the site to its condition prior to commencement of the tests or investigations.
9. **Design Review.** HPT acknowledges that it has been given access, in an appropriate process, to the architects hired by LCCCA, including the opportunity to review and comment upon plans and designs being created or considered by the architects.
10. **Easements.** LCCCA agrees to record perpetual easements as liens against the Historic Properties and the Underground Historic Area (in the form of **Exhibit "B"** attached hereto) and such easements are referred to herein individually as "Substituted Easement" and collectively as "Substituted Easements." The parties acknowledge, however, that it may be necessary to edit the attached easements to accurately recite the history and source of title of the affected properties. The Substituted Easement concerning the Stevens House, Kleiss Saloon, Smith Buildings, Underground Historic Area and Underground Features shall be signed and recorded promptly after the signing of this Agreement. There shall be no easements recorded against the Oblender's Properties. In the event that HPT exercises the Option, at the closing on the conveyance of the Swan Hotel Site from LCCCA to HPT, both parties shall cooperate with each other and execute all documents reasonably required to assure that a preservation easement is recorded against such real property.
11. **Development Approvals.** The parties recognize that LCCCA will be required to obtain governmental approvals in order to demolish or alter any of the Historic Properties, or portions of the Historic Properties and to construct the convention center facility. These approvals include customary zoning and land development approvals, as well as approval pursuant to the City of Lancaster Heritage Conservation District Ordinance and review by the Pennsylvania Historical and Museum Commission ("PHMC"). Without the written consent of HPT, which shall not be unreasonably withheld, the Historic Properties, including all additions to those buildings (but specifically excluding the Oblender's Properties which may be demolished at anytime), shall not be altered in any way that affects historic integrity until LCCCA has secured financing and all necessary final governmental approvals for the construction of the convention center. HPT agrees not to oppose any of LCCCA's actions to obtain any development approvals consistent with this Agreement, and to the extent reasonably possible, assist the LCCCA in obtaining such approvals.
12. **Representations and Warranties.** LCCCA represents and warrants to HPT that its board of directors has met and has approved this Agreement, that all necessary approvals required by LCCCA have been obtained in order to enter into this Agreement, and that this Agreement constitutes the legal, valid and binding agreement of LCCCA. HPT represents and warrants to LCCCA that its board of directors has met and has approved

this Agreement, that all necessary approvals required by HPT have been obtained in order to enter into this Agreement, except as otherwise provided in paragraph 14, below, and that this Agreement constitutes the legal, valid and binding agreement of HPT.

13. **Other Provisions.**

- (a) *Entire Agreement; Amendment.* This Agreement and the documents referred to herein and to be delivered pursuant hereto constitute the entire agreement between the parties pertaining to the subject matter hereof, and supersede all prior agreements, understandings, negotiations, and discussions of the parties, whether oral or written. There are no warranties, representations, or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein or in the documents referred to herein and to be delivered pursuant hereto. No amendment, supplement, modification, or waiver of this Agreement or any terms shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.
- (b) *Governing Law.* This Agreement is subject to and shall be construed and interpreted according to the laws of the Commonwealth of Pennsylvania.
- (c) *Assignment.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties. This Agreement shall not be assigned by HPT without the prior written consent of LCCCA, which consent shall not be unreasonably withheld. Any such assignment by HPT shall be conditioned on the HPT Successors assuming all of the obligations of HPT under this Agreement, whereupon HPT shall be released from all obligations hereunder.
- (d) *Costs.* Each party shall bear its own costs in connection with the transactions referred to in this Agreement, including costs of legal counsel, consultants, architects, and other persons hired or retained by each of them, respectively.
- (e) *Notices.* All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by telecopy (with written confirmation of receipt), provided that a copy is also mailed to such party, or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested) or by mailing, certified mail (return receipt requested), in each case to the published addresses and telecopier numbers of the parties (or to such other addresses and telecopier numbers as a party may designate by notice to the other parties).
- (f) *Further Assurances.* The parties agree (i) to furnish to each other upon request such further information, (ii) to execute and deliver to each other such other

documents, and (iii) to do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement.

