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STATE OF TEXAS §
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COUNTY OF DALLAS §

**ECONOMIC DEVELOPMENT INCENTIVE
AGREEMENT**

This Economic Development Incentive Agreement ("Agreement") is made by and among the Town of Addison, Texas ("City"), VOP, LP, a Delaware limited partnership ("VOP"), and GF III VOP, LP, a Delaware limited partnership ("GF III") (in this Agreement, the City, VOP and GF III are sometimes referred to together as the "parties" and individually as a "party").

Recitals:

1. VOP is the sole owner of all of Lots 1A, 1B, and 2A of the Village on the Parkway, a subdivision located within the City, as described and shown on the Amended Replat of Lot 1A, Lot 1B & Lot 2A, Village on the Parkway, filed of record in Volume 2001019, Page 914, Official Public Records of Dallas County, Texas ("Property"). GF III directly or indirectly owns all of the beneficial ownership interest in VOP and intends to provide equity funding to VOP in connection with the fulfillment of VOP's obligations hereunder.

2. The Property, consisting of approximately 30.7141 acres, is developed and used as a retail shopping center that includes a variety of stores, restaurants, and other businesses ("Village on the Parkway"). A depiction of the Property and a list of Tenants as of the date of execution by VOP is attached to this Agreement as Exhibit 1 and incorporated herein. As of the Effective Date, the Village on the Parkway, while occupying a prime location within the City, is under-serving the community and is suffering from age and functional obsolescence that has resulted in a rapidly growing vacancy rate and a limited tenant mix. The annual amount of sales and use tax paid to the City from the sale of taxable items at the Village on the Parkway has been represented by VOP to be, as of the Effective Date, approximately \$300,000.00.

3. VOP desires and intends to redevelop the Property, and GF III desires and intends to provide funding to redevelop the Property, in order to make the Village on the Parkway a destination major retail center through design revision, major alterations, and the securing of marquee anchor tenants that will draw patrons and facilitate attracting high quality, first class retail, dining and entertainment tenants to the Village on the Parkway. Those anchor tenants are expected to include a Specialty Food Store and Movie Theater as those terms are defined herein.

4. In addition, as part of the redevelopment of the Village on the Parkway, VOP intends, among other things, to:

- construct a new approximately 32,000 square foot building to be occupied by the Specialty Food Store;
- construct the Movie Theater;
- demolish approximately 150,000 square feet of existing space, including the 3-story building recently occupied by Bed Bath & Beyond and the Block 200 retail strip located at the south end of the Property;

- upgrade existing buildings that are not to be demolished by painting them using a new color palette coordinated with the new buildings to be constructed, providing improvements to some storefront facades, and providing some new signs;
- install enhanced landscaping;
- install lighting upgrades;
- encourage and promote attractive outdoor dining;
- construct new parking, including a new parking structure in an area at the south end of the Property that is adjacent to the Movie Theater;
- make infrastructure improvements within and adjacent to the Property.

5. VOP and GF III anticipate that in excess of \$75,000,000 will be spent by VOP and others in the acquisition of and redevelopment of the Village on the Parkway as described herein.

6. The redevelopment of the Village on the Parkway and the increased tenancy resulting therefrom will have a positive and significant effect on employment within the Village on the Parkway.

7. VOP and GF III have advised the City that a contributing factor that would induce VOP to redevelop the Village on the Parkway and for GF III to provide funding to redevelop the Village on the Parkway would be an agreement by the City to provide an economic development grant to GF III to defray a portion of the cost of the redevelopment.

8. The City Council is authorized by Section 380.001 of the Texas Local Government Code to establish and provide for the administration of programs, including programs for making grants of public money to promote local economic development and to stimulate business and commercial activity in the City. The City has heretofore adopted an economic development program, and policies and procedures for the program, pursuant to Section 380.001, and this Agreement is entered into pursuant to the same.

9. The City has determined that making a grant as set forth herein will stimulate business and commercial activity in the City, will further the objectives of the City, will benefit the City and the City's inhabitants, will encourage and promote employment, and will promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, for and in consideration of the foregoing, and on the terms and conditions hereinafter set forth, the City, VOP and GF III do hereby agree as follows:

ARTICLE I **TERM**

This Agreement shall be effective on the date the last of the parties executes this Agreement ("Effective Date") and, subject to the earlier termination of this Agreement, continue

until and terminate on April 30 of the year immediately following the Final Year (hereinafter defined in Article II) (the “Term”).

ARTICLE II **DEFINITIONS**

Wherever used in this Agreement, the following terms shall have the respective meanings ascribed to them:

- (a) “Casualty” means the Village on the Parkway is wholly or partially destroyed by fire, earthquake, flood or similar casualty that renders the Village on the Parkway unfit for the intended purpose.
- (b) “City” means the Town of Addison, Texas.
- (c) “Commencement of Construction” means that the bona fide plans for construction or reconstruction of a building, prepared by an architect licensed by the State of Texas to practice architecture, have been prepared and submitted to the City (and any other governmental authorities as may be required) for review and consideration of approval thereof.
- (d) “Completion of Construction” means that (i) the Improvements have been substantially completed, (ii) a certificate of substantial completion has been issued by the general contractor(s) and architect(s) for all Improvements, and a copy of such certificate has been delivered to the City, (iii) a final, permanent certificate(s) of occupancy has been issued for those Improvements that require a certificate of occupancy by the City, and (iv) the Improvements are fully operational and open for business to the general public.
- (e) “Comptroller Report” means information provided by the State Comptroller of Public Accounts pursuant to a request from the City under Section 321.3022(b) of the Texas Tax Code, as amended, for annual Sales and Use Tax paid to the City by each Tenant doing business at the Property.
- (f) “Event of Force Majeure” means any unforeseen circumstance, occurrence or event beyond the reasonable control of the party affected and which, by the exercise of due diligence, such party is unable to prevent, including acts of God (being an occurrence that is the result of natural causes that could not have reasonably been foreseen and guarded against), acts of the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by or resulting from an act or omission of the party), fires, explosions or floods, strikes, work slowdowns, or work stoppages.
- (g) “Final Year” means the calendar year that is the 19th year after the year that includes the Stabilization Date, but in any event not later than 2036.
- (h) “Half Year” means the calendar period from January 1 through June 30.
- (i) “Impositions” means all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed,

charged, levied, or imposed by any public or governmental authority on VOP or any property or any business owned or controlled by VOP, or which owns or controls VOP, within the City.

(j) “Improvements” means the construction of new buildings and improvements (and the corresponding demolition of other buildings and related facilities), and the remodeling and reconstruction of (including any addition to) existing improvements, on the Property and certain other improvements on and adjacent to the Property, including without limitation certain parking, landscaping, and infrastructure improvements, as described and depicted in Exhibit 2 attached hereto and incorporated herein and as further described in the submittals filed with the City in order to obtain a building permit(s) from time to time.

(k) “Include(s)” and “including” are terms of enlargement and not of limitation or exclusive enumeration, and use of the terms does not create a presumption that components not expressed are excluded.

(l) “Movie Theater” means a multi-screen, state of the art movie theater consisting of approximately 45,000 square feet of total floor area that is at least the quality of and comparable to the AMC theatre located in the Randhurst Village shopping center located in the Village of Mount Prospect, Illinois (see attached Exhibits 2 and 5 that depict the same).

(m) “Note” means that certain Promissory Note dated as of the Effective Date and executed by the City in favor of GF III, which evidences the City’s obligation to make payments in accordance with this Agreement, the form of which is attached hereto as Exhibit 6.

(n) “Person” means and includes an individual, corporation, organization, business trust, estate, trust, partnership, limited liability company, association, and any other legal entity.

(o) “Property” means all of Lots 1A, 1B, and 2A of the Village on the Parkway, a subdivision located within the City, as described and shown on the Amended Replat of Lot 1A, Lot 1B & Lot 2A, Village on the Parkway, filed of record in Volume 2001019, Page 914, Official Public Records of Dallas County, Texas, together with the buildings and all other improvements located thereon (“Property”).

(p) “Sales and Use Tax” means the one percent (1%) sales and use tax imposed by the City pursuant to Chapter 321 of the Texas Tax Code (and any successor statute thereto) on the receipts from the sale at retail of Taxable Items by a Tenant consummated within the Village on the Parkway.

(q) “Sales Tax Grant” means an economic development grant which may be paid to GF III from lawfully available funds as hereinafter set forth.

(r) “Sales Tax Grant Year” means the calendar year next following the applicable Threshold Year.

(s) “Sales Tax Receipts” means the City’s actual receipts from the State of Texas from the collection of Sales and Use Tax.

(t) “Semi-annual Comptroller Report” means information provided by the State Comptroller of Public Accounts pursuant to a request from the City under Section 321.3022(b)

of the Texas Tax Code, as amended, for Half Year Sales and Use Tax paid to the City by each Tenant doing business at the Property.

(u) “Specialty Food Store” means a Whole Foods Market grocery store (see attached Exhibits 2 and 5, <http://www.wholefoodsmarket.com>).

(v) “Stabilization Date” means January 1 of the calendar year that follows the end of the 12 month period that begins with the date of the opening of the Specialty Food Store or the opening of the Movie Theater, whichever opening is later, but shall in any event not be later than January 1, 2017. For purposes hereof, an opening shall be deemed to have occurred on the date that the City issues a final certificate of occupancy.

(w) “State of Texas” means the office of the Texas Comptroller, or its successor.

(x) “Tangible Personal Property” has the same meaning assigned by Section 151.009, Tex. Tax Code, as amended or superseded.

(yz) “Taxable Items” has the same meaning assigned by Section 151.010, Tex. Tax Code, as amended or superseded.

(z) “Total Half Year Sales Tax” means the total Sales and Use Tax from the sale of Taxable Items consummated at the Village on the Parkway in a Half Year.

(aa) “Total Sales Tax” means the total Sales and Use Tax from the sale of Taxable Items consummated at the Village on the Parkway in a calendar year.

(bb) “Tenant” means any Person that occupies any portion of the Property pursuant to a valid lease or sublease.

(cc) “Threshold Sales Tax” means the sum of \$300,000.00.

(dd) “Threshold Half Year” means any Half Year in which the Total Half Year Sales Tax exceeds the Threshold Sales Tax.

(ee) “Threshold Year” means any calendar year in which the Total Sales Tax exceeds the Threshold Sales Tax.

(ff) “Village on the Parkway” means a retail shopping center, where the rentable square feet is used and occupied predominantly by retailers, restaurants, and personal service providers (e.g, tailor, photographer/art studio, barber/beauty shop, travel bureau, etc.) (or if not used and occupied, is being marketed only for use and occupancy by such entities), and that includes a variety of stores, restaurants, and other businesses located in multiple buildings entirely within the Property.

ARTICLE III **ECONOMIC DEVELOPMENT GRANT**

3.1 **Sales Tax Grant.** Subject to VOP’s satisfaction of and compliance with all of the terms and conditions of this Agreement, the City agrees to provide GF III with the Sales Tax Grants in accordance with this Agreement. The City has executed and delivered the Note to

GF III to further evidence the Sales Tax Grants to be paid hereunder. Payments pursuant to this Agreement and under the Note shall be computed as provided below, and shall be due and payable at the times and in the amounts provided herein:

(a) During the Term of this Agreement, a Sales Tax Grant (or a Half Year Sales Tax Grant as described in subsection (c) of this Section 3.1, below) shall be provided only if the Total Sales Tax (or, with respect to a Half Year Sales Tax Grant, the Total Half Year Sales Tax) exceeds the Threshold Sales Tax (and in such event, a Sales Tax Grant shall be provided during the applicable Sales Tax Grant Year (or, with respect to a Half Year Sales Tax Grant, a Half Year Sales Tax Grant shall be provided during the applicable period set forth herein) in accordance with and subject to the terms, conditions, and provisions of this Agreement).

To determine if the Total Sales Tax (or Total Half Year Sales Tax, as applicable) exceeds the Threshold Sales Tax, each year during the Term of this Agreement after the year in which the Stabilization Date occurs, VOP and/or GF III will, on or prior to February 1 of each such year with respect to Total Sales Tax (or on or prior to August 1 with respect to Total Half Year Sales Tax), submit to the City a written request that the City request from the Comptroller a Comptroller Report for the prior year (or, with respect to a Half Year, a Semi-annual Comptroller Report for the Half Year). Upon receiving such request, the City will make the Comptroller Report (or Semi-Annual Comptroller Report, as applicable) request to the Comptroller. In connection with the City's making the Comptroller Report (or Semi-Annual Comptroller Report, as applicable) request, VOP and GF III shall provide such information to the City as may be required by the Comptroller to issue the Comptroller Report (or Semi-Annual Comptroller Report, as applicable) (e.g., the correct name and address of all tenants and subtenants of the Village on the Parkway that remit Sales and Use Tax).

Upon its receipt of a Comptroller Report or a Semi-annual Comptroller Report, the City may review the same for purposes of determining its accuracy and conduct any investigation regarding the Comptroller Report or Semi-annual Comptroller Report as the City deems appropriate or necessary. If the City determines that corrections to a Comptroller Report or Semi-annual Comptroller Report are needed, the City may request that the Comptroller make those corrections, and if a revised Comptroller Report or Semi-annual Comptroller Report is thereafter issued, the revised Comptroller Report or Semi-annual Comptroller Report shall control.

(b) If a Threshold Year occurs, as evidenced by a Comptroller Report, GF III may make a request for a Sales Tax Grant. Such request shall be presented to the City on or before the last day of March of the corresponding Sales Tax Grant Year. For purposes of this Agreement, the first year which may be a Threshold Year shall be the calendar year that includes the Stabilization Date, and the last year which may be a Threshold Year shall be the Final Year.

For any year in which a Semi-annual Comptroller Report is issued, if a Threshold Half Year occurs, as evidenced by the Semi-annual Comptroller Report, GF III may make a request for a Half Year Sales Tax Grant (as defined in subsection (c) of this Section 3.1, below). Such request shall be presented to the City on or before the last day of September following the corresponding Threshold Half Year.

(c) (i) Except as set forth in paragraph (iii) of this subsection (c), Sales Tax Grants provided to GF III during a Sales Tax Grant Year based on an annual Comptroller Report shall be an amount determined by the following formula: (i) Total Sales Tax for the Threshold Year, minus (ii) the Threshold Sales Tax, times (iii) seventy-five percent (75%).

(ii) A Sales Tax Grant provided to GF III applicable to a Threshold Half Year based on a Semi-annual Comptroller Report shall be an amount determined by the following formula: (i) Total Half Year Sales Tax for the Threshold Half Year, minus (ii) the Threshold Sales Tax, times (iii) seventy-five percent (75%) (such Sales Tax Grant being a "Half Year Sales Tax Grant").

(iii) If the City pays a Half Year Sales Tax Grant, the calendar year that includes the Half Year on which the Half Year Sales Tax Grant is based will consequently be a Threshold Year (subject, however, to adjustments as set forth herein, including Sections 4.2 and 4.3). In such an instance, a Sales Tax Grant provided to GF III during the Sales Tax Grant Year corresponding to such Threshold Year, based on an annual Comptroller Report, shall be an amount determined by the following formula: (i) Total Sales Tax for the Threshold Year, minus (ii) the Threshold Sales Tax, times (iii) seventy-five percent (75%), minus (iv) the Half Year Sales Tax Grant.

Examples:

(1) Assume that the Specialty Food Store opens on March 15, 2014 and the Movie Theater opens on June 15, 2014; the Stabilization Date is the January 1 that follows the end of the 12 month period that begins with the date of the opening of the Movie Theater (the 12-month period ending on June 14, 2015), and therefore January 1, 2016 is the Stabilization Date; and therefore 2016 must be the first year that may be a Threshold Year. In 2016, Total Sales Tax (as determined by a Comptroller Report) = \$400,000.00, and therefore 2016 is a Threshold Year.

In 2017 (the corresponding Sales Tax Grant Year), a Sales Tax Grant applicable to 2016 is calculated as follows:

(i) \$400,000.00		(Sales	Tax
		Receipts	for
		2016)	
	minus		
(ii) \$300,000.00		(Threshold	
		Sales Tax)	
(iii) Difference between (i) and (ii):	\$100,000.00		
(iv) Sales Tax Grant (75% of (iii)):	\$ 75,000.00	(due to GF III for 2016).	

(2) In 2018, Total Sales Tax (as determined by a Comptroller Report) = \$290,000.00; since the Total Sales Tax for 2018 does not exceed the Threshold Sales Tax (\$300,000.00), 2018 is not a Threshold Year; 2019 is therefore not a Sales Tax Grant Year for which a Sales Tax Grant will be provided to GF III

(3) In 2019, following VOP's timely request, the City obtains a Semi-annual Comptroller Report that shows Total Half Year Sales Tax (January through June, 2019) of \$350,000.00. In 2020, following VOP's timely request, the City obtains a Comptroller Report for 2019 that shows Total Sales Tax for 2019 to be \$450,000.

Since the Total Half Year Sales Tax (\$350,000.00) exceeds the Threshold Sales Tax (\$300,000.00), the Half Year is a Threshold Half Year, and a Half Year Sales Tax Grant is calculated as follows:

(i) \$350,000.00	(Sales Tax Receipts for Half Year (January through June, 2019))
minus	
(ii) \$300,000.00	(Threshold Sales Tax)
(iii) Difference between (i) and (ii):	\$50,000.00
(iv) Half Year Sales Tax Grant (75% of (iii)): to GF III for the Half Year of 2019).	\$37,500.00 (due to GF III for the Half Year of 2019).

Since the Total Sales Tax (\$450,000.00) for 2019 exceeds the Threshold Sales Tax (\$300,000.00), 2019 is a Threshold Year, and 2020 the corresponding Sales Tax Grant Year. A Sales Tax Grant applicable to 2019 is calculated as follows:

(i) \$450,000.00	(Sales Tax Receipts for 2019)
minus	
(ii) \$300,000.00	(Threshold Sales Tax)
(iii) Difference between (i) and (ii):	\$150,000.00
(iv) 75% of (iii):	\$112,500.00

(v) Less Half Year Sales Tax Grant	\$ 37,500.00
(vi) Sales Tax Grant due to GF III for 2019	\$ 75,000.00

3.2 **Sales Tax Grant Payment.** The Sales Tax Grant applicable to a Threshold Year shall be paid to GF III on or before April 1 of the corresponding Sales Tax Grant Year (provided a determination has been made in accordance with this Agreement that a year is a Threshold Year; if such determination has not been made by April 1, a Sales Tax Grant shall be paid promptly following the making of such determination in accordance with the City's payment practices). The Half Year Sales Tax Grant applicable to a Threshold Half Year shall be paid to GF III on or before October 1 following the corresponding Half Year (provided a determination has been made in accordance with this Agreement that a Half Year is a Threshold Half Year; if such determination has not been made by October 1, a Half Year Sales Tax Grant shall be paid promptly following the making of such determination in accordance with the City's payment practices).

3.3 **Current Revenue.** The Sales Tax Grants made hereunder shall be paid solely from lawfully available funds that have been appropriated by the City. The City shall have no obligation or liability to pay any funds or payments hereunder or under the Note except as allowed by law. The City shall not be required to pay any funds or payments hereunder or under the Note if prohibited or not authorized under federal, state or local laws (including any constitutional or charter provision), regulations, rules or a decision of a court of competent jurisdiction or state agency or department (including the Texas Attorney General), and any funds or payments paid pursuant to this Agreement which are so prohibited or unauthorized shall be promptly reimbursed by GF III (which obligation shall survive the expiration or termination of this Agreement).

The City's payment obligations of Sales Tax Grants as set forth in this Agreement, subject to all of the terms and conditions regarding the same set forth in this Agreement, may be pledged by VOP or GF III to any bank, financial institution or lender. However, the City shall not be obligated to pay any commercial bank, similar institution, or lender for any loan, credit agreement, or other similar arrangement made by VOP or GF III (but for the avoidance of doubt, shall make Sales Tax Grants otherwise due hereunder to any such lender, if so directed by VOP and GF III). This Agreement shall in no event be or constitute a negotiable instrument or note, whether in connection with any such pledge or otherwise.

Notwithstanding any other provision of this Agreement, in connection with the payment of Sales Tax Grants (or any portion thereof) to GF III, if the City fails to make any such payment, either VOP or GF III shall submit a request for the same within six (6) months after the right to receive the same accrues to GF III. Upon receipt of request from VOP or GF III, the City shall forward written acknowledgment of receipt of said request. If either VOP or GF III fails to submit such a request within the said six (6) month period of time, the City shall have no obligation to make such payment to GF III.

