

**AGENDA**  
**REDEVELOPMENT COMMISSION**  
**February 19, 2024 at 5:00 p.m.**  
**Bloomington City Hall, 401 North Morton Street**  
**McCloskey Conference Room, Suite 135**

The City is committed to providing equal access to information. However, despite our efforts, at times, portions of our board and commission packets are not accessible to some individuals. If you encounter difficulties accessing material in this packet, please contact Anna Killian-Hanson, at [anna.killianhanson@bloomington.in.gov](mailto:anna.killianhanson@bloomington.in.gov) and provide your name, contact information, and a link to or description of the document or web page you are having problems with.

Join Zoom Meeting

<https://bloomington.zoom.us/j/84245842057?pwd=tfD1K558B7Zb1Dz70dgZt6JDysQwtl.1>

Meeting ID: 842 4584 2057

Passcode: 348238

- I. ROLL CALL**
- II. READING OF THE MINUTES** –February 5, 2024
- III. EXAMINATION OF CLAIM REGISTERS** – February 16, 2024 for \$958,148.01
- IV. EXAMINATION OF PAYROLL REGISTERS**–February 9, 2024 for \$33,254.79
- V. REPORT OF OFFICERS AND COMMITTEES**
  - A. Director’s Report
  - B. Legal Report
  - C. Treasurer’s Report
  - D. Business Development Updates
  - E. Hopewell Update
- VI. NEW BUSINESS**
  - A. Neighborhood Improvement Grant Council – RDC volunteer
  - B. Resolution 24-16: Approval of Secondary Plat for Hopewell East
  - C. Resolution 24-23: Approval to Authorize and Execute an Estoppel Certificate Regarding Leased Property
- VII. BUSINESS/GENERAL DISCUSSION**
- VIII. ADJOURNMENT**

*Auxiliary aids for people with disabilities are available upon request with adequate notice. Please call [812-349-3429](tel:812-349-3429) or e-mail [human.rights@bloomington.in.gov](mailto:human.rights@bloomington.in.gov).*

**THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA**  
**met on Monday, February 5, 2024, at 5:00 p.m. in the McCloskey Conference Room, 401 North Morton Street, Room 135, and via Zoom, with President Deb Hutton presiding:**

<https://catstv.net/m.php?q=13234>

**I. ROLL CALL**

Commissioners Present: Sue Sgambelluri, Randy Cassady, Deb Hutton, John West, and Deborah Myerson attended the meeting in person.

Commissioners Absent: None

City Staff Present: Mayor Kerry Thomson; Margie Rice, Corporation Counsel, Legal Dept.; Larry Allen, City Attorney, Legal Dept.; Anna Hanson, Interim Director, HAND; Christina Finley, Financial Specialist, HAND; Heather Lacy, Assistant City Attorney, Legal Dept.; Roy Aten, Senior Project Manager, Engineering; Jessica McClellan, City Controller; Cheryl Gilliland, Deputy Controller; Jane Kupersmith, Director, ESD

Others Present: Deb Kunce, J.S. Held; Dave Askins, B Square Bulletin; Chris Ciolli, Weddle Bros. Construction; Daniel Olsson; Jim Koch; Lucan Gonzalez; Jenny Olmes-Stevens; Jean Simonian; Boris Ladwig, Herald-Times; Paul Post, President, Don Owens Memorial Lodge 88; Jennifer Pearl, BEDC; Sam Dove

**II. READING OF THE MINUTES** – Sue Sgambelluri pointed out a correction to the January 22, 2024 minutes. Under New Business, letter J, the title for Resolution 24-08 should read “1600 Willis Drive, Lot 255”, not Lot 6. Staff will amend the minutes as noted above.

Sue Sgambelluri moved to approve the January 22, 2024 minutes as corrected and the January 31, 2024, special meeting minutes. Randy Cassady seconded the motion. The motion passed unanimously.

**III. EXAMINATION OF PAYROLL REGISTERS** – Randy Cassady moved to approve the payroll register for January 26, 2024, for \$33,522.09. Deborah Myerson seconded the motion. The motion passed unanimously.

**IV. REPORT OF OFFICERS AND COMMITTEES**

**A. Director’s Report.** Anna Hanson reported that the Historic Preservation extended the demo-delay for the property at 615 West 1<sup>st</sup> Street until March 9, 2024.