- (g) *Counterparts; Headings.* This Agreement may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute one and the same Agreement. The Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part of this Agreement.
- (h) *Interpretation.* Unless the context requires otherwise, all words used in this Agreement in the singular number shall extend to and include the plural, all words in the plural number shall extend to and include the singular, and all words in any gender shall extend to and include all genders.
- (i) *Severability.* If any provision, clause, or part of this Agreement, or the application thereof under certain circumstances, is held invalid, the remainder of this Agreement, or the application of such provision, clause, or part under other circumstances, shall not be affected thereby.
- (j) *No Reliance.* Except as provided in the perpetual easements described in paragraph 10, above: The parties hereto assume no liability to any Person not a party to this Agreement because of any reliance on the representations, warranties, and agreements of the parties contained herein; no Person shall be a third party beneficiary of this Agreement.

14. Consideration and Court Approval.


- (a) The Parties believe that this Agreement provides to each of LCCCA and HPT good, valuable, fair and just consideration for the various rights and obligations exchanged under this Agreement. The consideration provided hereunder is of substantial monetary value, and includes, without limitation, (i) the grant to HPT of the right to lease or own the Stevens House, the Kleiss Saloon, the Smith Buildings, the Underground Historic Area and the Swan Hotel Site for nominal consideration, (ii) the grant to HPT of development rights to the Stevens House, Kleiss Saloon, Smith Buildings, the Underground Features in the Underground Historic Area, and the Underground Exhibit Area, and (iii) the commitments by HPT to perform, at its expense, the rehabilitation, restoration and/or renovation of the Historic Properties, the Underground Historic Area and the Swan Hotel Site. The parties further agree that by virtue of the Substituted Easements, HPT will continue to hold a property interest in the Stevens House, the Kleiss Saloon, the Smith Buildings and the Underground Historic Area.
- (b) LCCCA acknowledges that HPT intends to seek approval of this Agreement from the Orphans' Court of the Court of Common Pleas of Lancaster County, pursuant to Chapter 55 of the Nonprofit Corporation Law, 15 Pa.C.S. Section 5501 et seq., and Chapter 61 of the Pennsylvania Probate, Estates and Fiduciaries Code, 20

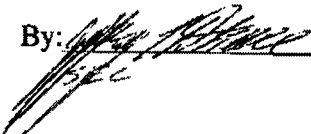
Pa.C.S. Section 6101 et seq. HPT agrees to use its best efforts to obtain such approval and to seek such approval promptly.

- (c) If the court approves this Agreement, such agreement shall thereupon constitute a valid and binding agreement as to damages pursuant to 26 P.S. Section 1-501

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

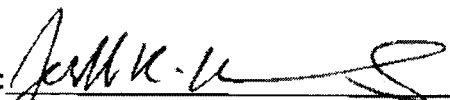
**THE HISTORIC PRESERVATION
TRUST OF LANCASTER COUNTY**

By: 
Vice President

By: 