3.4 **Grant Funds.** Under no circumstances shall any Sales Tax Grant include any City receipts from the State of Texas from the City's imposition of sales and use tax for the sale of Taxable Items consummated at any location, business, establishment, or entity in the City, other than at the Village on the Parkway. Any Sales Tax Grant payable hereunder (and in connection herewith, under the Note) is limited to the extent that the City has actually received in

hand Sales Tax Receipts. The City shall not be required to provide any Sales Tax Grant to GF III for any Threshold Year during the Term of this Agreement for which the City has not received Sales Tax Receipts sufficient to make such year a Threshold Year.

3.5 **Additional Economic Incentives.** In addition to the Sales Tax Grant, the City agrees, subject to and to the extent allowed by law, as follows:

(a) *Sakowitz Drive.* The City will work with VOP and GF III and other owners of property that own the fee simple title to the land that comprises Sakowitz Drive for the purpose of seeking ways to convey the City's interest in Sakowitz Drive to VOP and the other property owners (or to abandon the City's interest in Sakowitz Drive), but only upon VOP's written request. If it is reasonably determined by VOP and the other owners of the fee simple title to the land abutting Sakowitz Drive, and by the City, that VOP and the other owners own the fee simple title to the land underlying Sakowitz Drive proportionate to their ownership of the land abutting Sakowitz Drive (and that, accordingly, the City's interest in Sakowitz Drive is that of an easement only), then subject to law (including Section 272.001(b), Tex. Loc. Gov. Code) and in accordance with the City's processes, the City will, without compensation from VOP, abandon its interest in Sakowitz Drive (save and except for the City's interest in water, sanitary sewer, drainage, and all other City utility services, with the City retaining an easement for such services). If the City's interest is so conveyed or abandoned, the portion of Sakowitz Drive conveyed to VOP (or abandoned by the City and the fee simple title to which is owned by VOP) will be incorporated by VOP into the Village on the Parkway for the purpose of providing parking for patrons of the Village on the Parkway.

(b) *Traffic Study.* The City will commission an independent traffic study ("Traffic Study") to determine the traffic impact of the Improvements, including the Movie Theater to be constructed adjacent to the driveway located in the southeast portion of the Village on the Parkway that provides ingress and egress between the Village on the Parkway and Montfort Street (such driveway being marked with an "X" on Exhibit 1 attached hereto and incorporated herein) (the "Montfort Driveway"). The City agrees to provide to VOP, for its review and comment, copies of drafts and the final version of the Traffic Study within ten days of receiving such drafts and final version from the traffic consultant undertaking the Traffic Study.

(c) *Montfort Traffic Signal.* If warranted, as determined by the Traffic Study, the City shall pay for capital expenses related to potential signalization on Montfort in the area adjacent to the Montfort Driveway, and additionally, to pay expenses related to improvements that the City may determine are needed on Montfort Street in the area adjacent to the Montfort Driveway to handle increased traffic, if any.

(d) *Tree Mitigation.* In connection with VOP's redevelopment of the Property, VOP has determined that it will need to remove certain existing trees from the Property ("Existing Trees") (see a schedule and location map of the existing trees to be removed attached hereto as Exhibit 3 and incorporated herein). The City's landscaping regulations, included in Article XXI of Appendix A – Zoning of the City's Code of Ordinances, provide in Section 8.B. thereof that (i) a property owner must replace trees that are removed, but (ii) in lieu of such replacement and if approved by the City, the property owner may pay a one-time fee to the City. An independent appraisal has been previously conducted to determine the value of the Existing Trees, and that appraisal determined that, if VOP were to make a payment to the City in lieu of replacing the Existing Trees, the payment would be in the amount of \$592,411.36 (the "Tree Mitigation").

Amount”). The City has determined that certain of the Existing Trees are in poor condition, and therefore the City will give to VOP a credit of \$168,026.38 (the value of the Existing Trees in poor condition) against the Tree Mitigation Amount. If the Existing Trees (or any portion thereof) are removed, the difference between the Tree Mitigation Amount and the credit - \$424,384.98 (the “Net Tree Mitigation Amount”) – will be paid by VOP to the City in five equal installments, with the first such installment due and payable on or before January 31 of the 10th calendar year after the year that includes the Stabilization Date and each of the four remaining installments due and payable on or before January 31 of each of the four years thereafter; however, if this Agreement is terminated or otherwise ends for any reason prior to any of those installment due dates, VOP’s obligation to make the installment payments for tree mitigation shall survive such termination; if such termination occurs in or prior to the 8th calendar year after the year that includes the Stabilization Date, the first such installment shall be due and payable on the January 31st of the year next following, and each of the four remaining installments shall be due and payable on or before January 31 of each of the four years thereafter. No trees, including the Existing Trees, shall be removed, in any manner whatsoever, from or adjacent to the Property without the City’s prior approval either granted in writing or by approval of a site plan or development plan designating the trees to be removed, and the removal of any trees shall be performed and shall in all things subject to the ordinances, rules and regulations of the City. Any sale or ground lease of the Property or any portion thereof shall clearly reflect the obligation of the owner (or ground lessor) of the Property to pay the Net Tree Mitigation Amount (and VOP shall provide , and such obligation shall be and constitute a covenant running with the Property.

ARTICLE IV **CONDITIONS TO ECONOMIC INCENTIVES**

4.1 **Conditions.** The City’s obligation to pay the Sales Tax Grants, and to provide the additional economic incentives described in Section 3.5, are and shall be conditioned upon and subject to VOP’s compliance with and satisfaction of all of the terms and conditions of this Agreement, including without limitation each of the conditions set forth below:

(a) *Commencement, Completion of Construction; Demolition.* Commencement of Construction of the Specialty Food Store on or before December 31, 2013; and Completion of Construction of the Improvements on or before December 31, 2016 without cost to the City, subject to delays due to an Event of Force Majeure (and such date will be extended for such period of delay). In connection with the construction of the Improvements, VOP shall demolish and remove the building and related facilities as shown on the Demolition Plan attached hereto as a part of Exhibit 2.

(b) *Redevelopment Costs, Construction Plans.* For the construction, reconstruction, and redevelopment of the Village on the Parkway, including the construction of the Improvements and the other improvements generally described in paragraph 4 of the Recitals above, VOP and Tenants including, but not limited to the Tenants of the Specialty Food Store and the Movie Theater, shall have collectively expended, by no later than December 31, 2016, at least \$44,000,000.00 in hard costs (i.e., the costs of construction, demolition, landscaping, and directly related costs) and soft costs (i.e., architectural and engineering costs, legal costs, building permit and related costs, and similar costs directly related to the hard costs) (but such hard costs and soft costs shall exclude any costs related to the purchase or acquisition of the Property) (“Redevelopment Cost Amount”). The Redevelopment Cost Amount (i) consists solely of the cost of those hard costs and soft costs items identified in Exhibit 4 attached hereto

and incorporated herein (the “Redevelopment Costs”) and no other costs, fees, or expenses, and (ii) shall be expended only according to development/redevelopment plans for the Property and Village on the Parkway that are agreed upon by the parties (which plans shall substantially conform to the drawings, photographs and depictions shown on Exhibit 2 and Exhibit 5 attached hereto and incorporated herein).

Prior to any construction, reconstruction or redevelopment of the Property and the Village on the Parkway as contemplated by this Agreement, VOP shall submit plans and specifications prepared by a design professional (architect or engineer) for the same, including plans and specifications for the Improvements, to the City for the City’s review and consideration of approval. For purposes of this Agreement, plans and specifications shall be deemed approved by the City if such plans and specifications are approved *in writing* by the City Manager or the City Manager’s designee.

Upon the completion of any construction, reconstruction or redevelopment of the Property, including the completion of construction of the Improvements or any of them, VOP shall thereafter promptly present to the City evidence of the Redevelopment Costs therefor (and for any construction, reconstruction or redevelopment for which a certificate of occupancy from the City is required, such evidence shall be presented to the City not later than 30 days after the date of the City’s issuance of a final certificate of occupancy). Such evidence shall be as follows:

(i) it shall include true and correct copies of all invoices, receipts or other documents or records indicating the nature of the Redevelopment Costs and work performed applicable thereto, the actual cost thereof, the amount actually paid and evidence of payment for such Redevelopment Costs (collectively, “Invoices”), and such other information as the City may request; or

(ii) in lieu of Invoices, VOP may present to the City as evidence of the expenditure of the Redevelopment Costs a certification signed by an authorized officer or representative of the person or entity that expended Redevelopment Costs (i.e., VOP or a Tenant) that (i) either specifically states the amount of Redevelopment Costs expended or states that the expenditure of Redevelopment Costs exceeded a specified amount (e.g., that the expenditure of Redevelopment Costs exceeded \$2,000,000.00) and (ii) specifically identifies the Improvement(s) (or other improvements generally described in paragraph 4 of the Recitals above) for which such Redevelopment Costs were expended. Such certification shall be in a form reasonably acceptable to the City and notarized by a duly authorized Notary Public.

With each such presentation, VOP shall include a written statement of the cumulative amount to date of the Redevelopment Costs incurred and paid by VOP or Tenants.

(c) *The Specialty Food Store.*

(i) VOP shall have, not later than December 31, 2012, entered into a lease of at least ten (10) years with the Specialty Food Store of an approximately 32,000 square foot building within the Property to be constructed by VOP and to be located as shown on the attached Exhibit 2 and Exhibit 5 (the “Specialty Food Store Site”); and not later than December 31, 2014, the Specialty Food Store, owned and operated by the

Specialty Food Store, shall be occupied and be open to the public for business at the Specialty Food Store Site.

(ii) From and after the opening of the Specialty Food Store to the public for business, the Specialty Food Store Site shall be continuously used and operated for (a) specialty food grocery store purposes (that is, the operation of a specialty food grocery store by the Specialty Food Store), (b) other specialty food grocery store ("Other Specialty Grocery Store") purposes (that is, the sale by a specialty food grocery store that specializes in providing and emphasizes as a predominant part of its business the retail sale of, among other items typically found in grocery stores, artisanal, gourmet, natural, organic, and local products (e.g., like the Specialty Food Store) as may be agreed to by the City in its sole discretion, (c) other grocery store ("Grocery Store") purposes as may be agreed to by the City in its sole discretion, or (di) other purposes as may be agreed to by the City in its sole discretion (the provider of such other purposes being an "Other Purpose Business"). However, the parties recognize that such continuous use may be interrupted by (x) a Casualty, (y) an Event of Force Majeure, or (z) the Specialty Food Store, the operator of an Other Specialty Grocery Store (as may be agreed to by the City in its sole discretion), the operator of a Grocery Store (as may be agreed to by the City in its sole discretion), or the operator of an Other Purposes Business (as may be agreed to by the City in its sole discretion) discontinuing its business at and vacating the Specialty Food Store Site ("Food Store Site Discontinuance").

In the event such use and operation is interrupted by a Casualty or an Event of Force Majeure, such use and operation shall be excused provided repairs to and restoration of the property at the Specialty Food Store Site are promptly commenced and diligently pursued to completion within twelve (12) months after such Event of Force Majeure or Casualty.

In the event such use and operation is interrupted by a Food Store Site Discontinuance, such use and operation shall be excused for the period following the Food Store Site Discontinuance and until the Specialty Food Store Site is occupied by an Other Specialty Grocery Store as may be agreed to by the City in its sole discretion, a Grocery Store as may be agreed to by the City in its sole discretion, or an Other Purpose Business as may be agreed to by the City in its sole discretion; provided that during such period the Specialty Food Store Site is being diligently marketed by VOP for use and occupancy.

Notwithstanding anything to the contrary in this subsection (ii), it shall not be a default hereunder if the Specialty Food Store ceases operation for not more than three (3) calendar months during any twenty-four (24) month period for purposes of renovation and/or remodeling thereof.

(d) *The Movie Theater.*

(i) VOP shall have, on or prior to December 31, 2013, entered into a lease of at least ten (10) years with the Movie Theater (or such other theater agreed by the City to be an acceptable comparable, which agreement shall not be unreasonably withheld), of an approximately 45,000 square foot building within the Property located as shown on

the attached Exhibit 2 and Exhibit 5 (the “Movie Theater Site”); and not later than December 31, 2016, the Movie Theater operator, or such other theater operator agreed by the City to be an acceptable comparable, shall have occupied and opened to the public for business the Movie Theater.

(ii) From and after the opening of the Movie Theater to the public for business, the Movie Theater Site shall be continuously used and operated for (a) movie theater purposes (i.e., the provision of a movie theater, movies, and related services comparable to those provided by the Movie Theater), (ii) other movie theater (“Other Theater”) purposes as may be agreed to by the City, (iii) other purposes provided by an Other Purposes Business as may be agreed to by the City. However, the parties recognize that such continuous use may be interrupted by (x) a Casualty, (y) an Event of Force Majeure, or (z) the Movie Theater, the operator of an Other Theater, or the operator of an Other Purposes Business discontinuing its business at and vacating the Movie Theater Site (“Theater Site Discontinuance”).

In the event such use and operation is interrupted by a Casualty or an Event of Force Majeure, such use and operation shall be excused provided repairs to and restoration of the property at the Movie Theater Site are promptly commenced and diligently pursued to completion within twelve (12) months after such Event of Force Majeure or Casualty.

In the event such use and operation is interrupted by a Theater Site Discontinuance, such use and operation shall be excused for the period following the Theater Site Discontinuance and until the Movie Theater Site is occupied by another Movie Theater, an Other Theater as may be agreed to by the City, or an Other Purpose Business as may be agreed to by the City; provided that during such period the Movie Theater Site is being diligently marketed by VOP for use and occupancy.

Notwithstanding anything to the contrary in this subsection (ii), it shall not be a default hereunder if the Movie Theater ceases operation for not more than three (3) calendar months during any twenty-four (24) month period for purposes of renovation and/or remodeling thereof.

(e) *Parking Garage.* VOP shall have, on or prior to December 31, 2016, completed construction of a multi-level parking garage located contiguous to the Movie Theater as shown the attached Exhibit 2 or as may be otherwise approved by the City.

(f) *Shopping Center.* VOP shall cause the Property and the Village on the Parkway to be developed into, and at all times while this Agreement is in effect maintained as a high quality retail destination in first class condition and repair that will include a mix of high quality retail, dining and entertainment tenants. Examples of such tenants include lululemon, Anthropologie, Ann Taylor Loft, Luke’s Locker, Tyler’s, and Charming Charlie (as the same exist as of the Effective Date), and similar tenants that might occupy a high-quality shopping area like The Shops at Park Lane or Arlington Highlands (as the same exist as of the Effective Date – see attached Exhibit 7).

(g) *Sales Tax Information.* The City, VOP, and GF III designate this Agreement as a revenue sharing agreement as described in Section 321.3022(b), Tex. Tax Code, thereby

entitling the City to request Comptroller Reports from the Comptroller pursuant to the said Section 321.3022. Following its receipt of a request for a Comptroller Report or Semi-Annual Comptroller Report as set forth in Section 3.1(a), above, the City shall request in writing to the Comptroller a Comptroller Report or Semi-annual Comptroller Report for each year or Half Year for which a Comptroller Report or Semi-annual Comptroller Report is needed to determine if a Sales Tax Grant (or Half Year Sales Tax Grant, as applicable) is payable hereunder, copies of which shall be available to VOP if permitted by law. To the extent that the release of any such reports shall require the consent of VOP, VOP shall provide to City such consent. VOP acknowledges that if there are not more than three occupants doing business on the Property who remit sales taxes, the Comptroller may refuse to provide the information to the City unless the Comptroller receives permission from each of the tenants allowing the Comptroller to provide the information to the municipality as requested.

In the event that the State Comptroller ceases to issue Comptroller Reports, VOP shall use commercially reasonable efforts to have all occupants of the Property provide to City, at the City's request, their ID numbers solely used for their location on the Property so that sales and use tax payments can be verified by the City. City agrees to request ID numbers only if the City fails to get Comptroller Reports. In such an instance, City and VOP shall cooperate to arrive at a mutually agreeable method for determining the Sales and Use Taxes for purposes of calculating Sales Tax Grant payments. However, in connection with this paragraph, the City shall have no obligation to make any Sales Tax Grant unless and until the City has received information that is satisfactory to the City and will allow the City to make a reasonable determination under this Agreement as to whether or not a Sales Tax Grant is due.

The City agrees, to the extent allowed by law, to maintain the confidentiality of Sales and Use Tax information obtained pursuant to this Agreement.

(h) *Net Tree Mitigation Amount.* VOP shall pay the Net Tree Mitigation Amount (\$424,384.98) to the City in accordance with Section 3.5(d), above (the obligation to pay the Net Tree Mitigation Amount shall survive the termination of this Agreement).

(i) *Single Owner.* The Property shall at all times be owned (fee simple ownership) and controlled, in its entirety, by a single person. VOP may seek to subdivide the Property (however, subject to and in accordance with all applicable laws, ordinances, rules, codes, and regulations of the City and any other governmental entity, agency, or authority having jurisdiction over the Property) without affecting the obligation of the City to pay the Sales Tax Grant as long as the Property is owned (fee simple ownership) and controlled, in its entirety, by a single person. For purposes hereof, "control" means the possession, directly or indirectly, of the power (whether alone or in conjunction with another) to direct or cause the direction of the management and/or policies of an entity, whether through ownership of voting securities or partnership interests, by contract, or otherwise.

(j) *No Uncured Breach.* Neither VOP nor GF III shall have an uncured breach or default of this Agreement.

4.2 **Adjustments.** In the event a Tenant files an amended sales and use tax return or report with the State of Texas, or if additional Sales and Use Tax is due and owing, as determined or approved by the State of Texas, affecting Sales Tax Receipts for a previous calendar year or Half Year, the Sales Tax Grant payment applicable to the Threshold Year or

Threshold Half Year next following such State of Texas approved amendment shall be adjusted accordingly provided the City has received Sales Tax Receipts attributed to such adjustment. As a condition precedent to payment of such adjustment, the City shall have received from the Comptroller an adjusted Comptroller Report or adjusted Semi-annual Comptroller Report showing the adjustment.

4.3 **Refunds.** In the event the State of Texas determines that the City erroneously received Sales Tax Receipts, or that the amount of Sales and Use Tax paid to the City by a Tenant exceeds the correct amount of Sales and Use Tax for a previous calendar year or Half Year, for which GF III has received a Sales Tax Grant, the City shall adjust the Sales Tax Grant payment for the Threshold Year or Threshold Half Year (one or more as may be necessary for the City to be reimbursed for any overpayment of a Sales Tax Grant) next following such State of Texas determination provided the City has received Sales Tax Receipts in an amount sufficient to cover such prior overpayment.

In the event the State of Texas determines that the City erroneously received Sales Tax Receipts, or that the amount of Sales and Use Tax paid to the City by a Tenant exceeds the correct amount of Sales and Use Tax for a previous calendar year or Half Year, for which GF III has received a Sales Tax Grant, and no additional Sales Tax Grant Years remain in the Term, GF III shall, within thirty (30) days after receipt of notification thereof from the City specifying the amount by which such Sales Tax Grant exceeded the amount to which GF III was entitled pursuant to such State of Texas determination, repay such amount to the City. As a condition precedent to payment of such refund, the City shall provide GF III and VOP with a copy of such determination by the State of Texas.

The provisions of this Section 4.3 shall survive termination or expiration of this Agreement.

4.4 **Remedy.** Notwithstanding anything contained herein, the parties hereto understand and agree that VOP shall have no obligation to redevelop, construct or reconstruct the Property and the Village on the Parkway as described herein, or to comply with the other obligations of VOP set forth in this Agreement (save and except for VOP's obligation to pay to the City the Net Tree Mitigation Amount of \$424,384.98 if the Existing Trees are removed), but such redevelopment, construction and reconstruction, and compliance with other requirements herein, are conditions precedent to the City's obligation to pay Sales Tax Grants to GF III hereunder and to provide any other of the incentives set forth herein (including in Section 3.5, above).

ARTICLE V TERMINATION

5.1 Termination.

(a) This Agreement shall terminate without notice or demand upon the occurrence of any one of the following:

(i) the execution by all parties of a written agreement terminating this Agreement; or

(ii) the expiration of the Term.

(b) This Agreement may be terminated by written notice provided at the option of:

(i) a party (the “non-breaching party”) in the event another party (the “breaching party”) breaches or fails to comply with any term, condition, or provision of this Agreement, and such breach or failure is not cured within ninety (90) days after written notice thereof from such non-breaching party to the breaching party, or if such breach cannot be cured within such ninety (90) day period, the breaching party has failed to commence such cure within ninety (90) days and fails to continuously thereafter diligently pursue such cure to prompt completion; or

(ii) the City, if any Imposition owed by VOP to the City or the State of Texas (for purposes of this subparagraph (ii), the State of Texas being the entire government of the State of Texas, including but not limited to the Texas Comptroller) shall become delinquent (provided, however, that VOP retains the right to timely and properly protest and contest any such Imposition, and the City’s right to terminate this Agreement shall be suspended during such protest and contest period); or

(iii) the City, if VOP, GF III or any owner of the Property (or any portion thereof) (a) commits an act of bankruptcy; (b) files a petition or is adjudged bankrupt or insolvent under any federal or state bankruptcy or insolvency law; (c) become insolvent; (d) admits that it cannot meet its financial obligations as they become due, or a receiver or trustee shall be appointed for any part of the assets of VOP or GF III and the same is not dismissed within sixty (60) days; (e) is named in a pleading or motion filed in any court proposing to reorganize or adjudicate as a bankrupt, and that pleading or motion is not discharged or denied within 30 days after its filing; (f) makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors; or (g) is liquidated, terminated, dissolved, or forfeits the right to do business.