**B. Legal Report:** Larry Allen stated that Resolution 24-16, Approval of the Final Plat for Hopewell East, has been pulled from this meeting’s agenda, and that Resolution 24-22, Rejection of Showers West Bids should be added to the agenda.

**C. Treasurer’s Report:** Jessica McClellan was available to answer questions.

**D. Business Development Updates:** Jane Kupersmith was available to answer questions.

**E. Hopewell Update:** Deb Kunce reported that a public notification for the demolition at Hopewell went out to many neighbors in the area including social media and email. Demolition could begin as early as Friday of this week.

**V. NEW BUSINESS**

**A. Election of Officers:** Sue Sgambelluri nominated Deb Hutton as President. Randy Cassady seconded the nomination. The nomination passed unanimously.

John West nominated Deborah Myerson as Vice-President. Sue Sgambelluri seconded the nomination. The nomination passed unanimously.

Randy Cassady nominated Sue Sgambelluri as Secretary. Deb Hutton seconded the nomination. The nomination passed unanimously.

**B. Resolution 24-17: Approval of Notice of Intent Filing with IDEM.** The RDC has applied for the transfer of the Indiana Department of Environmental Management (IDEM) construction stormwater permit for Hopewell upon closing of Hopewell West from IU Health Bloomington. IU Health agreed as part of a post-closing agreement that it would still be responsible to complete all outstanding items necessary to comply with the IDEM permit. Deb Kunce said now that the property has transferred to the City, technically we as the land owner are required to send a notice of intent to IDEM confirming that the City will comply and hold IU Health accountable for the stormwater on our property.

Deb Hutton asked for public comment. There were no comments from the public.

John West moved to approve Resolution 24-17. Sue Sgambelluri seconded the motion. The motion passed unanimously.

**C. Resolution 24-18: Approval of Change Order #1 with Renascent for Demolition of Hopewell Blocks 8, 9, and 10.** The RDC approved an agreement with Renascent, Inc. to complete demolition of blocks 8, 9, and 10. A need has arisen for additional work not negotiated at the time the agreement was awarded, this additional work is needed to remediate asbestos containing material at blocks 8, 9, and 10. The proposed change order is for \$12,100, which would modify the existing agreement with Renascent from \$353,052 to \$365,152.

Staff answered questions from the commissioners.

Deb Hutton asked for public comment. There were no comments from the public.

Sue Sgambelluri moved to approve Resolution 24-18. Deborah Myerson seconded the motion. The motion passed unanimously.

**D. Resolution 24-22: Rejection of Showers West Renovation Bids.** Mayor Thomson and representatives from the police union are here to speak to this resolution. Allen asked that Resolution 24-22 be moved up on the agenda, after Resolution 24-18, in order to be respectful of the Mayor's time.

Randy Cassady made a motion to move Resolution 24-22 up on the agenda, after Resolution 24-18. Sue Sgambelluri seconded the motion. The motion passed unanimously.

Randy Cassady recused himself from any conversation or voting.

Larry Allen stated that on December 11, 2023, the RDC received open bids for the Showers West Renovation. The intended use was to house the Bloomington Police Department Headquarters and the Bloomington Fire Department administration. The bids are valid for 60

days from the date they are opened. At the expiration of 60 days the contractor can extend the pricing or the RDC has the choice of rejecting the bids.

Mayor Thomson put together a task force that has been evaluating the project. It was agreed upon in those meetings that the project as it is currently conceived and designed should not move forward. Therefore, staff recommends that the RDC reject all of the bids received.

Sue Sgambelluri asked Mayor Thomson to discuss the task force she put together. Mayor Thomson said the goal was to put together a team that had expertise on the project and to make sure we could meet the goals with the current finances. After evaluating the finances it became clear there is not sufficient funding to continue the project as it was originally outlined.

Mayor Thomson said the task force team included Isabell Piedmont-Smith, Council Member; Isak Asare, Council Member; three City residents; Susan Yoon, former Board of Public Safety Member; John Fernandez, former Mayor; and Liz Grenat, Director, Community Justice and Mediation Center.