**THE LANCASTER COUNTY
CONVENTION CENTER AUTHORITY**

By: 
Chairman C. TED DANIELS

By: 
Vice Chairman

SOUTH
QUEEN STREET

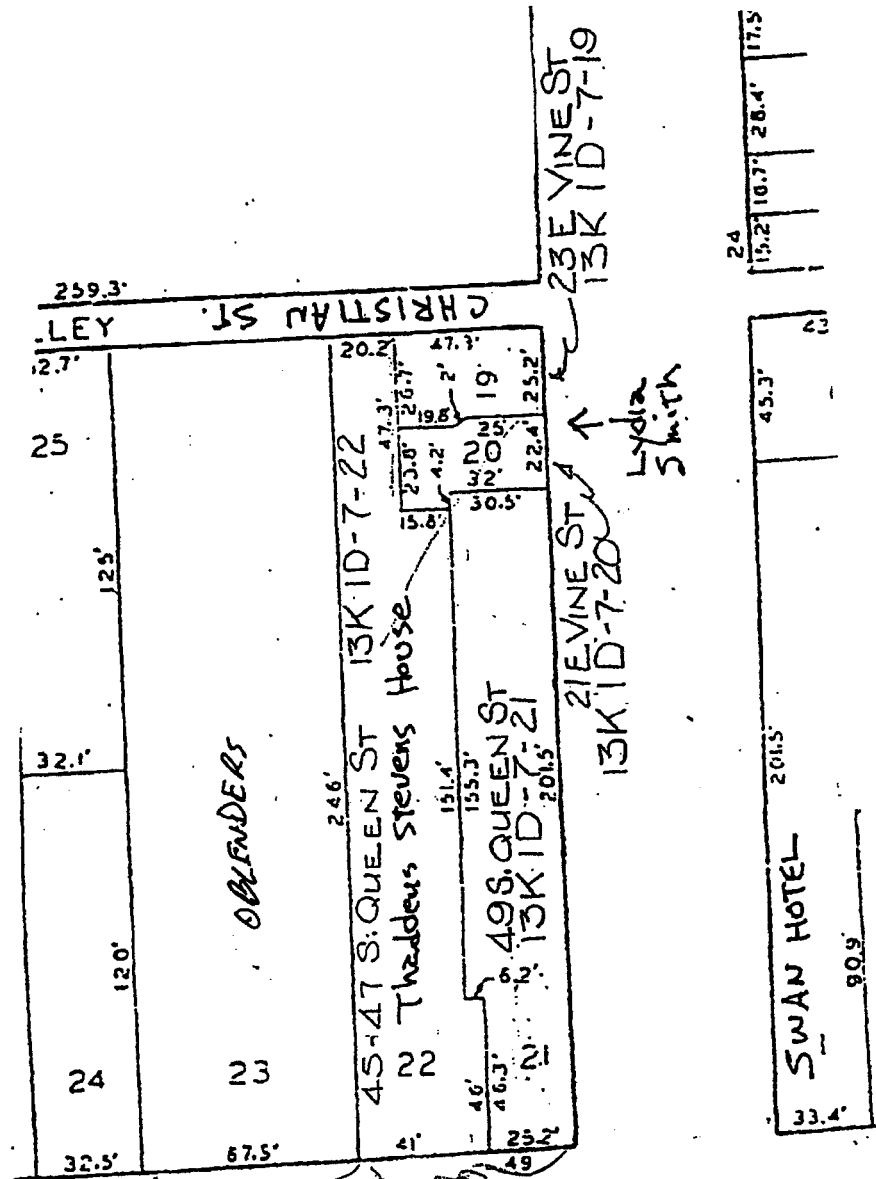


EXHIBIT
A

EXHIBIT B

**GRANT OF SUBSTITUTED EASEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS**

THIS GRANT OF SUBSTITUTED EASEMENT and DECLARATION OF RESTRICTIVE COVENANT (“Grant”), made this 30TH day of January , 2006, by and between THE LANCASTER COUNTY CONVENTION CENTER AUTHORITY an agency and instrumentality of the Commonwealth of Pennsylvania and a body politic and corporate under the laws of the Commonwealth of Pennsylvania, hereinafter called “**Grantor,**” and THE HISTORIC PRESERVATION TRUST OF LANCASTER COUNTY, a non-profit corporation organized under the laws of Pennsylvania, hereinafter called “**Grantee;**”

WITNESSETH THAT:

WHEREAS, Grantee is a charitable and non-profit corporation whose purpose is to preserve architecturally significant structures and sites, which have integrity of design, setting, materials and workmanship that contribute to the character of the City and County of Lancaster. Grantee’s further purpose is to facilitate public participation in the preservation of sites, buildings and objects significant in the history and culture of the City and County of Lancaster, Pennsylvania and environs, and the preservation and maintenance of grounds around such sites; and