ARTICLE VI **REPRESENTATIONS**

6.1 Representations by the City. The City represents that it is a home rule Texas municipal corporation and to the best of its actual knowledge has the power to enter into this Agreement and to carry out its obligations hereunder, subject, however, to applicable law (including the Texas Constitution). However, notwithstanding any other provision of this Agreement, it is understood and expressly agreed by VOP and GF III that the City does not warrant or guarantee that the Sales Tax Grant payments (and any part thereof) as described herein, or any other incentive described herein (including in Section 3.5, above) will be upheld as valid, lawful, enforceable or constitutional in the event the statutory or other authority for the same or the City’s use thereof is challenged by court action or other action or proceeding (including any action or proceeding involving the Texas Attorney General). In the event such court or other action or proceeding related to the legality of this Agreement and the providing of the Sales Tax Grants (or any part thereof) or any other incentive described herein is instituted, the parties shall defend or respond to such action or proceeding at their respective expense. Should such litigation, action or other proceeding result in a determination that this Agreement or the payment of the Sales Tax Grants (or any part thereof), or the provision of any other incentives, was or is prohibited under federal, state or local law (including any constitutional or

charter provision), rule or regulation, and so result in the loss of the Sales Tax Grants or other incentive as provided herein, City, VOP and GF III agree to work together in good faith to find alternative means to accomplish the purposes of this Agreement and to provide GF III incentives with a reasonably equivalent value, to the extent provided by and subject to law. GF III and VOP shall have no recourse against the City or any of its elected officials, its officers, employees, agents, representatives, or volunteers, past or present with respect to the determination resulting in the loss of the Sales Tax Grants and other incentives provided herein or for any failure of the parties to find alternative means to accomplish the purposes of this Agreement as described above.

6.2 Representations and Warranties by VOP.

VOP represents and warrants that:

A. VOP is a limited partnership duly organized and validly existing under the laws of the State of Delaware and is qualified to do business in the State of Texas, has the legal capacity and the authority to enter into and perform its obligations under this Agreement, and the same shall be true and accurate at all times in connection with this Agreement;

B. The execution and delivery of this Agreement and the performance and observance of its terms, conditions and obligations have been duly and validly authorized by all necessary action on its part to make this Agreement; and this Agreement is not in contravention of VOP's articles of formation or regulations, or any agreement or instrument to which VOP is a party or by which it may be bound as of the date hereof (and the same shall be true at all times while VOP owns the Property);

C. VOP has the necessary legal ability to perform its obligations under this Agreement (and the same shall be true at all times while VOP owns the Property);

D. No litigation or governmental proceeding is pending, or, to the knowledge of any of VOP's officers, threatened against or affecting VOP, which may result in a material adverse change in VOP's business, properties or operations sufficient to jeopardize VOP as a going concern; and

E. This Agreement constitutes a valid and binding obligation of VOP, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity (and the same shall be true at all times while VOP owns the Property).

6.3 Representations and Warranties by GF III.

GF III represents and warrants that (and the same shall be true at all times while VOP owns the Property):

A. GF III is a limited partnership duly organized and validly existing under the laws of the State of Delaware, has the legal capacity and the authority to enter into and perform its obligations under this Agreement, directly or indirectly owns all of the beneficial ownership

interest in VOP, and the same shall be true and accurate at all times in connection with this Agreement;

B. The execution and delivery of this Agreement and the performance and observance of its terms, conditions and obligations have been duly and validly authorized by all necessary action on its part to make this Agreement, and this Agreement is not in contravention of GF III's articles of formation or regulations, or any agreement or instrument to which GF III is a party or by which it may be bound as of the date hereof;

C. GF III has the necessary legal ability to perform its obligations under this Agreement;

D. No litigation or governmental proceeding is pending, or, to the knowledge of any of GF III's officers, threatened against or affecting GF III, which may result in a material adverse change in GF III's business, properties or operations sufficient to jeopardize GF III as a going concern; and

E. This Agreement constitutes a valid and binding obligation of GF III, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

ARTICLE VII INDEMNITY; NO WAIVER OF IMMUNITY

(a) **VOP's and GF III's Indemnity Obligation.** VOP and GF III (together for purposes of this subsection (a), "VOP") covenants, agrees to, and shall DEFEND (with counsel reasonably acceptable to Addison), INDEMNIFY, AND HOLD HARMLESS the Town of Addison, Texas and the elected officials, the officers, employees, representatives, and volunteers of the Town of Addison, Texas, individually or collectively, (the Town of Addison, Texas, and the elected officials, the officers, employees, representatives, and volunteers of the Town of Addison, Texas each being an "Addison Person" and collectively the "Addison Persons"), from and against any and all claims, liabilities, judgments, lawsuits, demands, harm, losses, damages, proceedings, suits, actions, causes of action, liens, fees, fines, penalties, expenses, or costs, of any kind and nature whatsoever made upon or incurred by the Town of Addison, Texas and/or any other Addison Person, whether directly or indirectly, (the "Claims"), that arise out of, result from, or relate to: (i) the development, redevelopment and construction of the Property and the Village on the Parkway as described in this Agreement, and/or the use and occupancy of the Property, by VOP and/or any VOP Persons (as hereinafter defined), (ii) any representations and/or warranties by VOP under this Agreement, and/or (iii) any act or omission under, in performance of, or in connection with this Agreement by VOP or by any of its owners, directors, officers, shareholders, managers, partners, employees, agents, consultants, contractors, subcontractors, invitees, patrons, guests, tenants, subtenants, customers, licensees, sublicensees, or any other person or entity for whom VOP is legally responsible, and their respective owners, directors, officers, shareholders, owners, directors, officers, shareholders, managers, partners, employees, agents, consultants, contractors, subcontractors, invitees, patrons, guests, customers, licensees, sublicensees (collectively,

"VOP Persons"). SUCH DEFENSE, INDEMNITY AND HOLD HARMLESS SHALL AND DOES INCLUDE CLAIMS ALLEGED OR FOUND TO HAVE BEEN CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE. However, VOP's liability under this clause shall be reduced by that portion of the total amount of the Claims (excluding defense fees and costs) equal to the Addison Person or Addison Persons' proportionate share of the negligence that caused the loss. Likewise, VOP's liability for the Addison Person's or Addison Persons' defense costs and attorneys' fees shall be reduced by that portion of the defense costs and attorneys' fees equal to the Addison Person's or Addison Persons' proportionate share of the negligence that caused the loss.

VOP shall promptly advise Addison in writing of any claim or demand against any Addison Person covered by this Article VII of which VOP is aware related to or arising out of VOP's activities under this Agreement and shall see to the investigation and defense of such claim or demand at VOP's sole cost and expense. The Addison Persons shall have the right, at the Addison Persons' option and own expense, to participate in such defense without relieving VOP of any of its obligations hereunder. This defense, indemnity, and hold harmless provision shall survive the termination or expiration of this Agreement.

(b) Notwithstanding any other provision of this Agreement, nothing in this Agreement shall or may be deemed to be, or shall or may be construed to be, a waiver or relinquishment of any immunity, defense, or tort limitation to which the City, its officials, officers, employees, representatives, and agents are or may be entitled, including, without limitation, any waiver of immunity to suit.

ARTICLE VIII **RIGHTS OF LENDERS AND INTERESTED PARTIES**

8.1 **Notice.** The City is aware that financing for acquisition, development and/or construction of the Village on the Parkway may be provided, in whole or in part, from time to time, by one or more third parties, including, without limitation, lenders, major tenants, equity partners and purchasers or developers of portions of the Property (each an "Interested Party" and, collectively, "Interested Parties"). In the event of default of this Agreement by VOP, the City shall provide a copy of the notice of such event of default at the same time notice is provided to VOP to any Interested Parties previously identified in writing to the City Manager of the City. If any Interested Parties are permitted under the terms of its agreement with VOP to cure the event of default and/or to assume VOP's rights and obligations under this Agreement, the City shall recognize such rights of any Interested Parties and otherwise permit such Interested Parties to assume all of the rights and obligations of VOP under this Agreement, subject, however, to all of the terms, conditions, and provisions of this Agreement, including, without limitation, the provisions of Section 9.5, below.

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8.2 **Estoppel.** The City shall, at any time upon reasonable request by VOP or GF III and in form and content acceptable to the City, provide to any Interested Parties an estoppel certificate or other document evidencing (if true) that this Agreement is in full force and effect, that no event of default by VOP or GF III exists hereunder (or, if appropriate, specifying the nature and duration of any existing event of default), and the payment of the Sales Tax Grant. Upon request by any Interested Parties, the City will enter into a separate

assumption or similar agreement with such Interested Parties, consistent with the provisions of this Article VIII and this Agreement, which shall be in form and content acceptable to the City.

8.3 Mortgage Protection. This Agreement shall not prevent or limit VOP, in any manner, at VOP's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device. The City acknowledges that the lenders providing such financing (singularly and collectively, "Mortgagee") may require certain agreement interpretations and shall upon request, from time to time, meet with VOP and with representatives of any Mortgagee to discuss any such request for interpretation.

ARTICLE IX MISCELLANEOUS

9.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the parties hereto.

9.2 No Third Party Beneficiaries and Certificates of Compliance. This Agreement and all of its provisions are solely for the benefit of the parties hereto and do not and are not intended to create or grant any rights, contractual or otherwise, to any third person or entity. Notwithstanding the foregoing, upon completion of any obligation of VOP or GF III under this Agreement, the City shall, within 5 days after receipt of a written request from VOP or GF III, execute and deliver a certificate of compliance to those parties as are reasonably requested by VOP or GF III (including a Mortgagee or prospective purchaser of the Property) certifying that such obligation of VOP or GF III has been completed in accordance with the terms of this Agreement).

9.3 Relationship of Parties. In connection with this Agreement, VOP is and shall at all times be an independent contractor, and is not and shall not be deemed to be an agent of the City, and nothing herein shall be construed to create a partnership, joint venture, joint enterprise, or agency relationship between the parties. No personnel of VOP shall be deemed under any circumstances to be an agent or employee of the City, nor do such personnel have authority to bind Client by any representation, promise, contract or agreement. No personnel of the City shall be deemed under any circumstances to be an agent or employee of VOP, nor do such personnel have authority to bind VOP by any representation, promise, contract or agreement. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever. Each party hereto represents that it is acting on its own behalf and is not acting as an agent for or on behalf of any third party.

9.4 Successors and Assigns. This Agreement may be assigned, transferred, sold, encumbered, hypothecated, pledged, or otherwise conveyed (collectively, "Conveyance") by VOP or GF III, in any manner whatsoever (including by operation of law or otherwise), without the City's prior written consent provided the assignor sends to the City, within 10 days of such Conveyance, written notice of such Conveyance including name, address and telephone number of the assignee, and provided the City receives (i) an original, or a true and correct copy, of the Conveyance that reflects that the same is expressly subject to all of the terms, conditions, and provisions of this Agreement and to all rights and defense available to the City as may be provided by law, equity, or otherwise, and (ii) an original of the Assumption Agreement. This Agreement, shall in no event be or constitute a negotiable instrument or note, whether in

connection with any such Conveyance or otherwise, and each of VOP and GF III hereby specifically waive any right to claim at any time that this Agreement and the Note, or either of them, is negotiable. Any Conveyance of this Agreement shall be expressly subject to all of the terms, conditions, and provisions of this Agreement and to all rights and defenses available to the City as may be provided by law, equity, or otherwise (all of which the City reserves in full). In the event of any Conveyance, the assignor shall obtain a written agreement ("Assumption Agreement") from each such assignee, transferee, buyer, pledgee, or other person or entity to whom this Agreement is conveyed whereby each such assignee, transferee, buyer, pledgee, or other person or entity to whom this Agreement is conveyed agrees to be bound by the terms and provisions of this Agreement (and including, without limitation, the provisions of Sections 6.1 and 4.1(h) of this Agreement); the Assumption Agreement shall be in form and content acceptable to the City. The parties acknowledge and agree that the Note may be assigned separately from this Agreement, but subject in each case to the limitations and conditions set forth in this Agreement and the Note.

9.5 **Notice.** Any notice, statement and/or report required or permitted to be given or delivered shall be in writing and shall be deemed to have been properly given for all purposes if sent by certified U.S. Mail, return receipt requested. Addresses for any such notice, statement and/or report hereunder are as follows:

To the City:

Town of Addison, Texas
5300 Belt Line Road
Dallas, Texas 75254
Attn: City Manager

To VOP:

VOP, LP,
2000 McKinney Avenue, Suite 1000
Dallas, TX 75201-3394
Attn: Robert Dozier

TO GF III:

GF III VOP, LP
2000 McKinney Avenue, Suite 1000
Dallas, TX 75201-3394

Attn: Robert Dozier

The names and addresses for the purpose of this Section may be changed by giving notice of such change in the manner herein provided for giving notice. Unless and until such written notice is received the last addresses and addressee stated by written notice, or provided herein if no written notice of change has been sent or received, shall be deemed to continue in effect for all purposes hereunder.

9.6 **Entire Agreement.** This Agreement, together with the Note, represents the entire and integrated agreement between the City, VOP and GF III with regard to the matters set forth herein and supersedes all prior negotiations, representations and/or agreements, either written or oral. This Agreement may be amended only by written instrument signed by authorized representatives of each of the City, VOP and GF III.

9.7 **Governing Law.** This Agreement is subject to the provisions of the Charter of the City to the extent provided by law. This Agreement shall be construed under, governed by **Economic Development Incentive Agreement**

and is subject to the laws (including the constitution) of the State of Texas, without regard to choice of law rules, and all obligations of VOP and the City created by this Agreement are performable in Dallas County, Texas. Venue for any suit, action or proceeding under this Agreement shall lie exclusively in Dallas County, Texas. Each party hereby submits to the exclusive jurisdiction of the courts in Dallas County, Texas for purposes of any such suit, action, or proceeding hereunder. Each party waives any claim that any such suit, action, or legal proceeding has been brought in an inconvenient forum or that the venue of that proceeding is improper.

9.8 **Headings.** Article and section headings are for convenience only and shall not be used in interpretation of this Agreement.

9.9 **Legal Construction.** The provisions of this Agreement are severable, and in the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

9.10 **Recitals.** The recitals to this Agreement are incorporated herein and made a part hereof for all purposes.

9.11 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

9.12 **Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

9.13 **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination or expiration of this Agreement shall survive termination or expiration.

9.14 **Restrictions on Use of Certain Public Subsidies.** Pursuant to Texas Government Code, Chapter 2264 (entitled "Restrictions on Use of Certain Public Subsidies"), VOP and GF III (together for purposes of this Section 9.15, "GF III") certify that neither GF III nor any branch, division, or department of GF III knowingly employs, or will employ, an undocumented worker (as the term "undocumented worker" is defined in Section 2264.001 of the said Chapter 2264, Tex. Gov. Code) at or in connection with the Property and the Village on the Parkway. GF III agrees that if, during the term of this Agreement and after it receives any payment or funds from the City pursuant to this Agreement, GF III, or a branch, division, or department of GF III, is convicted of a violation under 8 U.S.C. Section 1324a(f), GF III shall repay the amount of the payment or funds paid by the City to GF III with interest, at the rate of 4% per year, compounded, from the date that the payment was initially made to GF III, not later than the 120th day after the date the City notifies GF III of the violation. Notwithstanding the foregoing, pursuant to Government Code Section 2264.101(c) GF III shall not be liable for a violation by a subsidiary, affiliate, or franchisee of GF III, or by a person with whom GF III contracts.

9.15 **Remedies.** Except as set forth in or otherwise limited by this Agreement, the remedies and rights set forth in this Agreement: (a) are and shall be in addition to any and all other remedies and rights either party may have at law, in equity, or otherwise, (b) shall be cumulative, and (c) may be pursued successively or concurrently as either party may elect. The exercise of any remedy or right by either party shall not be deemed an election of remedies or rights or preclude that party from exercising any other remedies or rights in the future. All waivers must be in writing and signed by the waiving party, and the City's waiver of any right, or of VOP's breach, on one or more occasions will not be deemed a waiver on any other occasion. The City's failure to enforce or pursue any of its rights under or any provision of this Agreement shall not be or constitute a waiver of its rights or provision and shall not prevent the City from enforcing or pursuing that right or provision or any other right under or provision of this Agreement in the future. No custom or practice arising during the administration of this Agreement will waive, or diminish, the City's rights hereunder or to diminish the City's right to insist upon strict compliance by VOP with this Agreement.

9.16 **Authorization.** The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

[balance of page left blank; signature page(s) to follow]

EXECUTED and effective as of the 22nd day of AUGUST, 2012.

TOWN OF ADDISON, TEXAS

By: 
Ron Whitehead, City Manager

VOP, L.P.

By: VOP GP LLC, a Delaware limited liability company, its general partner

By: 

Typed Name: Robert Dozier

Title: Executive Vice President

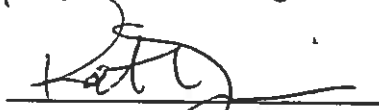
GF III VOP, LP, a Delaware limited partnership

By: VOP SEC LP, a Texas limited partnership, its general partner

By: VOP SEC GP LLC, a Texas limited liability company, its general partner

By: LO Villages on the Parkway LLC, a Delaware limited liability company, its manager

By: Non-Member Manager, Inc., a Texas corporation, its manager

By: 
Name: Robert Dozier
Title: Executive Vice President

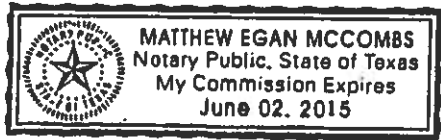
ACKNOWLEDGMENTS

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Before me, the undersigned authority, on this day personally appeared Ron Whitehead, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 22 day of August, 2012.

[SEAL]



[Signature]
Notary Public, State of Texas

Print Name: Matthew McCombs

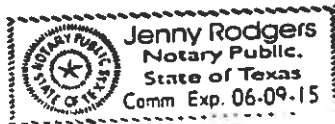
My commission expires: June 2, 2015

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Before me, the undersigned authority, on this day personally appeared Robert Dozier known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that [s]he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 4th day of September, 2012.

[SEAL]



[Signature]
Notary Public, State of Texas

Print Name: Jenny Rodgers

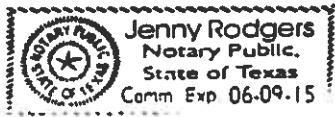
My commission expires: 06 09-15

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Before me, the undersigned authority, on this day personally appeared Robert Dozier known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that [s]he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 4th day of September, 2012.