John West asked what will happen with the existing tenants and vacant spaces. Mayor Thomson said Fire administration will most likely move into one of the vacant spaces and there is a hold on any further lease termination negotiations. The remaining tenants want to remain in their current space.

Debora Myerson asked if any of the recently terminated tenants might have wanted to stay at Showers West in light of the new information. Mayor Thomson said all tenants had already secured new spaces and she doesn't anticipate anyone requesting to return, however if they did we would be open to conversations.

Deb Hutton asked for public comment. Paul Post, President, Don Owens Memorial Lodge 88 expressed his appreciation for the ongoing communication with Mayor Thomson and her administration.

John West moved to approve Resolution 24-22. Sue Sgambelluri seconded the motion. Randy Cassidy recused himself. The motion passed 4-0.

- E. Resolution 24-19: Approval of Funding for Monitoring Services for Security Cameras at Hopewell.** Roy Aten stated that the RDC previously approved funding for security cameras at Hopewell East and the purchase of a single solar trailer to power the security cameras. The resolution tonight is for approval of a ten month service agreement with OxBlue for monitoring services, for an amount not to exceed \$3,830.

Staff answered questions from the commissioners. Deb Hutton asked for public comment. There were no comments from the public.

Deborah Myerson moved to approve Resolution 24-19. John West seconded the motion. The motion passed unanimously.

- F. Resolution 24-20: Approval of Payment of Property Insurance.** Larry Allen stated that it is time to renew the annual property insurance for the entire City. Property owned by the RDC will be paid from the "444" account.

Staff answered questions from the commissioners. Deb Hutton asked for public comment. There were no comments from the public.

John West moved to approve Resolution 24-20. Deborah Myerson seconded the motion. The motion passed unanimously.

**G. Resolution 24-21: Approval of Amendment of Agreement for Security Patrols at Hopewell Properties.** Larry Allen stated there has been a significant increase in incidents around the Hopewell Site, including break-ins and damage to the properties, during the winter. Staff believes there is need for additional security at this time and would like to increase security patrols from 12 hours per day to 24 hours per day through May 1, 2024. The additional payment for services is for an amount not to exceed \$68,796.

Staff answered questions from the commissioners. Deb Hutton asked for public comment. There were no comments from the public.

Randy Cassady moved to approve Resolution 24-21. Sue Sgambelluri seconded the motion. The motion passed unanimously.

**H. BUSINESS/GENERAL DISCUSSION**

Exhibit B (included in the commission packet) has a blank space for annual gross rent and the rent per square foot. Deborah Myerson asked why that information was not provided. Margie Rice explained that the spreadsheet was designed by Chris Cockerham and staff can reach out to him and retrieve any requested information. The commission would like to know the amount of lost revenue as a result of the terminated leases.

Randy Cassady mentioned that RDC has odd pieces of property throughout the community and wanted to know how to get those properties back into a tax benefiting role. Allen said he can get a comprehensive list of RDC owned properties and is happy to talk about the strategy moving forward.

John West said that the RDC used to receive a TIF project status report (years ago) in the commission packet. The report was a snapshot of every TIF, amount committed, amount expended, and the balance. He would also like the balance of the “444” account to be included. He asked to receive the report once a month.

The Consolidated Plan is due to HUD in 2025 and takes approximately a year to complete. Anna Hanson stated that two bids were received from consultants to prepare the plan. Deborah Myerson is affiliated with one of those companies. Hanson asked for volunteers from the commission to form a sub-committee to assist in choosing the consultant.

Deb Hutton and Sue Sgambelluri volunteered to serve on the subcommittee.

**XI. ADJOURNMENT** – Randy Cassady moved to adjourn. John West seconded the motion. The meeting adjourned at 6:15 p.m.

\_\_\_\_\_  
Deb Hutton, President

\_\_\_\_\_  
Sue Sgambelluri, Secretary

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



**KERRY THOMSON**  
**MAYOR**

CITY OF BLOOMINGTON

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**JESSICA MCCLELLAN**  
**CONTROLLER**

CONTROLLER'S OFFICE

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## Claims Register Cover Letter

To: Redevelopment Commission  
From: Jessica McClellan, Treasurer  
Date: 02-16-2024 (\$958,148.01)  
Re: Claims Register

City staff, Department Heads, and I have reviewed the Claims listed in the Claims Register covering the time-period from 02-03-2024 to 02-16-2024. In signing below, I am expressing my opinion that based on that review, these claims have complied with the City's internal claims approval process, including the submission of the documentation and the necessary signatures and internal approvals.