WHEREAS, the Grantor is the owner of real estate located at 45-47 South Queen Street; 49 South Queen Street; 21 East Vine Street; 23 East Vine Street; 37-39 and 41-43 South Queen Street, all in the City and County of Lancaster, Pennsylvania (“Grantor’s Land”); and

WHEREAS, situate on a portion of Grantor’s Land are historic properties (“Historic Properties”), as follows:

(a) **Stevens House.** The original and historically significant residence and law office of Thaddeus Stevens is located at the forward portion of 45 and 47 South Queen Street. It is approximately 41 feet, 3 inches wide (measured outside edge-to-edge) at Queen Street and extends for a depth of approximately 35 feet 2 inches (measured from the outside front

wall to the outside rear wall). This property having the aforesaid dimensions is referred to as the "Stevens House" (and does not include the existing rear extension of the building, which rear extension measures approximately 38 feet by 18 feet).

(b) **Kleiss Saloon.** The structure located at the forward portion of 49 South Queen Street was a brewery and tavern operated by the Kleiss family and later owned by Thaddeus Stevens. The portion subject to this Agreement extends for a depth of approximately 57 feet (and does not include a rear extension which has a lower roofline than the forward portion). The portion subject to this Agreement is referred to as the "Kleiss Saloon."

(c) **Smith Buildings.** The two semi-detached buildings located at 21 and 23 East Vine Street were owned by Lydia Hamilton Smith. The land on which these buildings are located was owned by Thaddeus Stevens. These structures extend from the outside of the front facade a depth of approximately 20 feet 8 inches, and does not include a rear extension which has a lower roofline than the forward portion). The portion subject to this Agreement is referred to as the "Smith Buildings".

(d) **Underground Historic Area.** Located at the basement level between the Stevens House and the Kleiss Saloon on the west and the Smith Buildings on the east, this underground area ("Underground Historic Area") includes these structures (the "Underground Features"): two brick-walled cisterns, the northern and southern cellar walls of the Kleiss Saloon.

WHEREAS, the real estate described in the preceding recital and the improvements thereon are referred to as the "Easement Property"; and

WHEREAS, the remaining portions of Grantor's Land other than the Easement Property is referred to as the "Non-Easement Property"; and

WHEREAS, Grantor and Grantee recognize the significance in the history and culture of the City and County of Lancaster, of the Easement Property; and

WHEREAS, the grant of an easement by Grantor to Grantee, and the declaration of restrictive covenants by Grantor, will assist in preserving and maintaining the Easement Property;

NOW, THEREFORE, stating their intention to be legally bound hereby and in consideration of the promises herein contained, and for other good and valuable considerations, including the sum of One Dollar (\$1.00) in hand paid by Grantee to Grantor, the receipt of which is hereby acknowledged, Grantor does hereby grant and convey unto the said Grantee (and references herein to "Grantee" include Grantee's successors) a preservation easement, as more particularly described below, in and to the improvements located on the Easement Property.

The easement granted herein, to be of the nature and character hereinafter further expressed, shall constitute a binding servitude upon said Easement Property, and to that end Grantor hereby covenants on behalf of itself and its heirs, successors and assigns, with Grantee, its successors and assigns, such covenants being deemed to run as a binding servitude, in perpetuity, with the land, to do and to refrain from doing upon the Easement Property each of the following stipulations, which contribute to the public purpose in that they aid significantly in the preservation of the site in question, and hereby declare and impose the following restrictions upon the use and enjoyment of the Easement Property:

1. Without the express written permission of the Grantee or as expressly permitted herein, no construction, alteration, or remodeling shall be undertaken or permitted on the existing building on the Easement Property which would affect the exterior (including the roofs); provided, however, that (a) the maintenance, reconstruction, repair, repainting or refinishing of the exterior of any existing building, damage to which has resulted from casualty loss, deterioration, or wear and tear, shall be permitted without such written permission of Grantee, if such work is performed in a manner which will not materially alter the external appearance thereof as the appearance existed immediately before such casualty loss, deterioration or wear and tear; and (b) with the written permission of the Grantee, which shall not be unreasonably withheld, any building on the Easement Property may be rehabilitated or restored in accordance with U.S. Secretary of the Interior's Standards for the Rehabilitation of Historic Buildings.