[SEAL]



Jenny Rodgers
Notary Public, State of Texas

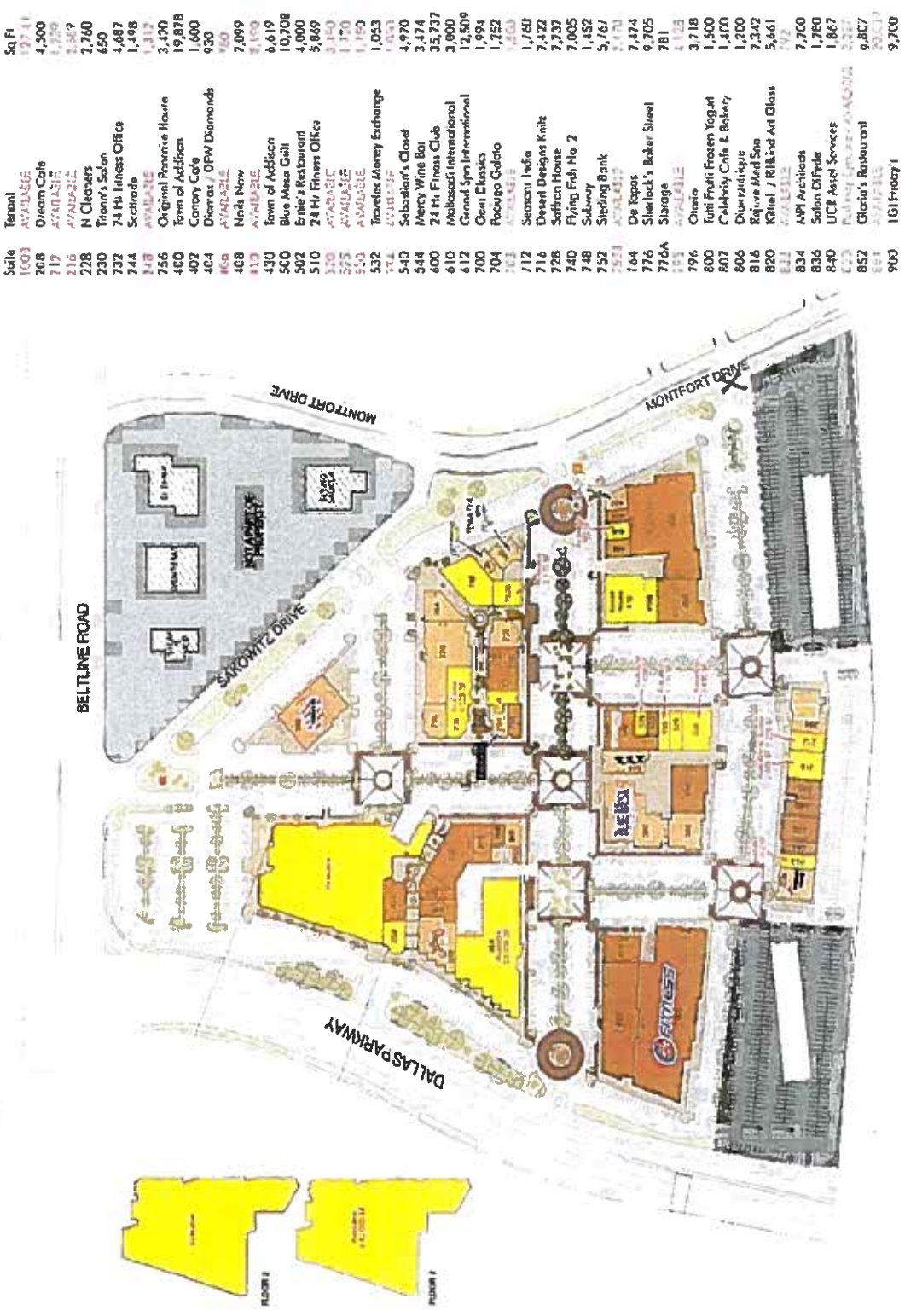
Print Name: Jenny Rodgers

My commission expires: 06 09-15

EXHIBIT 1

Village on the Parkway

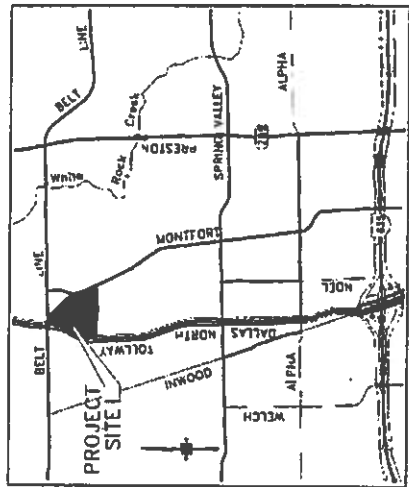
Site Plan



TELLMANT ROSTER

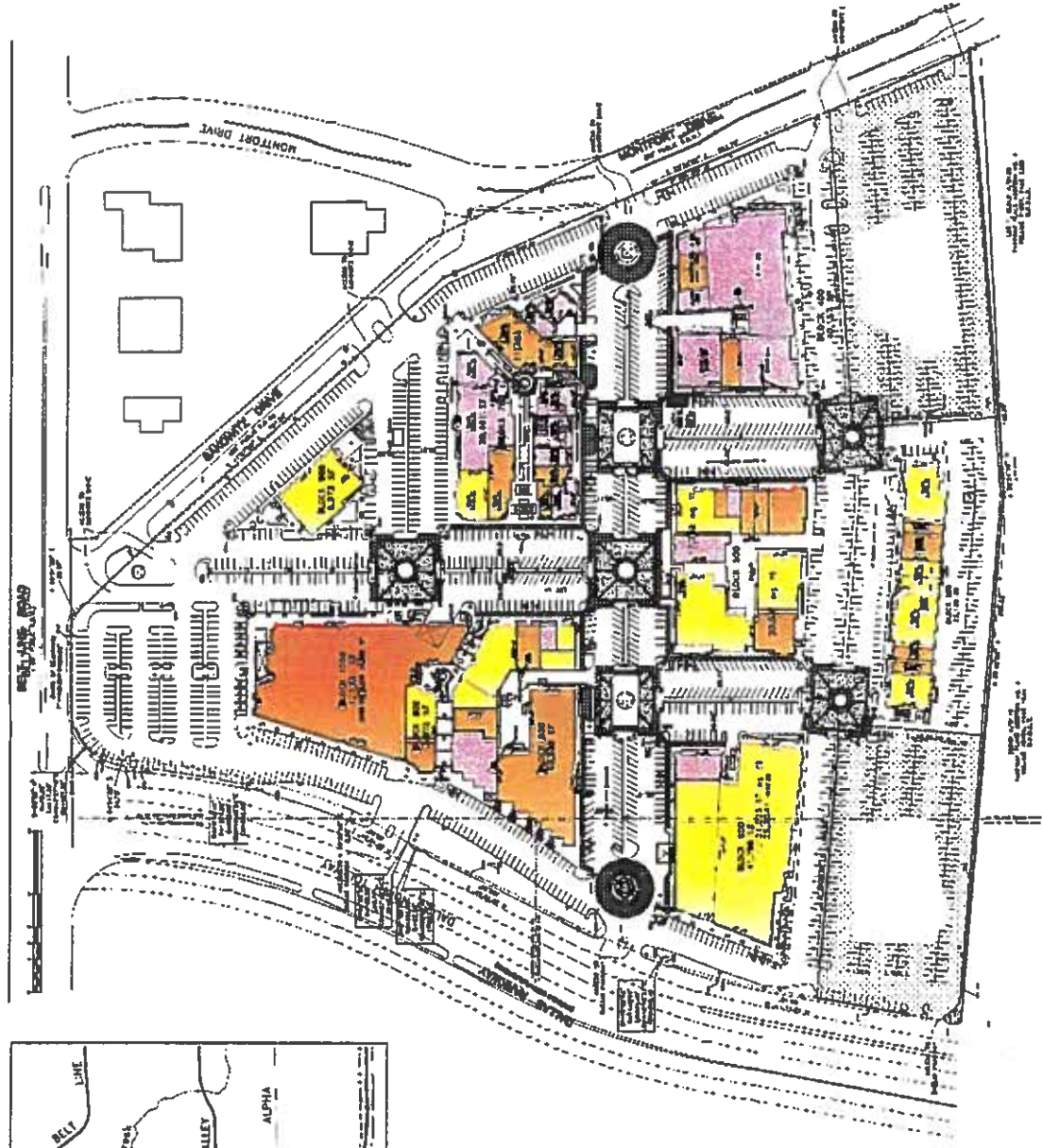
Unit	Tenant	Sq Ft
1003	AVAILABLE	1,771
208	Dream Cafe	4,300
717	AVAILABLE	4,729
216	AVAILABLE	2,367
228	N Cleaners	2,760
230	Tanner's Salon	650
232	24 Hr Fitness Office	4,687
744	Schroeder	1,498
748	AVAILABLE	1,311
756	Original Princess House	3,420
400	Tony's Addition	19,878
402	Canopy Cafe	1,600
404	Diemar / DPW Diamonds	930
409	AVAILABLE	760
408	Nada Now	7,899
413	AVAILABLE	8,003
430	Town of Addison	6,619
500	Blue Mesa Grill	10,708
502	Brite's Restaurant	4,000
510	24 Hr Fitness Office	5,869
510	AVAILABLE	3,150
525	AVAILABLE	1,170
530	AVAILABLE	1,170
532	Travelers Money Exchange	1,053
534	AVAILABLE	1,053
540	Sebastian's Cloud	4,970
544	Mercy Wine Bar	3,174
600	24 Hr Fitness Club	35,737
610	Malabar International	3,000
612	Grand Sym International	12,509
700	Geni Classics	1,994
704	Roberto Gallo	1,252
703	AVAILABLE	1,403
712	Seasonal Indio	1,160
716	Dewant Design Knit	7,477
728	Saffron House	7,237
740	Flying Fish No. 2	7,005
748	Subway	1,452
752	Sterling Bank	5,767
753	AVAILABLE	2,173
764	De Toppa	7,474
776	Sheelock's Baker Street	9,705
776A	Storage	781
781	AVAILABLE	1,113
796	Cherie	3,718
800	Tutti Fruit Frozen Yogurt	1,300
807	Celebrity Cafe & Bakery	1,408
806	Duerr's Intergru	1,200
816	Rejive Med Spa	7,342
820	KHuel / RIA and Ad Glass	5,661
821	AVAILABLE	742
834	MPV Architects	7,700
836	Salon DiPede	1,280
840	UCF Asset Services	1,867
852	Glacio's Restaurant	9,807
853	AVAILABLE	2,227
854	AVAILABLE	2,227
903	IGI-Francy's	9,700

Village on the Parkway



VICINITY MAP
(NOT TO SCALE)

- Leased
- Leased at Risk
- Vacant



Village on the Parkway



Village on the Parkway



LINCOLN
PROPERTY
COMPANY

List of Tenants as of the Date VOP Signs Agreement

List of Tenants at Village on the Parkway
as of Date of Execution of Agreement by VOP

24 Hour Fitness
Suite 600
www.24hourfitness.com

Mallasadi
Suite 610
www.mallasadi.com

Sherlock's Baker Street
Suite 776
www.sherlockspubco.com

Blue Mesa Grill
Suite 500
www.blumesagrill.com

Mercy Wine Bar
Suite 544
www.mercywinebar.com

Social House
Suite 410
www.socialhouseaddison.com

Canary Café
Suite 402
www.canarycafeaddison.com

MPI Architects
Suite 834
www.mpiarch.com

Subway
Suite 748
www.subway.com

Desert Designs Knitz
Suite 716
www.desertdesignsknitz.com

Nails Now
Suite 408

TGI Friday's
Suite 900
www.fridays.com

Diamontrigue
Suite 808

N Cleaners
Suite 228

Titann's Salon
Suite 230

Dream Café
Suite 208
www.thedreamcafe.com

Otaru Sushi
Suite 796
www.otaruaddison.com

Travelex
Suite 532
www.us.travelex.com/US/home/

Flying Fish
Suite 740
<http://flyingfishinthe.net/>

Outta the Oven
Suite 802
www.outtatheoven.com

Tutti Frutti Frozen Yogurt
Suite 800
www.tfyogurt.com

Gem Classics
Suite 700
www.gemclassics.com

Prima Diamonds
Suite 404
www.primadallas.com

Visit Addison
Visitor Information - Artisan
Centre
Suite 400

Gloria's Dining
www.gloriasrestaurants.com

Saffron House
Suite 728
www.saffronhouse.com

Visit Addison
Visitor Services Department
Suite 430

Grand Spa
Suite 612
www.grandspa.com

Salon DiFede
Suite 836
www.salondifede.com

Kenny's Italian Kitchen
Suite 764
www.kennysitalian.com

Season's India
Suite 712
www.myseasonsindia.com

Kittrell/Riffkind Art Glass
Suite 820
www.kittrellriffkind.com

Sebastian's Closet
Suite 540

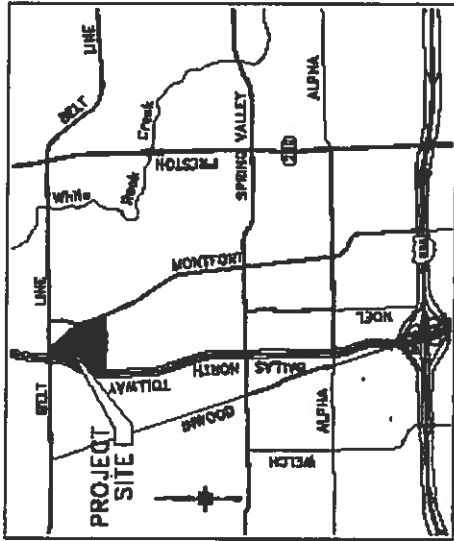
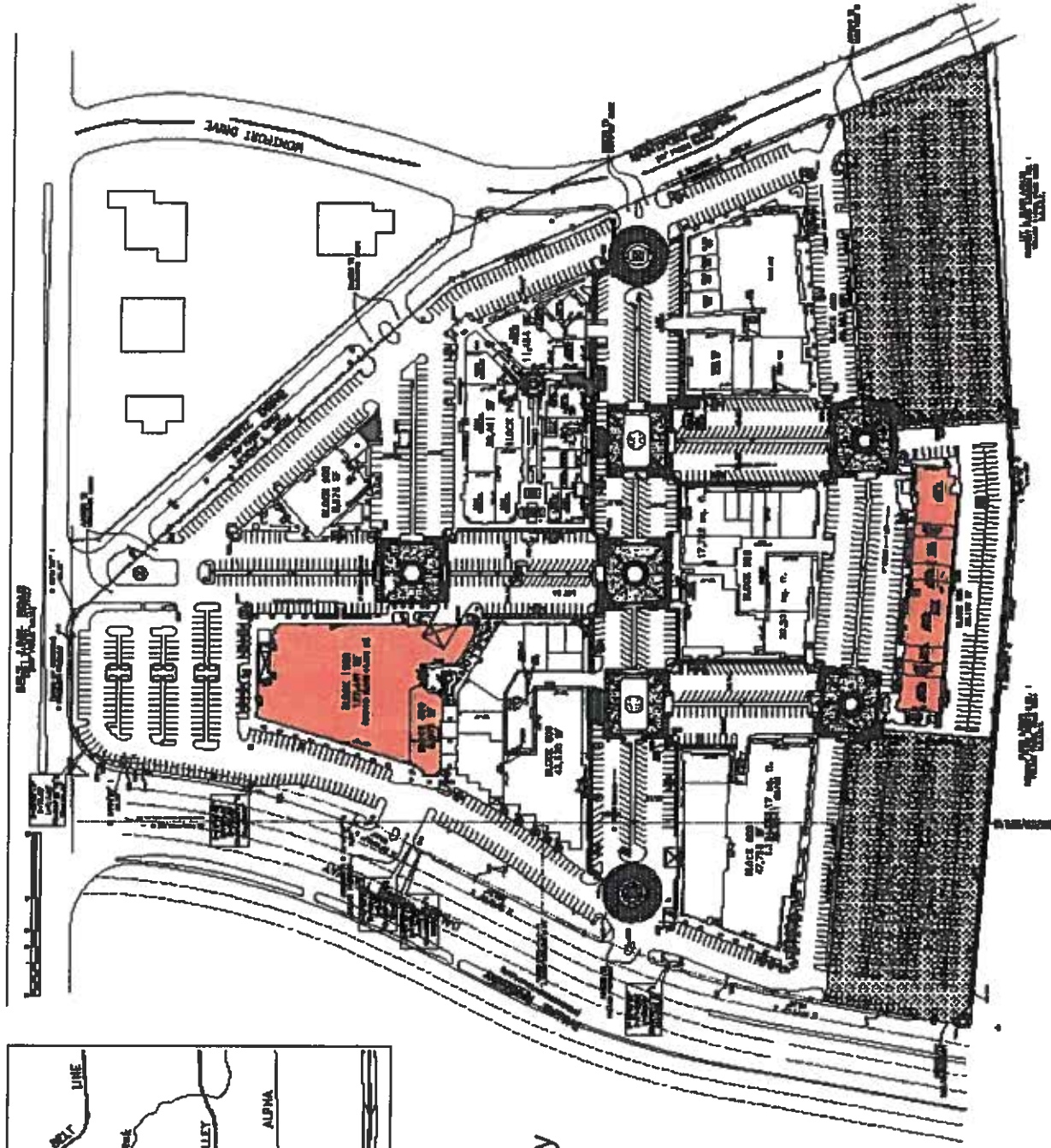
EXHIBIT 2

Improvements

The following are buildings and other improvements to be constructed (and demolished, as applicable) as a part of the redevelopment of the Property contemplated by this Agreement:

1. Demolition of the buildings highlighted in the page entitled "Village on the Parkway Demolition Plan" attached to this Exhibit 2.
2. Construction of a building containing approximately 32,000 square feet to be occupied by a Specialty Food Store in the location as shown and substantially as depicted within this Exhibit.
3. Construction of an approximately 45,000 square foot building to house the Movie Theater in the location as shown within this Exhibit.
4. Construction of a parking garage in the location shown and substantially as depicted within this Exhibit.
5. Water system improvements – involving extensions, enlargements, and replacements of existing water system infrastructure, and including improvements in fire lines and fire hydrants– to be installed as needed as determined by VOP.
6. Sanitary sewer system improvements – involving extensions and replacements– to be installed as needed as determined by VOP.
7. Street improvements – includes acquisition by the City of an extension of Sakowitz Drive to the new median opening constructed in Belt Line Road as shown in Exhibit "–"; construction of pavement, curbs and gutters within said extension to be completed by City; a left-turn median opening for westbound Belt Line Road traffic; improved traffic signage– to be installed as needed and as determined by VOP.
8. Storm drainage improvements – to be installed as needed as determined by VOP.
9. Amenities (in the public right-of-way) such as gateway identification, landscaping additions and replacements, and installation of irrigation facilities.
10. Alteration of internal traffic circulation within the Property– to be installed as needed in accordance with the approved site plan.

All improvements, changes, alterations, and modifications to the Property are subject to the prior approval of the City and compliance by VOP and its contractors with all applicable laws, ordinances, rules and regulations.