A handwritten signature in cursive script that reads "Cheryl Gilliland".

Cheryl Gilliland-Deputy Controller  
Controller

In consultation with Anna Hanson, Interim Director of Housing and Neighborhood Development, I have reviewed the Claims Register covering the time period from 02-03-2024 to 02-16-2024, with respect to claims to be paid from Tax Increment funds. In signing below, I am expressing my opinion that based on that review; these claims are a permissible use of Tax Increment funds.

A handwritten signature in cursive script that reads "Larry Allen".

Colleen Newbill, Assistant City Attorney  
Larry Allen



# Board of Redevelopment Commission Claim Register

Invoice Date Range 02/03/24 - 02/16/24

| Vendor   | Invoice No.     | Invoice Description   | Status                | Held Reason | Invoice Date | Due Date   | G/L Date                                      | Received Date | Payment Date           | Invoice Amount |
|--|-----------------|---|-----------------------|-------------|--------------|------------|---|---------------|------------------------|----------------|
| <b>Fund 101 - General Fund (S0101)</b>                 |                 |   |                       |             |              |            |   |               |                        |                |
| Department 15 - HAND                                   |                 |   |                       |             |              |            |   |               |                        |                |
| Program 150500 - Housing                               |                 |   |                       |             |              |            |   |               |                        |                |
| Account 53960 - Grants                                 |                 |   |                       |             |              |            |   |               |                        |                |
| 4758 - Glick Arlington Park, LLC                       | R101-Richardson | 15-Rent Deposit for Danielle Richardson - 1366 N Arlington Park | Paid by Check # 77984 |             | 02/06/2024   | 02/06/2024 | 02/16/2024                                    |               | 02/16/2024             | 214.50         |
|  |                 |   |                       |             |              |            | Account 53960 - Grants Totals                 |               | Invoice Transactions 1 | \$214.50       |
|  |                 |   |                       |             |              |            | Program 150500 - Housing Totals               |               | Invoice Transactions 1 | \$214.50       |
|  |                 |   |                       |             |              |            | Department 15 - HAND Totals                   |               | Invoice Transactions 1 | \$214.50       |
|  |                 |   |                       |             |              |            | Fund 101 - General Fund (S0101) Totals        |               | Invoice Transactions 1 | \$214.50       |
| <b>Fund 153 - LIT - Economic Development</b>           |                 |   |                       |             |              |            |   |               |                        |                |
| Department 15 - HAND                                   |                 |   |                       |             |              |            |   |               |                        |                |
| Program 150000 - Main                                  |                 |   |                       |             |              |            |   |               |                        |                |
| Account 53960 - Grants                                 |                 |   |                       |             |              |            |   |               |                        |                |
| 8258 - Mitchell Alan Casad (Tradeline Properties, LLC) | R101-Ray        | 15-Rent Deposit for Danny Ray, 1890 S Walnut St #20             | Paid by EFT # 57264   |             | 02/06/2024   | 02/06/2024 | 02/16/2024                                    |               | 02/16/2024             | 500.00         |
| 18308 - Dorothy Apartment Rentals, INC                 | R101-Rickets    | 15-Rent Deposit for Aaron Rickets-2315 S Rockport Road          | Paid by Check # 77979 |             | 02/06/2024   | 02/06/2024 | 02/16/2024                                    |               | 02/16/2024             | 500.00         |
|  |                 |   |                       |             |              |            | Account 53960 - Grants Totals                 |               | Invoice Transactions 2 | \$1,000.00     |
|  |                 |   |                       |             |              |            | Program 150000 - Main Totals                  |               | Invoice Transactions 2 | \$1,000.00     |
|  |                 |   |                       |             |              |            | Department 15 - HAND Totals                   |               | Invoice Transactions 2 | \$1,000.00     |
|  |                 |   |                       |             |              |            | Fund 153 - LIT - Economic Development Totals  |               | Invoice Transactions 2 | \$1,000.00     |
| <b>Fund 250 - CDBG</b>                                 |                 |   |                       |             |              |            |   |               |                        |                |
| Department 15 - HAND                                   |                 |   |                       |             |              |            |   |               |                        |                |
| Program 150000 - Main                                  |                 |   |                       |             |              |            |   |               |                        |                |
| Account 53910 - Dues and Subscriptions                 |                 |   |                       |             |              |            |   |               |                        |                |
| 8655 - Benevate INC (Neighborly Software)              | Inv12138        | 15-5 Subscriptions-HUD grant manage. software 3/30/24-3/29/25   | Paid by EFT # 517     |             | 02/06/2024   | 02/06/2024 | 02/16/2024                                    |               | 02/16/2024             | 12,360.00      |
|  |                 |   |                       |             |              |            | Account 53910 - Dues and Subscriptions Totals |               | Invoice Transactions 1 | \$12,360.00    |
| Account 53960 - Grants                                 |                 |   |                       |             |              |            |   |               |                        |                |
| 1102 - Mother Hubbard's Cupboard                       | SEPT/DEC-2023   | 15-2023 CDBG Social Service Grant - Sept & Dec 2023 Salaries    | Paid by EFT # 518     |             | 02/06/2024   | 02/06/2024 | 02/16/2024                                    |               | 02/16/2024             | 10,277.77      |
|  |                 |   |                       |             |              |            | Account 53960 - Grants Totals                 |               | Invoice Transactions 1 | \$10,277.77    |
| Account 53960 - Other services and charges             |                 |   |                       |             |              |            |   |               |                        |                |
| 5900 - VET Environmental Engineering, LLC              | 7257            | 15-Environment Services-Osage Place SW- 1-16-24                 | Paid by EFT # 519     |             | 02/06/2024   | 02/06/2024 | 02/16/2024                                    |               | 02/16/2024             | 862.50         |