2. Grantee acknowledges that Grantor intends to demolish the structures that are located on Non-Easement Property and to construct a convention center on all or portions of the Non-Easement Property. This instrument in no way affects the Non-Easement Property and shall not limit Grantor's demolition and construction activities on the Non-Easement Property, provided that, if such demolition or construction activities damage the Easement Property, Grantor promptly shall repair the damage, and further provided that if such demolition or construction activities change the flow of rain water, ice or snow to or from the Easement Property or the Non-Easement Property, the Grantor shall install and maintain suitable alternative arrangements so that provision is made for the flow of rain water, ice and snow in a manner that does not result in damage to the Easement Property or any structure thereon, alter the appearance of the Easement Property or limit use of the Easement Property to a greater extent than use of the Easement Property is limited by the flow of rain water, ice or snow on the date of this instrument. Grantee further acknowledges that Grantor may submit the Easement Properties and the Non-Easement Properties to the provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S. Section 3101, et seq., and this instrument in no way affects Grantor's right to do so.

3. Except as permitted by this paragraph 4, no signs, billboards or outdoor advertising structure not presently on the Easement Property shall be displayed on the Easement Property other than one sign on each Historic Property not exceeding four feet by six feet for each of the following purposes: (i) to state the name of the Easement Property and the name and address of the occupant(s); (ii) to advertise an activity permitted under zoning laws; and (iii) to advertise the Easement Property for sale or rental; provided, however, that this Paragraph 4 shall not limit the Grantee's right to display on each Historic Property, in its discretion, a small marker or sign evidencing its ownership of the easements granted herein and any other pertinent information. In addition a sign not exceeding the dimensions permitted by Lancaster City's ordinances or any determination of the Lancaster City Zoning Hearing Board may be maintained on each Historic Property to identify tenants located in that property or to which access is provided via that property.

4. There shall be no depositing or dumping of solid or liquid refuse, waste or junk upon the Easement Property. Any such materials shall be disposed of according to

applicable laws, rules and regulations of the Commonwealth of Pennsylvania, the County of Lancaster, and the City of Lancaster.

5. Representatives of the Grantee shall be permitted at reasonable times, which times shall be established in advance by Grantee by a minimum ten (10) days' written notice delivered to Grantor, to come upon the Easement Property: (i) to inspect for violation of any of the covenants herein, except that if the Grantee has reason to believe that violations are occurring or have occurred, the Grantee shall not be obligated to give ten (10) days' notice or any other notice whatsoever; and (ii) in its discretion, to display on each Historic Property a small marker or sign which states the name of the Grantee and advises that the Grantee owns the easement granted herein and any other pertinent information. With respect to (i) of this paragraph it is anticipated that the Grantee, by written notice to Grantor, will establish a date upon which Grantee shall come upon the Easement Property each year to inspect for violation of any of the covenants herein, and in such event ten (10) days' notice shall not thereafter be required for such annual inspections.

6. Except as provided herein or by other written agreement, Grantor reserves unto itself all rights, privileges, powers and immunities in and to the Easement Property, including without limitation the right of exclusive possession and enjoyment.

7. The Grantee shall have available all legal and equitable remedies to enforce the Grantor's obligations hereunder, and in the event that a court of competent jurisdiction in a final non-appealable order or verdict determines that Grantor has violated any of its material obligations under this Grant, the Grantor shall reimburse the Grantee for any costs or expenses incurred in connection therewith, including court costs and reasonable attorneys fees.