VICINITY MAP
(NOT TO SCALE)

Village on the Parkway Demolition Plan

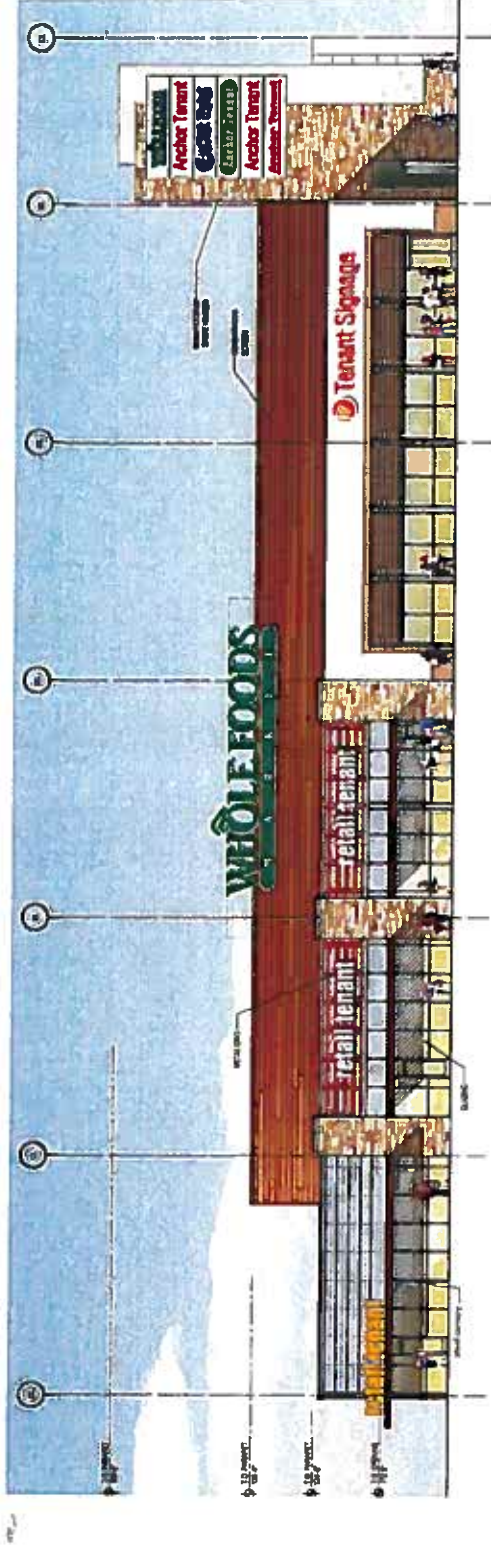
Village on the Parkway



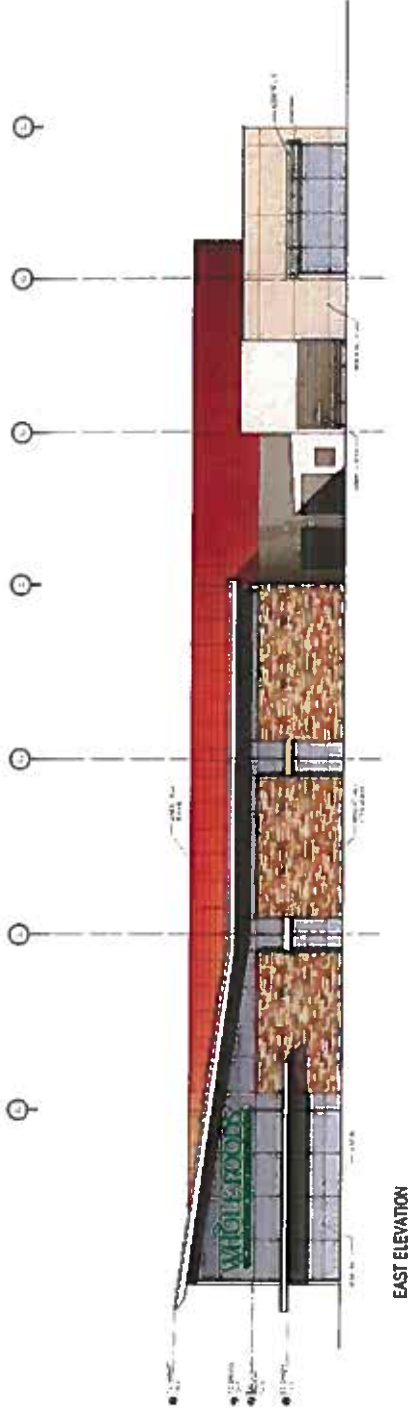
SPECIALTY
FOOD STORE
SITE

SPECIALTY FOOD STORE DEPICTIONS

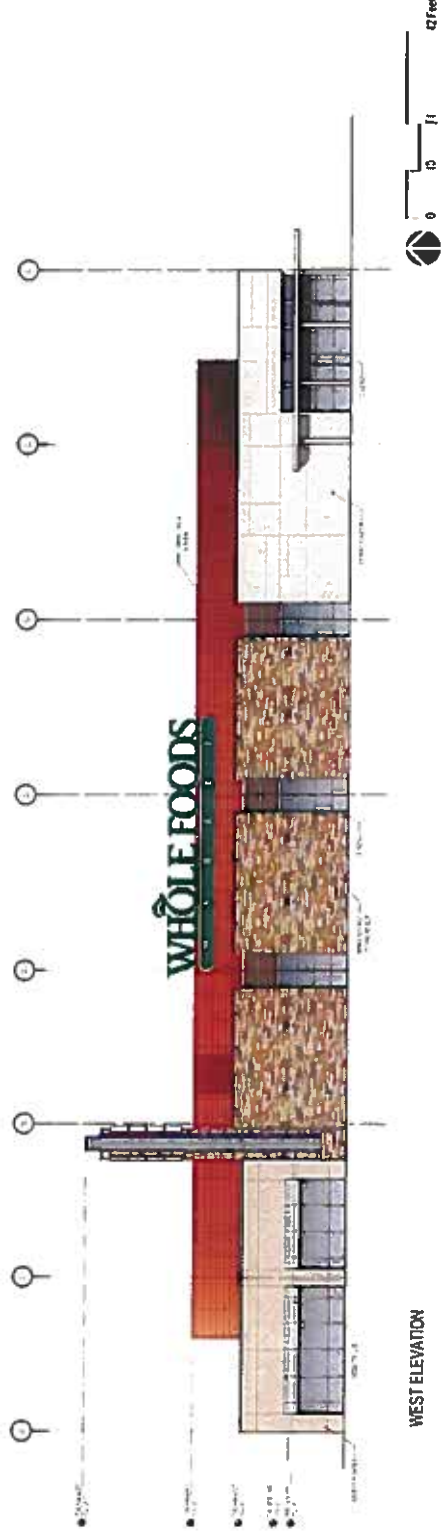
Village on the Parkway



Village on the Parkway



EAST ELEVATION



WEST ELEVATION

Village on the Parkway



View Looking Southwest: from Bell Line at
Proposed Lot: 1 Jrr

Village on the Parkway



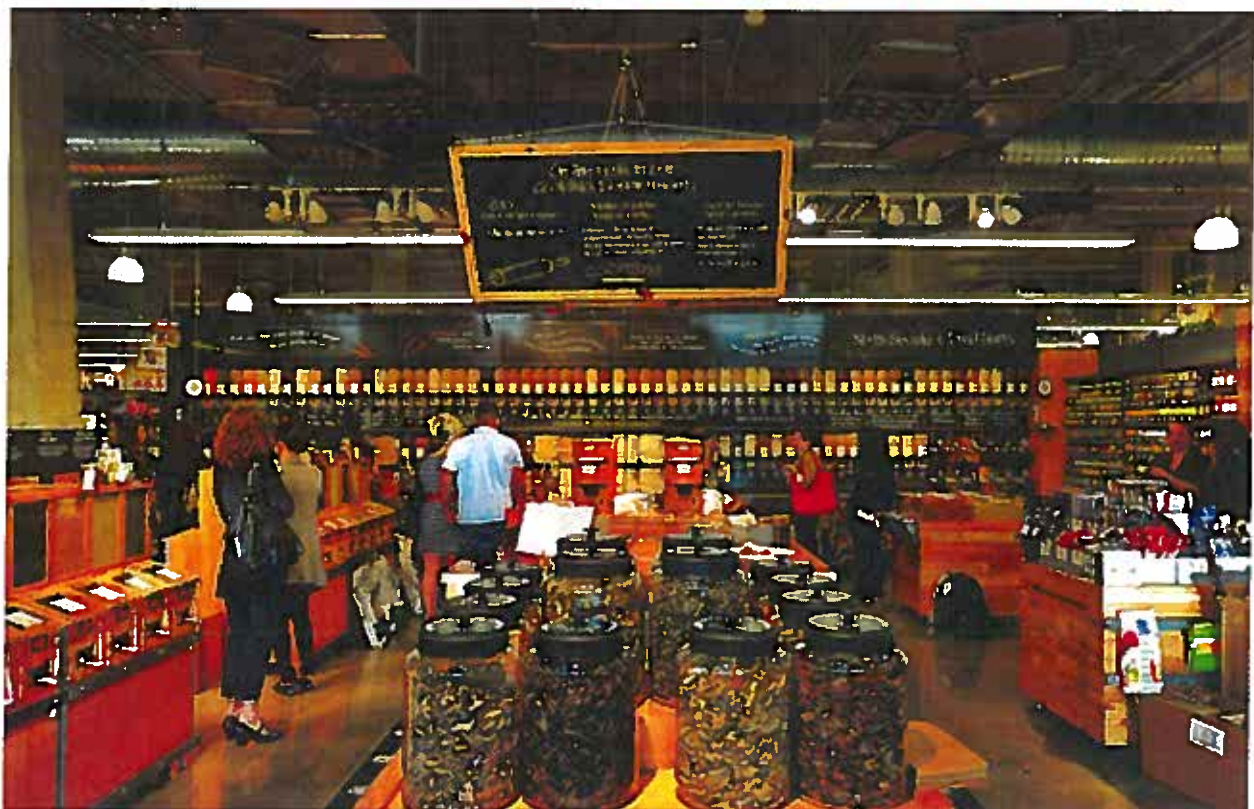
View looking Southeast from Intersection
of Bell Line and The Dallas North Parkway

Village on the Parkway



View Looking Northeast from Dallas North Tollway
Frontage Road at Village on the Parkway Entrance

Sample Photos





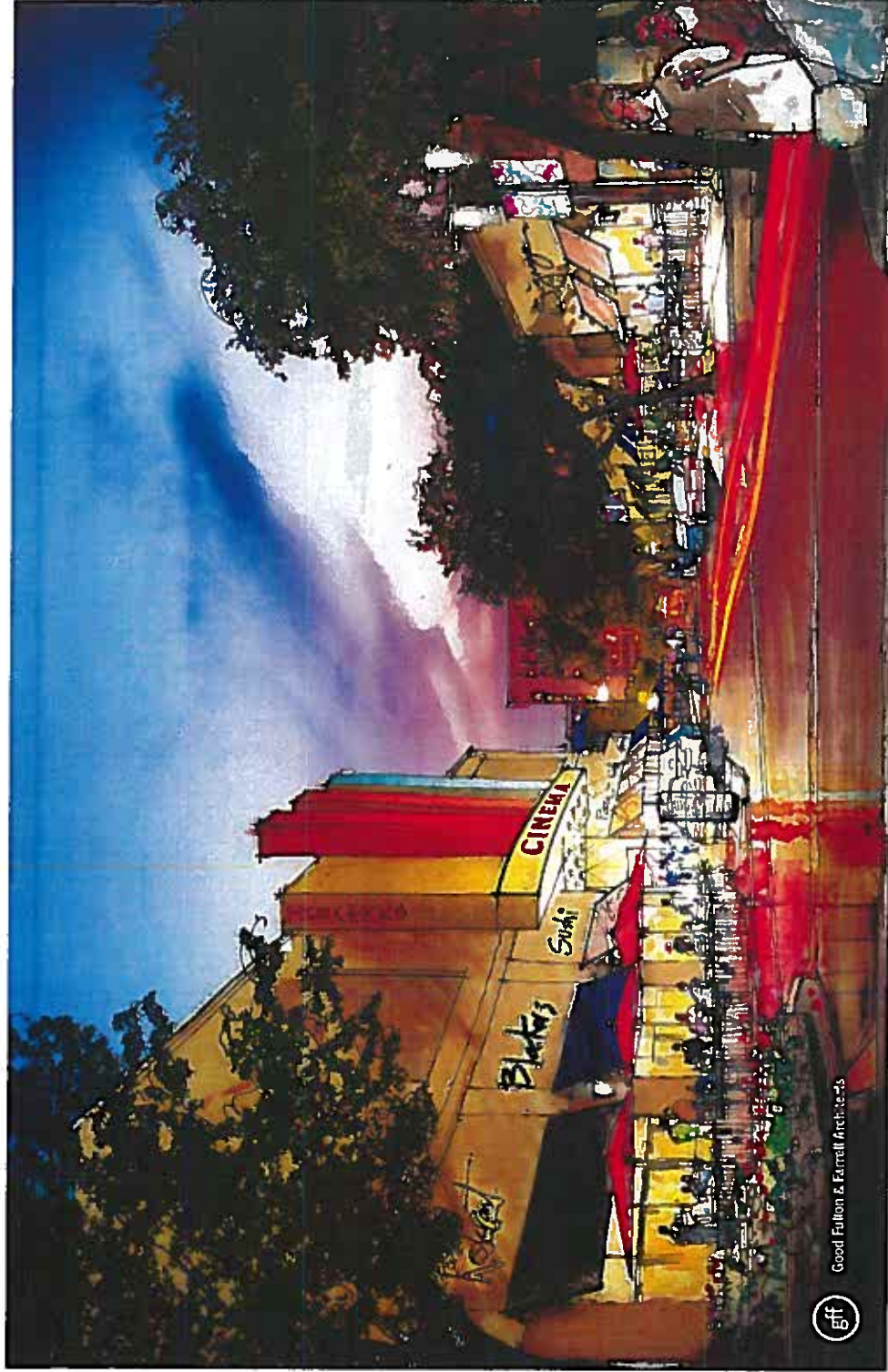


COURTESY: WHOLE FOODS MARKET



MOVIE THEATER DEPICTIONS, DESCRIPTION

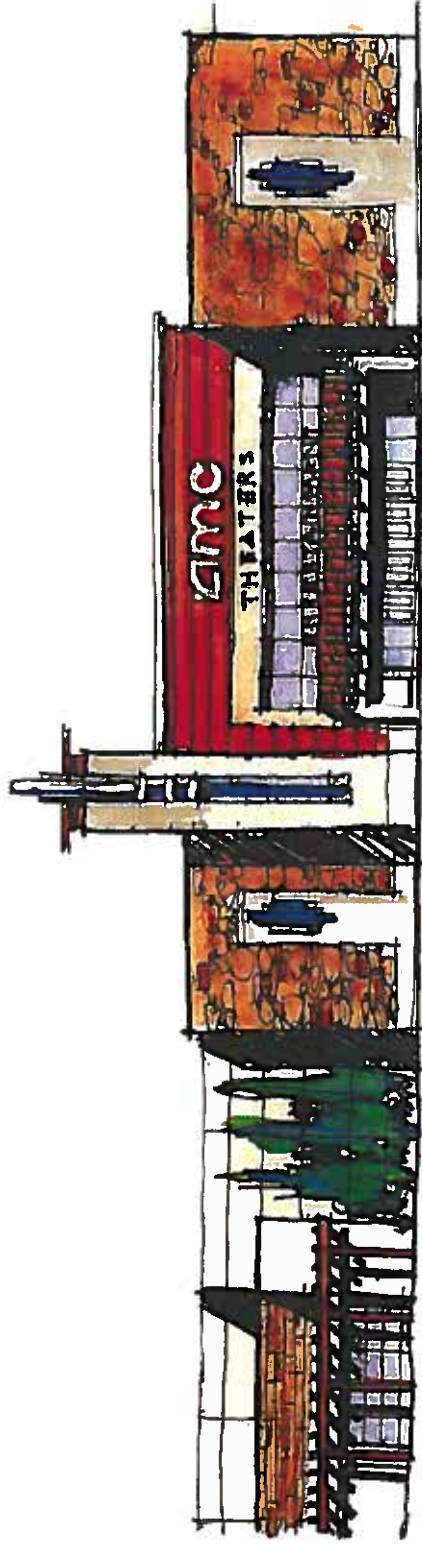
Village on the Parkway



Good Fulton & Farwell Architects

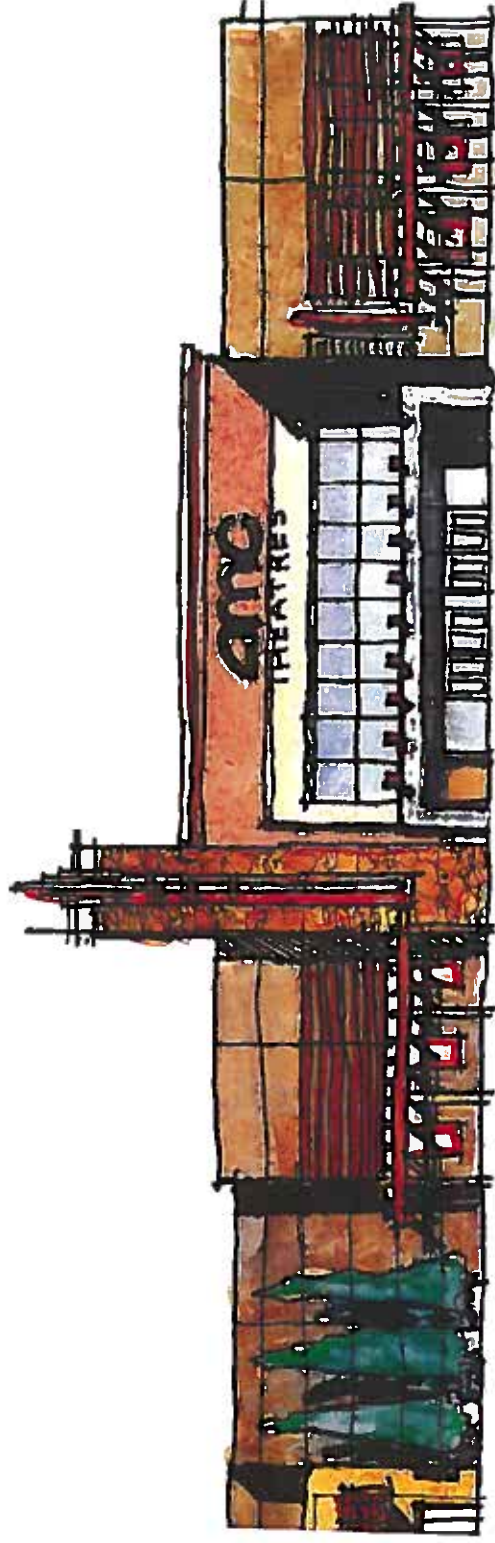
LINCOLN
PROPERTY
COMPANY

Village on the Parkway



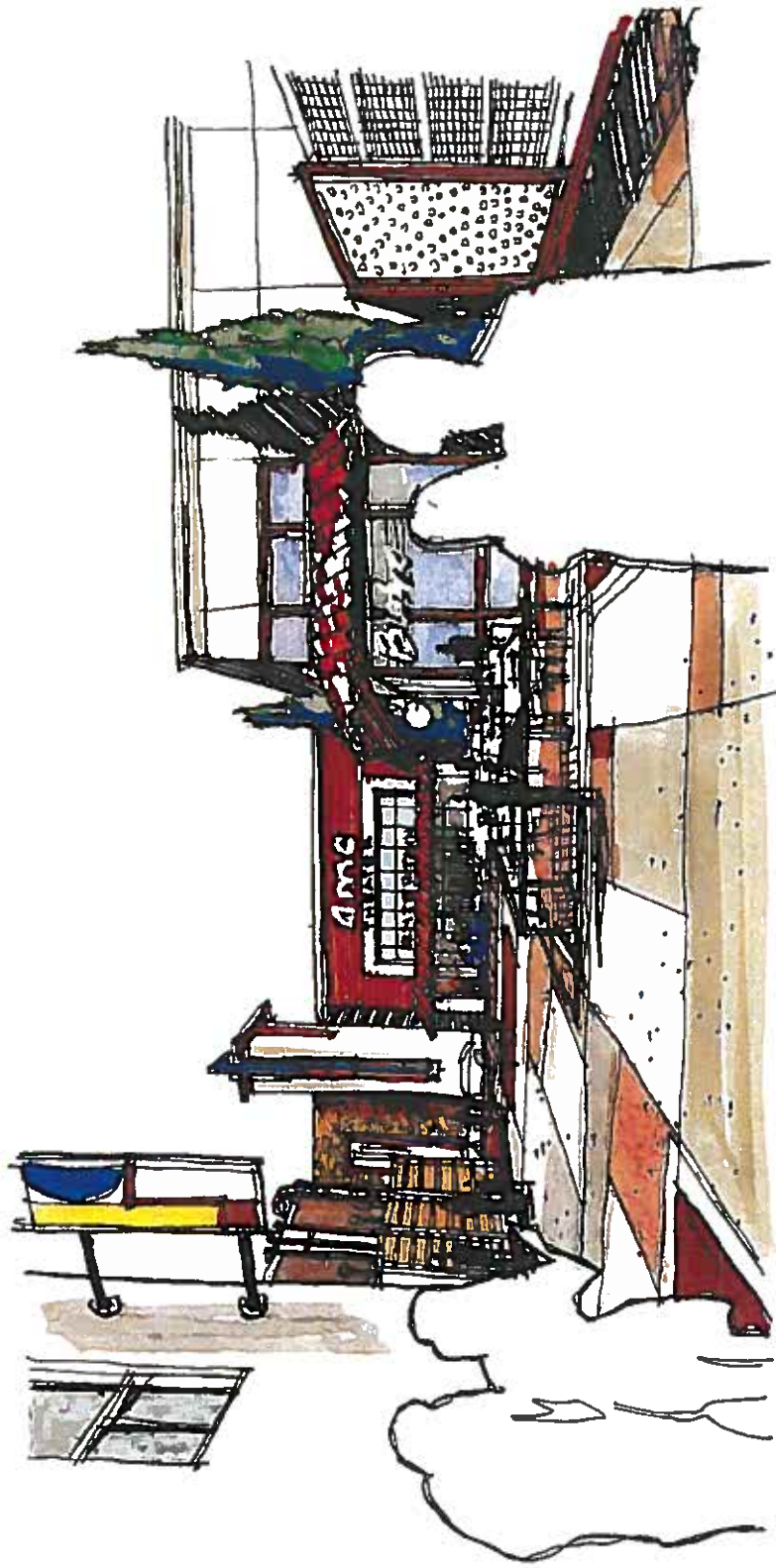
LINCOLN
PROPERTY
COMPANY

Village on the Parkway



LINCOLN
PROPERTY
COMPANY

Village on the Parkway



LINCOLN
PROPERTY
COMPANY

Village on the Parkway

110 Village Parkway
C-21



LINCOLN
PROPERTY
COMPANY

Village on the Parkway

Lincoln Property Company

New. Exciting, Unique. Intriguing. Engaging. Fresh. Innovative



LINCOLN
PROPERTY
COMPANY

Village on the Parkway

10000 Village on the Parkway
Lincoln Property Company

MacGuffins – Enjoy adult beverages within a warm comfortable environment.



LINCOLN
PROPERTY
COMPANY

Village on the Parkway

10/10/2014 10:00 AM

Marketplace – Made-To-Order hot foods; Specialty Drinks and Desserts.



Village on the Parkway

Innovative Auditoriums – Leather rocker-style seats; plush recliners; banquette box seating.