# Board of Redevelopment Commission Claim Register

Invoice Date Range 02/03/24 - 02/16/24

| Vendor  | Invoice No.     | Invoice Description  | Status              | Held Reason | Invoice Date | Due Date   | G/L Date  | Received Date | Payment Date           | Invoice Amount |
|---|-----------------|--|---------------------|-------------|--------------|------------|---|---------------|------------------------|----------------|
| <b>Fund 250 - CDBG</b>                          |                 |  |                     |             |              |            |   |               |                        |                |
| Department 15 - HAND                            |                 |  |                     |             |              |            |   |               |                        |                |
| Program 150000 - Main                           |                 |  |                     |             |              |            |   |               |                        |                |
| Account 53990 - Other Services and Charges      |                 |  |                     |             |              |            |   |               |                        |                |
| 5900 - VET Environmental Engineering, LLC 7270  |                 | 15-Environment Services-Osage Place-1-22-24                    | Paid by EFT # 519   |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 4,000.00       |
| 5900 - VET Environmental Engineering, LLC 7261  |                 | 15-Environment Services- 1814-1816 Covey Ln - Nov & Dec 2023   | Paid by EFT # 519   |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 518.14         |
| 5900 - VET Environmental Engineering, LLC 7277  |                 | 15-Environment Services-Osage Place SW- 1-24-24                | Paid by EFT # 519   |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 2,750.00       |
|   |                 |  |                     |             |              |            | Account 53990 - Other Services and Charges Totals |               | Invoice Transactions 4 | \$8,130.64     |
|   |                 |  |                     |             |              |            | Program 150000 - Main Totals                      |               | Invoice Transactions 6 | \$30,768.41    |
|   |                 |  |                     |             |              |            | Department 15 - HAND Totals                       |               | Invoice Transactions 6 | \$30,768.41    |
|   |                 |  |                     |             |              |            | Fund 250 - CDBG Totals                            |               | Invoice Transactions 6 | \$30,768.41    |
| <b>Fund 254 - HOME</b>                          |                 |  |                     |             |              |            |   |               |                        |                |
| Department 15 - HAND                            |                 |  |                     |             |              |            |   |               |                        |                |
| Program 150000 - Main                           |                 |  |                     |             |              |            |   |               |                        |                |
| Account 53990 - Other Services and Charges      |                 |  |                     |             |              |            |   |               |                        |                |
| 686 - Habitat For Humanity of Monroe County INC | COTTGRV-1.31.24 | 15-HOME-New Construction-Habitat House at 1004 W Cottage Grove | Paid by EFT # 275   |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 34,000.00      |
|   |                 |  |                     |             |              |            | Account 53990 - Other Services and Charges Totals |               | Invoice Transactions 1 | \$34,000.00    |
|   |                 |  |                     |             |              |            | Program 150000 - Main Totals                      |               | Invoice Transactions 1 | \$34,000.00    |
|   |                 |  |                     |             |              |            | Department 15 - HAND Totals                       |               | Invoice Transactions 1 | \$34,000.00    |
|   |                 |  |                     |             |              |            | Fund 254 - HOME Totals                            |               | Invoice Transactions 1 | \$34,000.00    |
| <b>Fund 439 - Consolidated TIF</b>              |                 |  |                     |             |              |            |   |               |                        |                |
| Department 15 - HAND                            |                 |  |                     |             |              |            |   |               |                        |                |
| Program 159001 - Adams Crossing Area            |                 |  |                     |             |              |            |   |               |                        |                |
| Account 53990 - Other Services and Charges      |                 |  |                     |             |              |            |   |               |                        |                |
| 3444 - Rundell Ernstberger Associates, INC      | 2022-1671-15    | 15-Hopewell Phase 1 East - Inspection - serv thru 12/31/23     | Paid by EFT # 57394 |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 46,104.48      |
| 5637 - Shrewsberry & Associates, LLC            | 21338446        | 15-PH 1 East -services through 08/26/23                        | Paid by EFT # 57397 |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 15,435.07      |