8. In case the Grantee shall fail substantially to enforce this easement and declaration or in case the Grantee's corporate existence shall cease, then its rights and duties hereunder shall succeed to fall upon the Pennsylvania Historical and Museum Commission, or its successors or nominees; but if no such entity acts in the capacity of Grantee, then upon such other organization having purposes similar to Grantee's and to which such rights and duties shall be awarded under the doctrine of cy pres by a Court of competent jurisdiction, provided,

however, that the same shall be qualified under Section 501(c)(3) of the United States Internal Revenue Code, as the same may be amended or changed from time to time.

9. If, on real estate adjacent to the Historic Properties, construction of a convention center is not commenced by December 31, 2015, Grantor shall convey the Easement Properties and each such entire lot on which an Easement Property is located to Grantee in fee simple, or if such properties are subject to a condominium regime, by transfer of condominium unit(s), subject to easements to be recorded substantially in the form of the Grant of Easement and Declaration of Restrictive Covenants dated December 27, 1983, by and between Lancaster III, a New Jersey limited partnership, and The Historic Preservation Trust of Lancaster County, which is recorded in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania, in Deed Book A, Volume 91, Page 455..

10. In the event that a survey is performed on the Easement Property, Grantor and Grantee shall cooperate with each other and execute any documents necessary to accurately recite the title to the Easement Property.

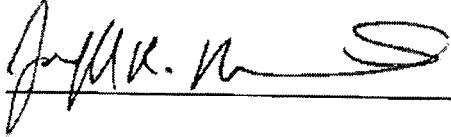
TO HAVE AND TO HOLD unto THE HISTORIC PRESERVATION TRUST OF LANCASTER COUNTY and its successors forever. The covenants agreed to and the restrictions imposed, as aforesaid, shall not only be binding upon the Grantor, but also upon its successors and assigns, and all other successors to it in interest, and shall continue as a servitude running in perpetuity with the Easement Property and shall survive any termination of Grantee's existence.

Acceptance by the Grantee of this grant is evidenced by the signature of its officer hereto.

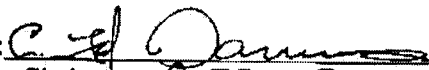
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IN WITNESS THEREOF, the Grantor and Grantee have caused this Grant of Easement and Declaration of Restrictive Covenants to be duly executed and their seals to be hereto affixed, all as of the day, month and year first above written.

ATTEST:



THE LANCASTER COUNTY
CONVENTION CENTER AUTHORITY

By: 
Chairman C. TED DARIUS

THE HISTORIC PRESERVATION TRUST OF
LANCASTER COUNTY



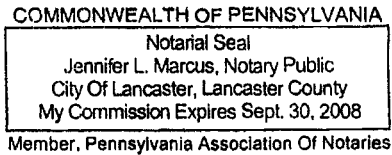
By: 
Vice President

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF LANCASTER)

ON THIS, the 30th day of January, 2006, before me, the undersigned officer, personally appeared J. Elvin Kraybill, Supreme Court I.D. #17324, known to me (or satisfactorily proven) to be a member of the bar of the highest court of said state and a subscribing witness to the within instrument, and certified that he was personally present when Jeffrey L. Druce, Secretary, and Clark P. Hess, Vice President, of Historic Preservation Society of Lancaster County, whose name is subscribed to the within instrument executed the same and that said person has acknowledged that they executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

Jennifer L. Marcus
Notary Public



COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF LANCASTER)

ON THIS, the 30th day of January, 2006, before me, the undersigned officer, personally appeared J. Elvin Kraybill, Supreme Court I.D. #17324, known to me (or satisfactorily proven) to be a member of the bar of the highest court of said state and a subscribing witness to the within instrument, and certified that he was personally present when C. Ted Darcus, Chairman, and Joseph R. Morales, Vice Chairman, of Lancaster County Convention Center Authority, whose name is subscribed to the within instrument executed the same and that said person has acknowledged that they executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

Jennifer L. Marcus
Notary Public