LINCOLN
PROPERTY
COMPANY

Village on the Parkway

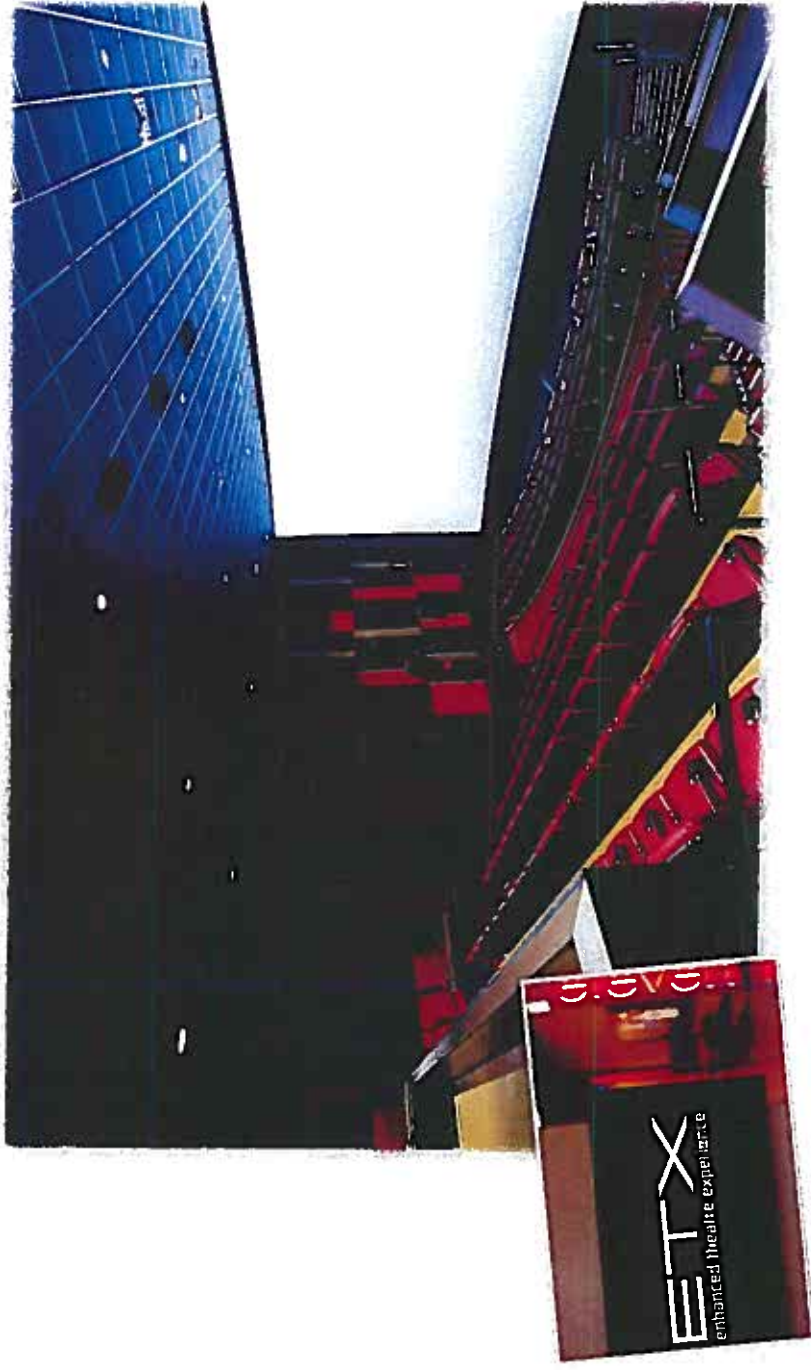
Innovative Auditoriums – Leather rocker-style seats; plush recliners; banquette box seating.



Village on the Parkway

Enhanced Theatre Experience

ETX – Enhanced Theatre Experience; unequaled sound; large screens.



LINCOLN
PROPERTY
COMPANY

April 25, 2011

AMC Theatres® to Open State-of-the-Art AMC Randhurst 12 in Mt. Prospect, Ill. on April 29

LEED Certified Theatre Features Innovative Seating, Sony Digital Cinema™ 4K Projection Systems, MacGuffins® Bar, Coca-Cola Freestyle® and the AMC Enhanced Theatre Experience (ETX™)

Kansas City, Mo. (April 25, 2011) - AMC Theatres (AMC), a leading theatrical exhibition and entertainment company, announces today that **AMC Randhurst 12**, located at 200 Randhurst Village Dr. in Mount Prospect, Ill., will open to the public on April 29 with new movies such as *FAST FIVE* and *PROM*.

"I wish I lived in Mount Prospect because our new AMC Randhurst 12 is going to be *THE* place to gather with family and friends to watch movies," said Gerry Lopez, CEO and president of AMC. "We carefully designed this theatre to have less of an impact on the environment while delivering a *WOW* factor to our guests. We think they will love it!"

The new AMC Randhurst 12 will be Chicago's first LEED-certified theatre, incorporating various aspects of environmentally sustainable design. LEED (Leadership in Energy and Environmental Design) is globally recognized green-building certification system, providing a concise framework for implementing practical and measurable green building design, construction, operations and maintenance.

In addition to its environmental attributes, guests at AMC Randhurst 12 will enjoy unique seating options that include first-come, first-serve box seats along the sides of the auditoriums, seats with extra leg room in the back row and front-row recliners.

Guests who visit the theatre will also be the first to experience the only all-digital theatre in the area, equipped with Sony 4K digital cinema projections systems that offer the highest picture resolution of all available projection technologies and more than four times greater than high-definition.

Before or after the show, guests at AMC Randhurst 12 will be able to enjoy an alcoholic beverage at *MacGuffins*®, a full-service bar and lounge area inside the theatre. Named after a term coined by famed filmmaker Alfred Hitchcock, *MacGuffins* features a variety of beer, wine and cocktails. *MacGuffins* operates from 4-11 p.m. daily and guests must be at least 21 years old.

If guests are looking for a non-alcoholic beverage, they will be in luck because AMC Randhurst 12 will offer *Coca-Cola Freestyle*®, which will allow guests to use cutting-edge technology to create their own personal drink mix from more than 100 choices.

The ETX auditorium at AMC Randhurst 12 will include a 20-percent larger screen, 3D technology, digital projection and an upgraded sound system. Specifically, the digital projection system produces images at a superior resolution with nearly twice as many audio channels compared to typical auditoriums. As a result of this improved experience, guests will not simply watch a movie. They will live it in ETX.

A guest's dream come true, AMC Randhurst 12 will feature the most current Hollywood releases and other types of entertainment, presented in the immersive, big-screen viewing environment of an AMC theatre. Floor-to-ceiling, wall-to-wall curved, premium screens bring guests' favorite stars to life with approximately 1,800 seats in 12 auditoriums.

Other amenities at AMC Randhurst 12 include:

- A large, efficient, fast-serve concession marketplace offering a wide variety of guests' favorite food and beverage options such as:
 - Chicken tenders
 - Mozzarella sticks
 - Pizza
 - French fries
 - Hot dogs and bratwurst
 - Ice cream and shakes
 - Gourmet popcorn
 - Espresso, cappuccino, lattes
- Stadium seating in each auditorium, with 21-inch risers and 48-inch row spacing for perfectly clear, unobstructed views from each seat
- AMC's exclusive and ultra-comfortable LoveSeat®-style seating featuring "rocking" backs and lifting cupholder armrests
- Six-channel digital audio in 11 of the 12 auditoriums for clear, dynamic distortion-free audio and lifelike special effects (the ETX auditorium contains an even more powerful audio experience)

- The box office and a guest services area for superior attention to guests' needs are contained entirely within the theatre's lobby for increased guest comfort
- Automated box offices for easy ticket purchasing and advance ticket order pick up

Additional information about the theatre can be found at www.amctheatres.com/Randhurst12.

About AMC Entertainment Inc.

AMC Entertainment Inc. delivers distinctive and affordable movie-going experiences in 361 theatres with 5,203 screens across the United States and Canada. The company operates 24 of the 50 highest grossing theatres in the country, including the top three. AMC has propelled industry innovation and continues today by delivering premium sight and sound, enhanced food and beverage and diverse content. www.AMCTheatres.com.

MEDIA CONTACT

Justin Scott, (816) 480-2548
juscott@amctheatres.com



Copyright 2012 AMC Entertainment Inc.

EXHIBIT 3

[schedule, map of existing trees to be removed]

EXHIBIT 4

Redevelopment Costs

VILLAGE ON THE PARKWAY
in
ADDISON, TEXAS

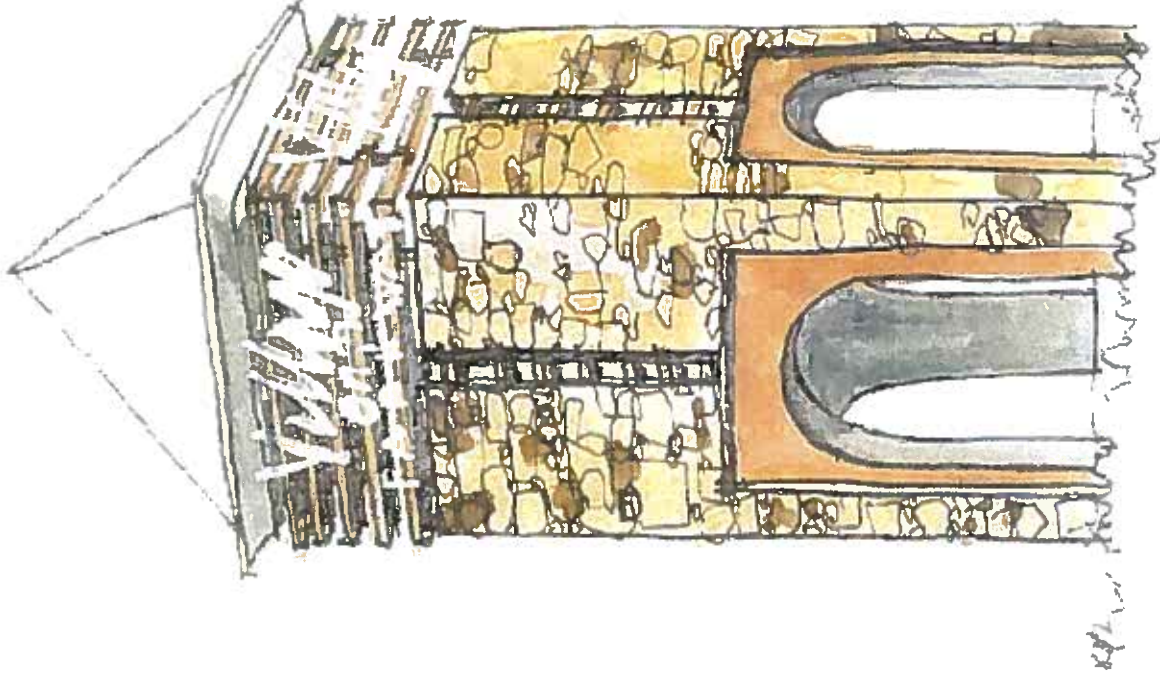
Project Cost

Building demolition (Sakowitz & 200 Block)	\$ 290,882
New building construction (126,235 SF)	11,129,975
Parking deck (413 spaces)	3,923,500
Tenant improvements (317,621 SF)	14,388,530
Other	<u>4,725,000</u>
Subtotal Hard Costs	\$ 34,457,887
Architect & Engineer	\$ 740,000
Leasing commissions	3,446,199
Legal & financing fees	1,370,901
Developer & acquisition fee	1,096,561
Default Interest	1,350,000
Other	<u>440,457</u>
Subtotal Soft Costs	\$ 8,444,118
Contingency	<u>2,000,000</u>
Total Project Cost	\$