# Board of Redevelopment Commission Claim Register

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|--|-------------------|--|---------------------|-------------|--------------|------------|---|---------------|------------------------|---------------------|
| <b>Fund 439 - Consolidated TIF</b>           |                   |  |                     |             |              |            |   |               |                        |                     |
| Department 15 - HAND                         |                   |  |                     |             |              |            |   |               |                        |                     |
| Program 159001 - Adams Crossing Area         |                   |  |                     |             |              |            |   |               |                        |                     |
| Account 53990 - Other Services and Charges   |                   |  |                     |             |              |            |   |               |                        |                     |
| 8809 - U3 Advisors, INC                      | 4028-023-012      | 15-Project Management-development of Hopewell-Dec 2023           | Paid by EFT # 57422 |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 41,666.67           |
|  |                   |  |                     |             |              |            | Account 53990 - Other Services and Charges Totals   |               | Invoice Transactions 3 | <u>\$103,206.22</u> |
|  |                   |  |                     |             |              |            | Program 159001 - Adams Crossing Area Totals         |               | Invoice Transactions 3 | <u>\$103,206.22</u> |
| Program 159002 - Downtown Area               |                   |  |                     |             |              |            |   |               |                        |                     |
| Account 53990 - Other Services and Charges   |                   |  |                     |             |              |            |   |               |                        |                     |
| 6714 - Dimension Mill, INC                   | 1948              | 04-Trades District & Technology Center Agreement Q4 2023         | Paid by EFT # 57286 |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 50,000.00           |
| 6714 - Dimension Mill, INC                   | 1969              | 04-Trades District & Technology Center Agreement Q1 2024         | Paid by EFT # 57286 |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 50,000.00           |
|  |                   |  |                     |             |              |            | Account 53990 - Other Services and Charges Totals   |               | Invoice Transactions 2 | <u>\$100,000.00</u> |
|  |                   |  |                     |             |              |            | Program 159002 - Downtown Area Totals               |               | Invoice Transactions 2 | <u>\$100,000.00</u> |
| Program 159004 - Thomson-Walnut-Winslow Area |                   |  |                     |             |              |            |   |               |                        |                     |
| Account 53990 - Other Services and Charges   |                   |  |                     |             |              |            |   |               |                        |                     |
| 19278 - Milestone Contractors, LP            | WINSLOWRETA INAGE | 20-Bd Held Retain ReleaseCCMG 2022-2 WInslow Rd Proj DES#2201321 | Paid by EFT # 57356 |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 24,160.08           |
|  |                   |  |                     |             |              |            | Account 53990 - Other Services and Charges Totals   |               | Invoice Transactions 1 | <u>\$24,160.08</u>  |
|  |                   |  |                     |             |              |            | Program 159004 - Thomson-Walnut-Winslow Area Totals |               | Invoice Transactions 1 | <u>\$24,160.08</u>  |
| Program 159006 - West 17th Street Area       |                   |  |                     |             |              |            |   |               |                        |                     |
| Account 53990 - Other Services and Charges   |                   |  |                     |             |              |            |   |               |                        |                     |
| 5409 - VS Engineering, INC                   | 462816            | 15-17th Street WEST Construction Insp-serv thru 12/31/23         | Paid by EFT # 57429 |             | 02/06/2024   | 02/06/2024 | 02/16/2024  |               | 02/16/2024             | 16,561.09           |
| 204 - State Of Indiana                       | 000080976         | 15-B-Line Extension Local Match (CN) R-40293-A, Des 1700735      | Paid by EFT # 57213 |             | 02/07/2024   | 02/07/2024 | 02/07/2024  |               | 02/07/2024             | 585,244.74          |
|  |                   |  |                     |             |              |            | Account 53990 - Other Services and Charges Totals   |               | Invoice Transactions 2 | <u>\$601,805.83</u> |
|  |                   |  |                     |             |              |            | Program 159006 - West 17th Street Area Totals       |               | Invoice Transactions 2 | <u>\$601,805.83</u> |
|  |                   |  |                     |             |              |            | Department 15 - HAND Totals                         |               | Invoice Transactions 8 | <u>\$829,172.13</u> |
|  |                   |  |                     |             |              |            | Fund 439 - Consolidated TIF Totals                  |               | Invoice Transactions 8 | <u>\$829,172.13</u> |
| <b>Fund 444 - RDC</b>                        |                   |  |                     |             |              |            |   |               |                        |                     |