EXHIBIT 5

Village on the Parkway

View of Proposed Changes to Existing Village on the Parkway Signs

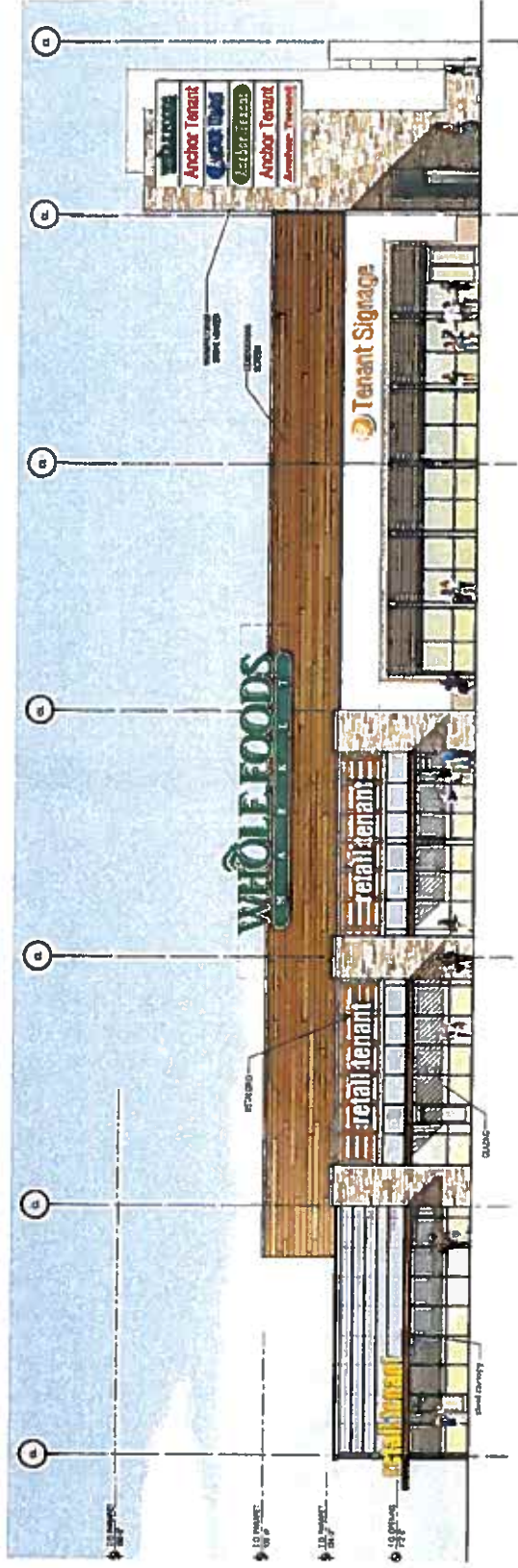


Specialty Food Store Site

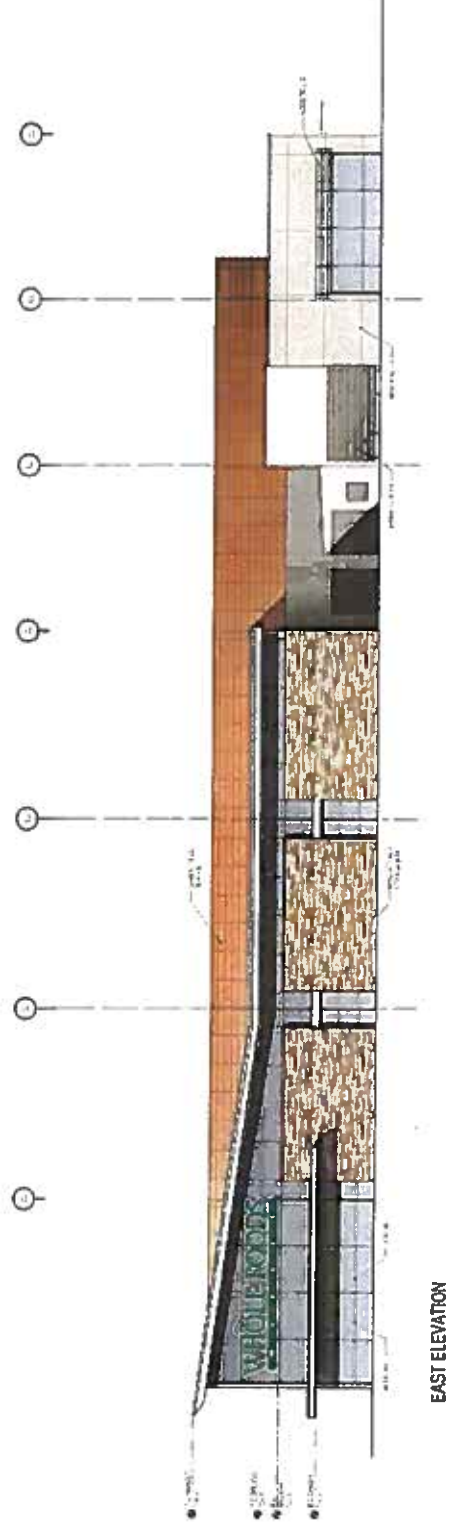
Village on the Parkway



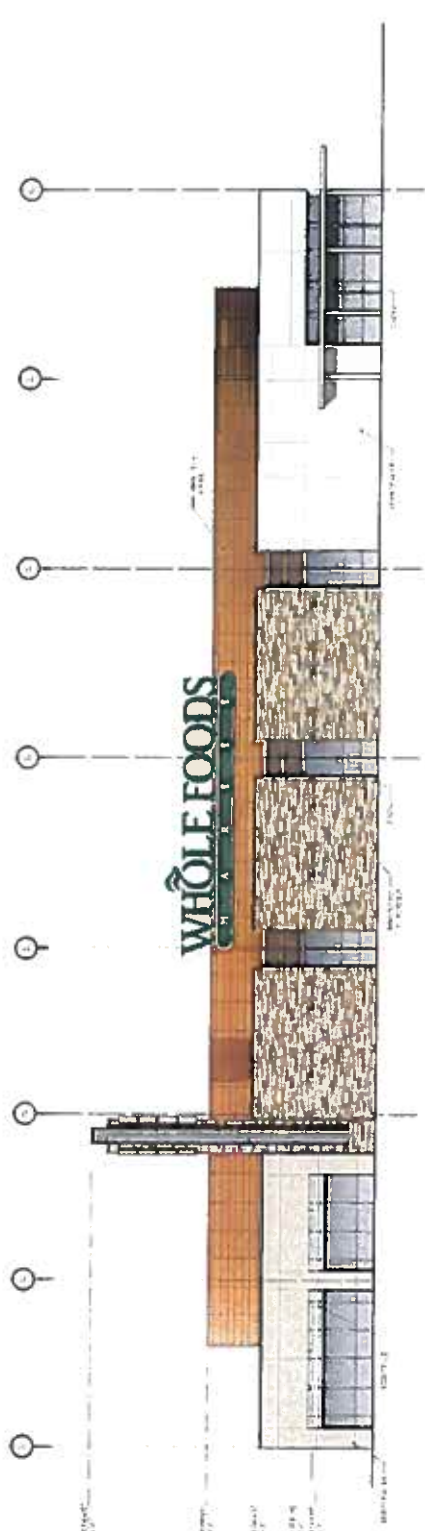
Village on the Parkway



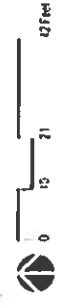
Village on the Parkway



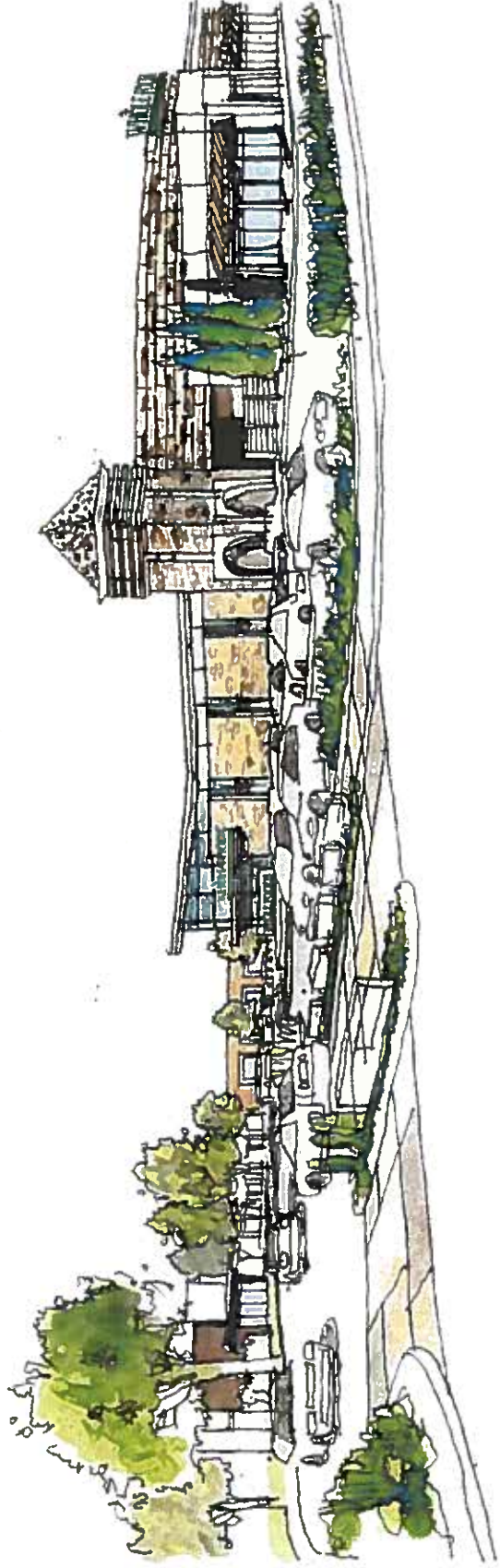
EAST ELEVATION



WEST ELEVATION

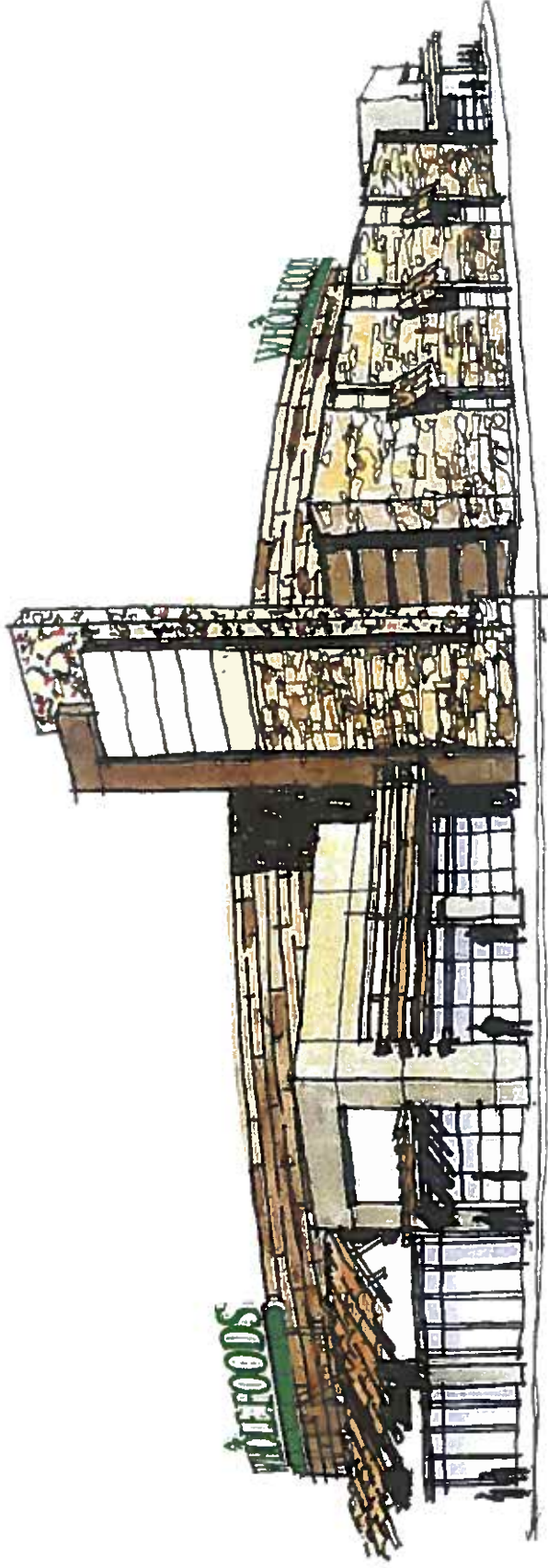


Village on the Parkway



View Looking Southwest: from Belt Line at
Proposed Lot: 1 Jrr

Village on the Parkway



View looking South-East from Intersection
of Bell Line and The Dallas North Tollway

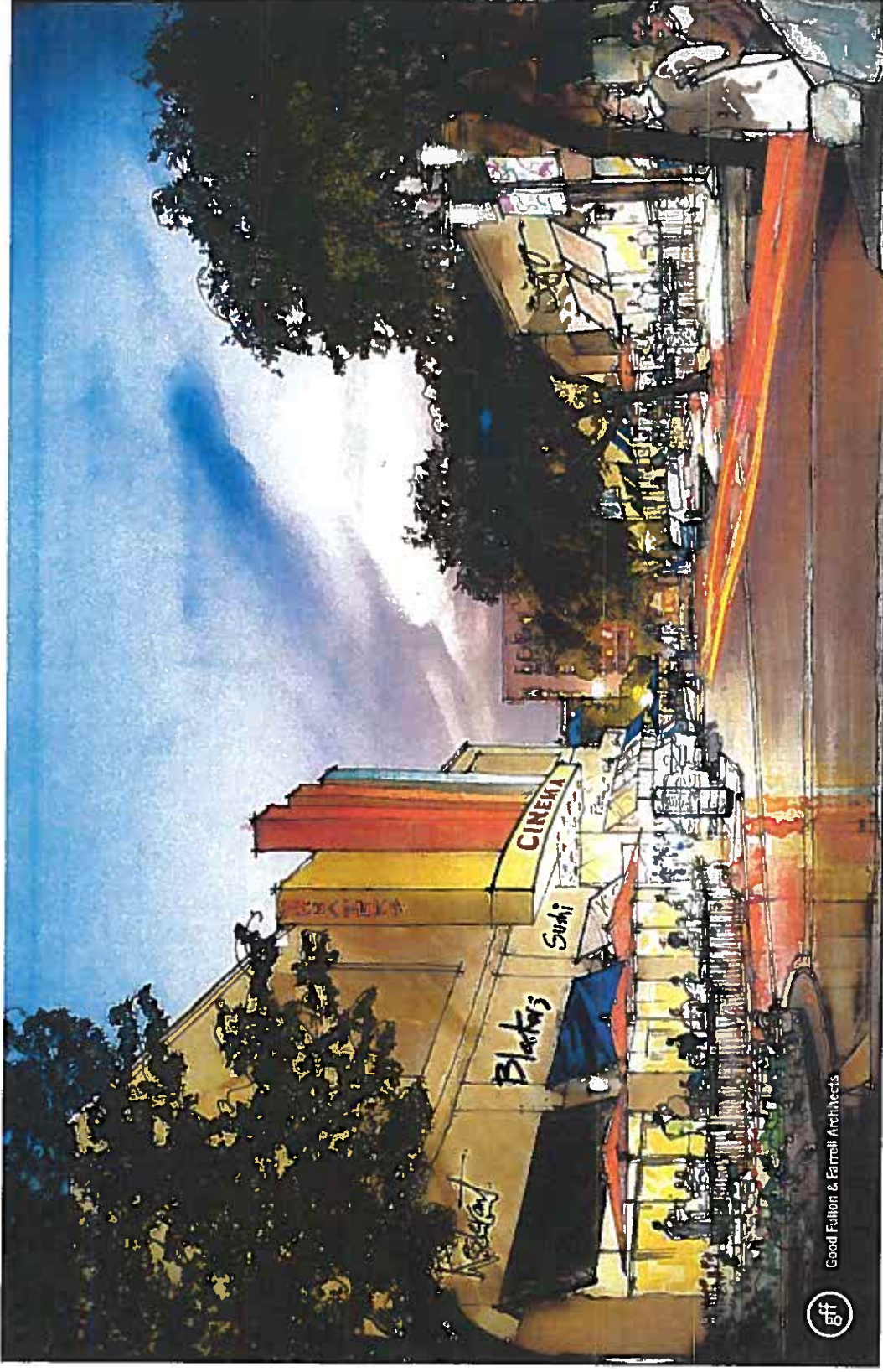
Village on the Parkway



View Looking Northeast from Dallas North Tollway
Frontage Road at Village on the Parkway Entrance

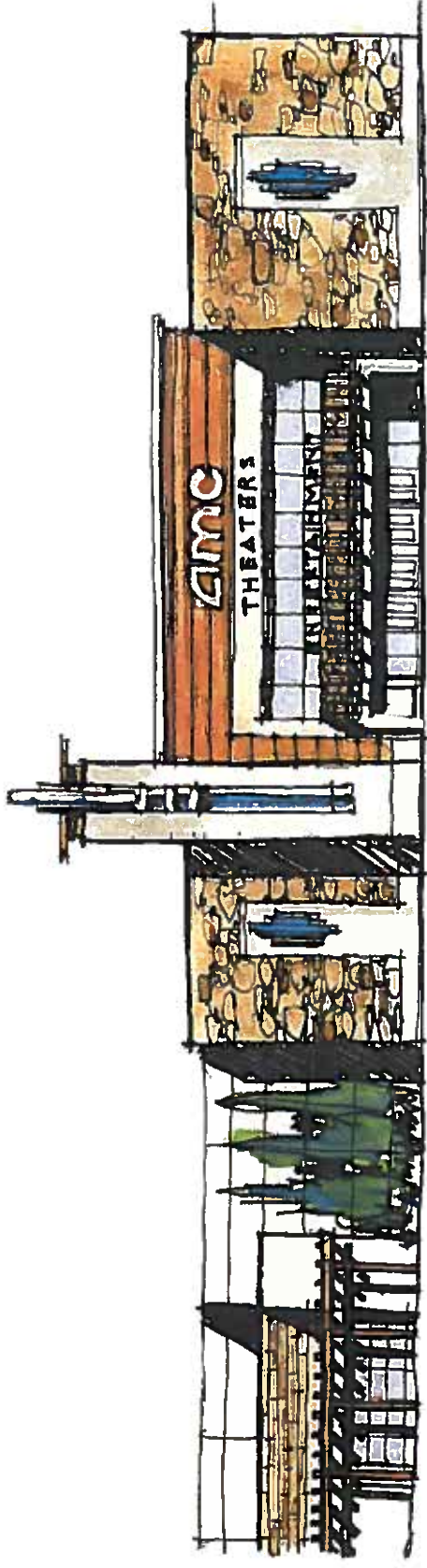
Movie Theater Site

Village on the Parkway

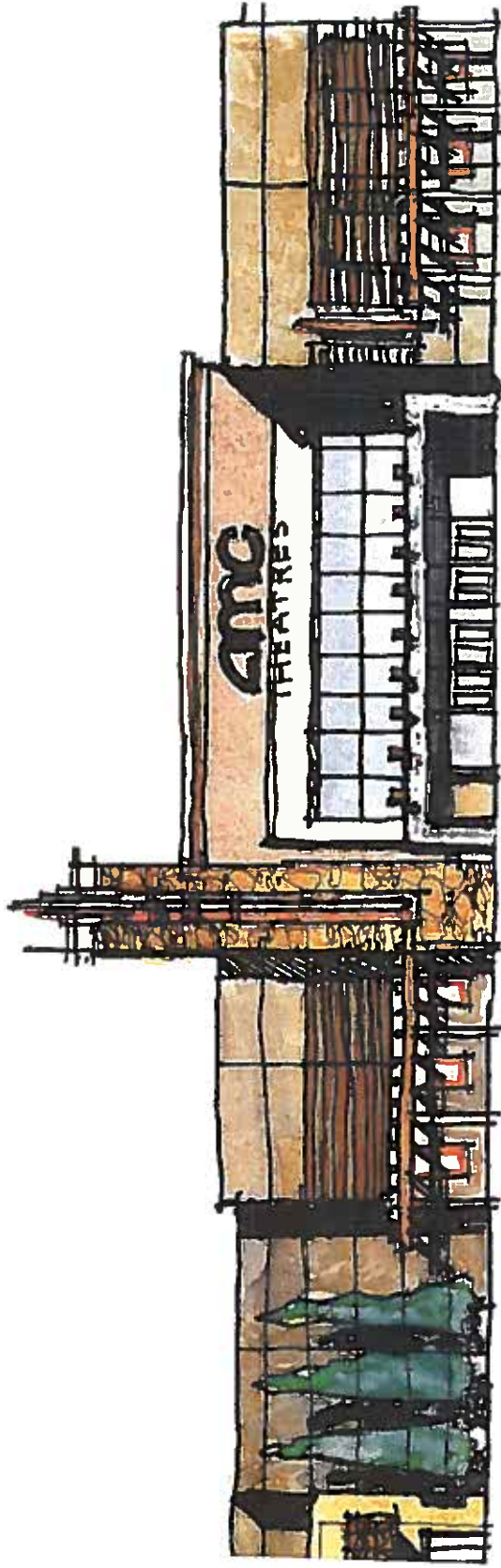


LINCOLN
PROPERTY
COMPANY

Village on the Parkway



Village on the Parkway



Village on the Parkway

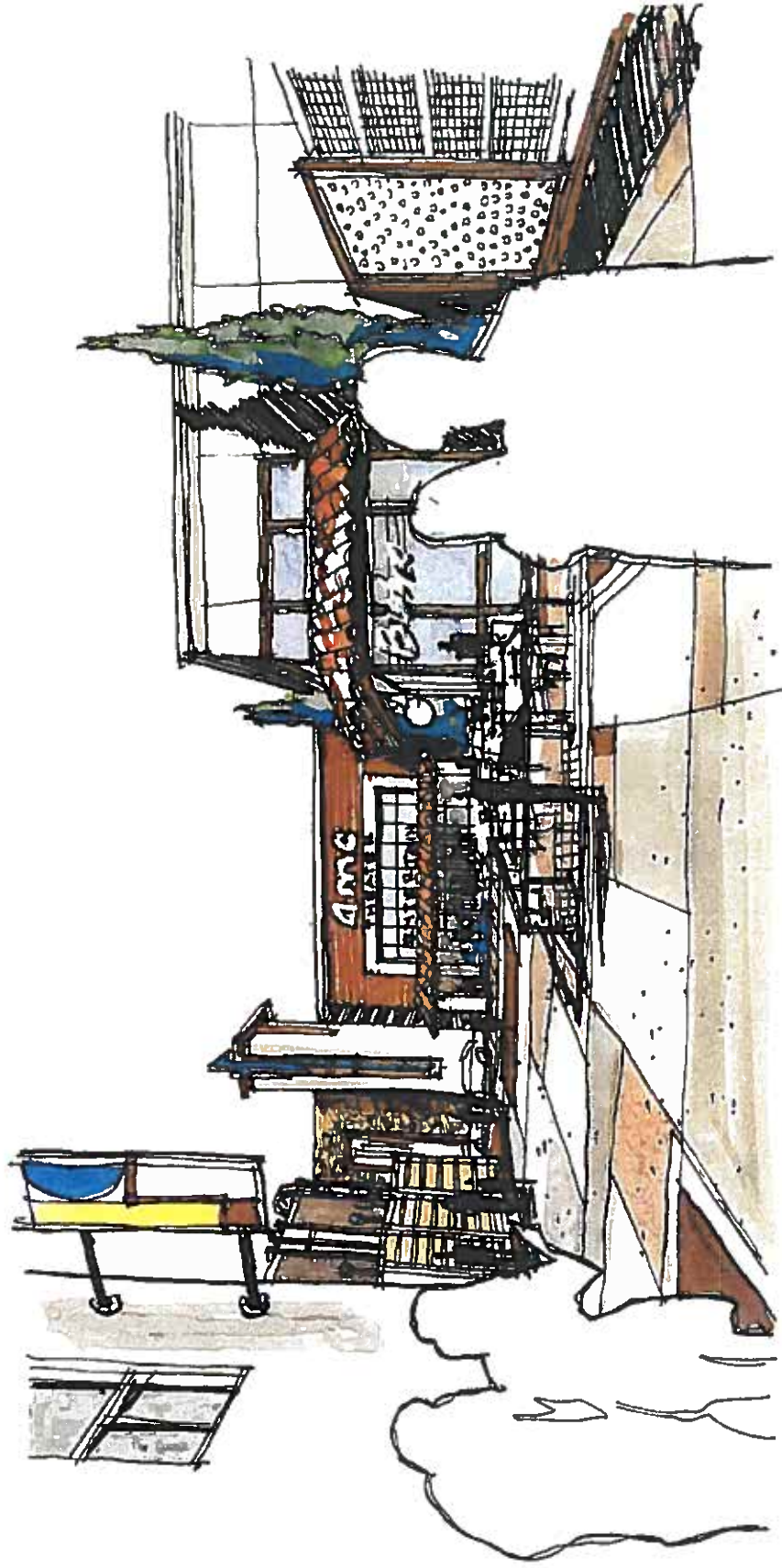


EXHIBIT 6

PROMISSORY NOTE

THIS PROMISSORY NOTE IS NON-NEGOTIABLE AND IS NOT A NEGOTIABLE INSTRUMENT

Sales Tax Grants

_____, 2012

Reference is made to that certain Economic Development Incentive Agreement dated as of the date hereof (as the same may be amended from time to time, the "380 Agreement") and entered by and between the Town of Addison, Texas, GF III VOP, LP, a Delaware limited partnership, and VOP, LP, a Delaware limited partnership ("VOP, LP"). Capitalized terms used herein and not otherwise defined have the meanings set forth in the 380 Agreement.

FOR VALUE RECEIVED, the undersigned Town of Addison, Texas (the "Maker"), hereby promises to pay to GF III VOP, LP, a Delaware limited partnership (together with any successor holder of this Note, the "Holder"), subject to and in accordance with the provisions of the 380 Agreement, the Sales Tax Grants actually received by Maker, such Sales Tax Grants to be paid at such times and in such amounts as are provided for and required under Article III and other applicable portions of the 380 Agreement.

1. **THIS NOTE IS NOT NEGOTIABLE AND IS NOT A NEGOTIABLE INSTRUMENT.** Payment by Maker of all or any portion of the Sales Tax Grant is conditioned on the full performance and compliance with the 380 Agreement by Holder and VOP, LP, a Delaware limited partnership (together with any successor owner of the Property, the "Property Owner"), and collectively, together with the Holder, the "380 Parties"), including but not limited to Article IV of the 380 Agreement and Maker actually receiving in each applicable year Total Sales Tax that exceeds the Threshold Sales Tax. All provisions of the 380 Agreement applicable to the payment by Maker of the Sales Tax Grants are in all things applicable to the payment by Maker under this Promissory Note ("Note"). Further, with respect to any payment of a Sales Tax Grant under this Note, Maker has and shall have all rights and defenses available to it as may be provided by law, equity, or otherwise (all of which the Maker reserves in full), subject in each case to compliance with the term of Section 4 below.

2. This Note may not be modified, amended, waived, extended, changed, discharged, or terminated orally or by any act or failure to act on the part of Maker or Holder, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

3. Holder must deliver written notice to Maker of any event of default. Maker shall then have fifteen (15) business days to respond to such written notice by among other things advising Holder the basis for failing and/or refusing to pay such Sales Tax Grants including but not limited to those conditions set forth in Article IV of the 380 Agreement, claims asserted by third parties, inability to collect the Total Sales Tax or any portion thereof, rights of offset or recoupment and overall claims Maker may have against Holder under applicable law or equity (subject in each case to compliance with the term of Section 4 below). Any and all claims or defenses which Maker can or could raise under the 380 Agreement or under applicable law or equity are hereby preserved as claims or defenses under this Note (subject in each case to compliance with the term of Section 4 below). Also, under no circumstances does Maker waive any such claims or defenses under law or equity. The failure of Maker to timely respond to such

notice of default shall constitute a condition giving rise to Holder having the right to pursue its alleged rights and remedies under the Note but such failure to timely respond does not constitute a waiver of any claims or defenses which Maker may have under the 380 Agreement or under applicable law or equity as described herein. No release of any security for the Note, if any, or any person liable for payment of the Note and no extension of time for payment of this Note or any installment hereof, shall release, modify, amend, waive, extend, change, discharge, terminate or affect the liability of Maker, and any other person or party who may become liable for the payment of all or any part of the Note.

4. Maker covenants and agrees that before asserting any claims, demands, or offsets against Holder hereunder, Maker shall first make written demand on the Property Owner for cure or restitution of the applicable matter if the 380 Agreement requires such written demand, and shall simultaneously provide a copy of such demand to Holder (such written demand, if any, to be sent by U.S. Mail to the address included in paragraph 7 below, or to such address as may be changed in accordance with paragraph 7). Following such demand, Maker may suspend making payments to Holder hereunder until the matter at issue is cured (or restitution is provided) to Maker's reasonable satisfaction, but shall not otherwise seek remedies against Holder hereunder except in compliance with the following sentence. If within twenty (20) days following written demand (if any) from Maker, the Property Owner does not cure or provide restitution to Maker's reasonable satisfaction, then in addition to all other remedies Maker may have against Property Owner under the 380 Agreement, Maker may following the end of such 20 day period assert all applicable claims and rights against Holder hereunder.

5. This Note is the Note referred to in the 380 Agreement. In the event Maker fails to pay any portion of the Sales Tax Grant in accordance with and as set forth in the 380 Agreement, Holder shall thereafter have all remedies at law and in equity to proceed against Maker and to collect all amounts owed by Maker hereunder. Maker, on the other hand shall have all rights and remedies at law, in equity or otherwise to proceed against Holder to recover damages against Holder or assert any applicable defenses including the right to offset/recoup any such amounts sought by Holder (subject in each case to compliance with the term of Section 4 above).

6. The rights and remedies of Maker and Holder shall be cumulative and concurrent, and may be pursued singly, successively, or together at the sole discretion of Maker or Holder hereof, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof. Nothing herein contained shall be construed as limiting Maker or Holder of this Note to the rights or remedies mentioned above.

7. All payments required hereunder or under the 380 Agreement shall be made to the Holder in good federal funds, and shall be paid to Holder at the address set forth below (provided that Holder or any successor holder may by written notice to Maker change the address for payment to Holder from time to time):

GF III VOP, LP
3300 Lincoln Plaza
500 North Akard Street
Dallas, TX 75201-3394
Attn: Robert Dozier

8. This Note and the rights of Holder hereunder may be assigned by Holder in whole or in part. However, the assignor of such Assignment shall, as a condition precedent to any such assignment, obtain a written agreement ("Assumption Agreement") from the assignee of such Assignment whereby each such assignee agrees to be bound by the terms and provisions this Note and acknowledges the reserved rights of Maker hereunder with respect to claims or defenses which Maker can or could raise against such assignee hereunder or under the 380 Agreement or under applicable law or at equity (and including, without limitation, confirmation of such assignee's agreement to the provisions of Section 9 below); the Assumption Agreement shall be in form and content reasonably acceptable to Maker in its sole discretion and a true and correct copy thereof shall be provided to Maker promptly following execution thereof.

9. Notwithstanding any other provision of this Note, it is understood and expressly agreed by Holder that the Maker does not warrant or guarantee that the Sales Tax Grant payments (and any part thereof) as described in the 380 Agreement, or any other incentive described herein or in the 380 Agreement (including in Section 3.5 of the 380 Agreement) will be upheld as valid, lawful, enforceable or constitutional in the event the statutory or other authority for the same or the Maker's use thereof is challenged by court action or other action or proceeding (including any action or proceeding involving the Texas Attorney General). In the event such court or other action or proceeding related to the legality of this Note or the 380 Agreement and the providing of the Sales Tax Grants (or any part thereof) or any other incentive described herein or in the 380 Agreement is instituted, the parties shall defend or respond to such action or proceeding at their respective option and expense. Should such litigation, action or other proceeding result in a determination that this Note or the 380 Agreement or the payment of the Sales Tax Grants (or any part thereof), or the provision of any other incentives, was or is prohibited under federal, state or local law (including any constitutional or charter provision), rule or regulation, and so result in the loss of the Sales Tax Grants or other incentive as provided herein, City, Property Owner and Holder agree to work together in good faith to find alternative means to accomplish the purposes of the 380 Agreement and to provide Property Owner and Holder incentives with a reasonably equivalent value, to the extent provided by and subject to law. Property Owner and Holder shall have no recourse against the City or any of its elected officials, its officers, employees, agents, representatives, or volunteers, past or present with respect to the determination resulting in the loss of the Sales Tax Grants and other incentives provided herein or for any failure of the parties to find alternative means to accomplish the purposes of this Note or the 380 Agreement as described above.

10. In no event shall this Note be deemed to create a joint enterprise, joint venture or partnership between Maker and the Holder.

11. THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS (WITHOUT REGARD TO PRINCIPLES OR CONFLICTS OF LAWS) AND THE APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

[The balance of this page has intentionally been left blank; signature page follows.]

IN WITNESS WHEREOF, Maker has duly executed this Note under seal as of the day and year first above written.

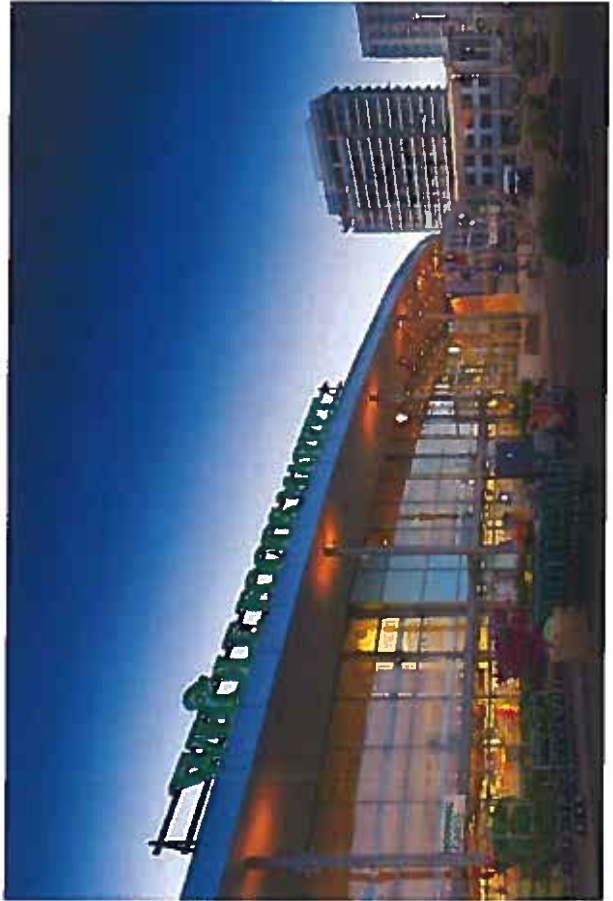
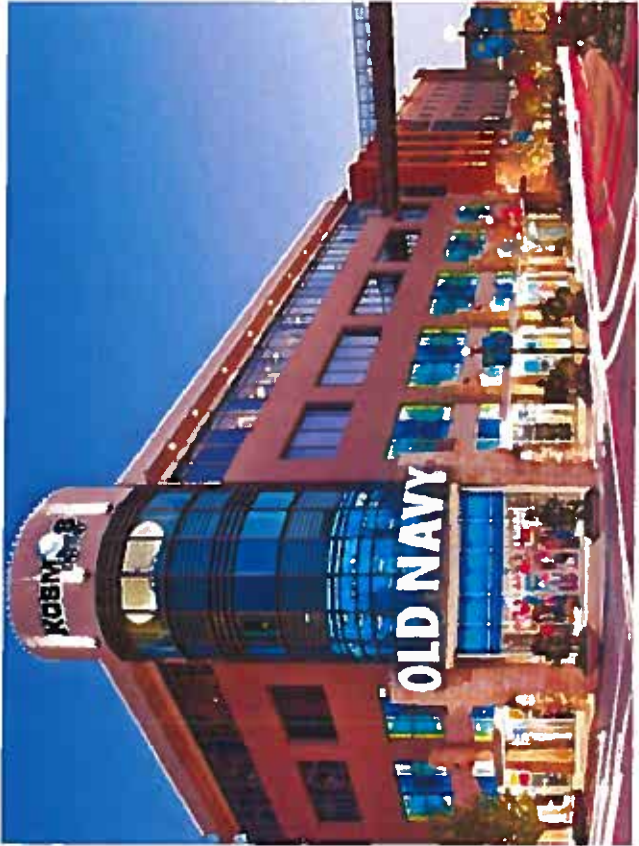
MAKER

TOWN OF ADDISON, TEXAS

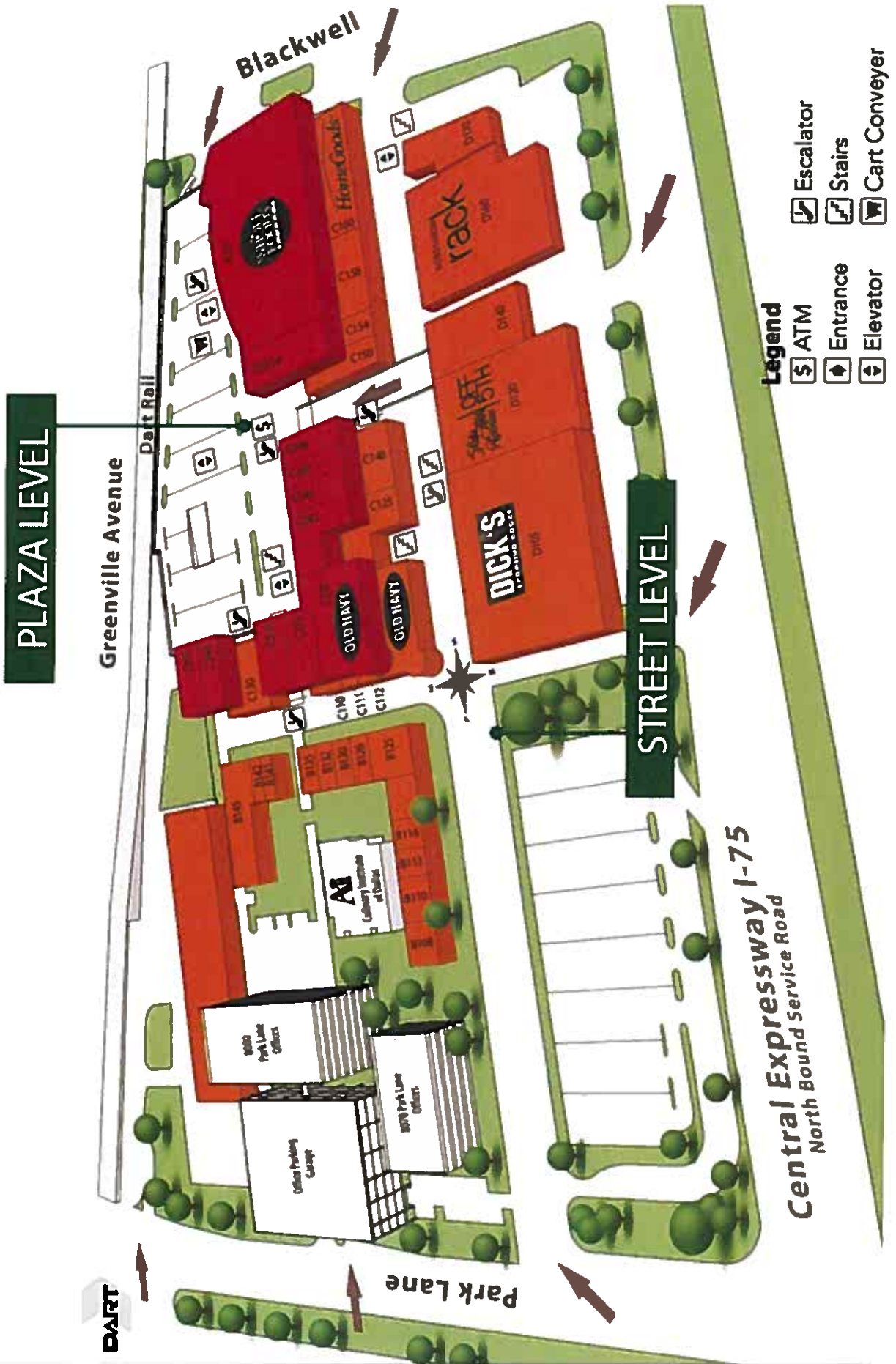
By: _____
Ron Whitehead, City Manager

EXHIBIT 7

**Shops at Park Lane
Dallas, Texas**



The Shops at Park Lane



PLAZA LEVEL

Greenville Avenue

Dart Rail

Blackwell

STREET LEVEL

Central Expressway I-75
North Bound Service Road

Legend

- Escalator
- ATM
- Entrance
- Elevator
- Stairs
- Cart Conveyor

DART

Park Lane

C303	AAA TRAVEL		
C152	AVEDA STORE	ART INSTITUTE OF DALLAS	C150 AVEDA INSTITUTE DALLAS
C341	BOCA CHICA*	C130 BAILEY'S PRIME PLUS	C140* BLOOMINGDALE'S-THE OUTLET
C351A	CHARMING CHARLIE	B143 BOWL & BARREL*	C345 CARTER'S
B125	GORDON BIERSCH	CULINARY INSTITUTE OF DALLAS	D105 DICK'S SPORTING GOODS
B113	L'ACQUA SPA LOUNGE	B108 GRIMALDI'S PIZZERIA	C160 HOMEGOODS
D160	NORDSTROM RACK	C156 LANE BRYANT / CACIQUE	B142 NATIONAL UNIVERSITY
D170	RARE*	C320 OLD NAVY	C310 PARK TAVERN*
SLEEP NUMBER		C154 REUSE JEANS	D120 SAKS FIFTH AVENUE OFF 5TH
C340	ULTA BEAUTY	C349 SPRINT	C125 THE CHILDREN'S PLACE
		C351 WHOLE FOODS MARKET	

Arlington Highlands
Arlington, Texas



Arlington Highlands is a premier destination for shopping, dining, and entertainment. Located in the heart of downtown Arlington, Texas, this vibrant community offers a mix of modern retail and historic charm. With its walkable streets and diverse offerings, it's the perfect place to spend your day.

Community of Arlington Highlands LLC





Mouse-over the map to highlight the various sections of the site. Click on any section to bring up a more detailed view and a directory of services located within that section.

[Directory](#) | [Merchants Court](#) | [Highlands Park Place](#) | [Market Square](#) | [Highlands Corner](#)



ARLINGTON HIGHLANDS DIRECTORY

STORE NAME:	PHONE:	CATEGORY:	AREA:
Al's Formal Wear	817-784-9991	Apparel	B
Angelle V. Zamora, DDS\Smiles of Arlington	817-277-1971	Health & Beauty	E
Ann Taylor Loft	817-472-5663	Apparel	L
A&I	817-466-0701	Services	V
Barbeques Galore	817-419-9647	Specialty	L
Bath & Body Works	817-468-1625	Health & Beauty	E
Bed Bath & Beyond	817-375-9859	Home Furnishings	I
B.J.'s Restaurant & Brewhouse	817-465-5225	Dining	O
Black Dog Pizza	817-635-5551	Dining	F
Blackfinn American Saloon	817-468-3332	Dining	O
Bling Lash and Brow Boutique	817-472-5467	Specialty	A

Narrow Your Selection Down by: (Select One)

Submit

<u>Bone Daddy's</u>	817-704-7744	Dining	X
<u>Boutique Accentz</u>	817-472-5566	Accessories / Apparel	E
<u>Brighton Collectibles</u>	817-419-0788	Accessories	E
<u>Busy Body</u>	817-784-6994	Fitness	N
<u>Charming Charlie</u>	817-472-9065	Accessories	F
<u>Chuy's</u>	817-557-2489	Dining	O
<u>Cold Stone Creamery</u>	817-465-7111	Dining	E
<u>Coldwater Creek</u>	817-557-4630	Apparel	K
<u>Compass Trading Company</u>	817-468-4688	Accessories	L
<u>Conn's</u>	817-557-1828	Electronics	B
<u>Crazy 8</u>	Opening Soon	Apparel	F
<u>Dave & Buster's</u>	817-525-2501	Entertainment	L
<u>David's Bridal</u>	817-472-9699	Apparel	B
<u>Edible Arrangements</u>	817-419-9800	Specialty	A
<u>Elite Spa & Nails</u>	817-466-7077	Health & Beauty	N
<u>Ethan Allen</u>	817-557-5666	Home Furnishings	S
<u>European Wax Center</u>	817-466-4929	Services	L
<u>Famous Footwear</u>	817-375-5938	Shoes	J
<u>Farmers-Jess Rogers Agent</u>	817-466-5777	Service	E
<u>Fish City Grill</u>	817-465-0001	Dining	E
<u>Francesca's Collections</u>	817-419-0371	Accessories	E
<u>Freebird's World Burrito</u>	817-468-5300	Dining	K
<u>Genghis Grill</u>	817-465-7847	Dining	M
<u>Gloria's</u>	817-701-2981	Dining	F
<u>Gold Guva</u>	817-468-3676	Specialty	M
<u>Great Clips for Hair</u>	817-465-9999	Health & Beauty	B
<u>Haltom's Jewelers</u>	817-468-3813	Jewelry	L
<u>Happy Smiles Dentistry</u>	817-466.8383	Health & Beauty	E
<u>Hardin Computers</u>	817-572-2775	Services	M
<u>Houlhan's</u>	817-375-3863	Dining	W
<u>Improv Comedy Club</u>	817-635-5555	Entertainment / Dining	F
<u>India Grill</u>	817-468-9150	Dining	M
<u>James Avery</u>	817-466-0501	Jewelry	F
<u>Jenny Craig Weight Loss</u>	817-468-0024	Health & Beauty	B
<u>Jo-Ann</u>	817-557-3029	Crafts & Fabrics	B
<u>Jos. A. Bank</u>	817-375-0570	Apparel	K
<u>Justice Just for Girls</u>	817-557-4263	Apparel	E
<u>Kelley Athletic</u>	817-472-6330	Sporting Goods	M
<u>KidsPark Hourly Childcare</u>	817-236-1253	Services	F
<u>Kincaid's Hamburgers</u>	817-466-4211	Dining	E
<u>Kirkland's</u>	817-466-9334	Home Furnishings	B
<u>Knockouts Haircuts For Men</u>	817-468-2855	Health & Beauty	M

<u>Lane Bryant /Cacique</u>	817-557-8128	Apparel	F
<u>Message Envy</u>	817-465-3456	Health & Beauty	E
<u>McAllister's Deli</u>	817-465-3354	Dining	B
<u>Medi-Weightloss Clinics</u>	817-668-1377	Health & Beauty	M
<u>Medifast Weight Control Center</u>	817-465-4800	Health & Beauty	F
<u>Men's Wearhouse Big & Tall</u>	817-375-0216	Apparel	T
<u>Mimi's Cafe</u>	817-466-3212	Dining	U
<u>Music & Arts</u>	817-466-8696	Books, Music & Art	M
<u>Old Navy</u>	817-419-9782	Apparel	J
<u>OneMain Financial</u>	817-465-9288	Services	J
<u>P.F. Chang's China Bistro</u>	817-375-8690	Dining	R
<u>Paul Mitchell The School Arlington</u>	817-865-6963	Education	F
<u>Penzey's Spices</u>	817-465-4777	Specialty	L
<u>PetSmart</u>	817-466-1437	Pets	C
<u>Piano Gallery</u>	817-465-5397	Books, Music & Art	M
<u>Pinkberry</u>	817-468-5200	Dining	N
<u>Piranha Killer Sushi</u>	817-465-6455	Dining	F
<u>Pluckers Wing Bar</u>	817-784-2473	Dining	N
<u>Portrait Innovations</u>	817-557-6207	Services	L
<u>Potbelly Sandwich Works</u>	817-468-2985	Dining	E
<u>Rally House Texas</u>	817-468-3883	Sporting Goods	M
<u>Red Robin Gourmet Burger & Spirits</u>	817-468-7700	Dining	Y
<u>Red Swaggar Fashion</u>	817-375-1140	Apparel	F
<u>Regus Business Center</u>	817-695-5000	Office	F
<u>Robbina Bros.</u>	817-466-2860	Jewelry	P
<u>Rocky Mountain Chocolate Factory</u>	817-557-5594	Specialty	K
<u>Sleep Experts</u>	817-522-5067	Home Furnishings	M
<u>Sprint</u>	817-468-3974	Services	E
<u>Staples</u>	817-466-4017	Office Supply	C
<u>Starbucks Coffee</u>	Opening Soon	Dining	E
<u>Studio Movie Grill</u>	817-466-4440	Entertainment	D
<u>Studio Orthodontics</u>	817-375-8899	Health & Beauty	B
<u>Sunglass Hut</u>	817-468-1004	Accessories	E
<u>Teesie's Attic</u>	817-465-7200	Apparel	K
<u>Texas A & M University</u>	817-375-0960	Education	E
<u>The Black-eyed Pea</u>	817-467-9555	Dining	N
<u>The Container Store</u>	817-422-0888	Home Furnishings	K
<u>The Keg Steakhouse & Bar</u>	817-465-3700	Dining	L
<u>The Little Gym</u>	817-465-9296	Fitness	E
<u>The Luxury of Leather</u>	817-781-6082	Home Furnishings	F
<u>The Melting Pot Restaurant</u>	817-469-1444	Dining	M
<u>Tobacco Lane</u>	817-784-0022	Specialty	E

<u>Ultra</u>	817-468-2244	Health & Beauty	J
<u>University of Phoenix</u>	817-505-4200	Education	E
<u>Which Wich Superior Sandwiches</u>	817-465-6700	Dining	A
<u>White House Black Market</u>	817-375-5026	Apparel	E
<u>William Edge hair.skin.body</u>	817-419-1004	Health & Beauty	L
<u>WineStyles</u>	817-465-9463	Specialty	K
<u>World Market</u>	817-375-5199	Home Furnishings	F
<u>ZIZI Pedispa & Nails</u>	817-468-7334	Health & Beauty	B