# Board of Redevelopment Commission Claim Register

Invoice Date Range 02/03/24 - 02/16/24

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|--|------------------|--|-----------------------|-------------|--------------|------------|------------|---------------|--------------|----------------|
| Fund 444 - RDC   |                  |  |                       |             |              |            |            |               |              |                |
| Department 15 - HAND                                       |                  |  |                       |             |              |            |            |               |              |                |
| Program 150000 - Main                                      |                  |  |                       |             |              |            |            |               |              |                |
| Account 53000 - Other Services and Charges                 |                  |  |                       |             |              |            |            |               |              |                |
| 7402 - Nature's Way, INC                                   | 63731            | 06-Monthly Interior Maintenance - 1/1/2024                       | Paid by EFT # 57364   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 83.54          |
| 19618 - ONI Risk Partners, INC, DBA EPIC Insurance Midwest | 487338           | 12-Property Insurance Premium 01/01/24-01/01/25                  | Paid by EFT # 57371   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 43,616.86      |
| 6688 - SSW Enterprises, LLC (Office Pride)                 | Inv-188295       | 06-Janitorial Service at College Square - 2/1/2024               | Paid by EFT # 57403   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 397.50         |
| 6688 - SSW Enterprises, LLC (Office Pride)                 | Inv-183222       | 06-Janitorial Service at College Square - 1/1/2024               | Paid by EFT # 57403   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 397.50         |
| 7402 - Nature's Way, INC                                   | 63310            | 04-Landscaping in Trades District - October 2023                 | Paid by EFT # 57364   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 2,107.80       |
| 7402 - Nature's Way, INC                                   | 63311            | 04-Trades District-Pkg Garage-Fall Cleanup- 10/24/23             | Paid by EFT # 57364   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 415.80         |
| 1420 - Richard Trinkle (Trinkle SnowPlowing LLC)           | 221259           | 15-Snow Removal Trades District 01/13/24-01/19/24                | Paid by EFT # 57420   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 6,840.00       |
| 1420 - Richard Trinkle (Trinkle SnowPlowing LLC)           | 221257           | 15-Snow Removal-Lot btwn Morton/Mill St Plaza- 01/13/24-01/19/24 | Paid by EFT # 57420   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 800.00         |
| 7402 - Nature's Way, INC                                   | 63729            | 15-Monthly Interior Maintenance Billing- Showers West-1/1/24     | Paid by EFT # 57364   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 263.67         |
| 6688 - SSW Enterprises, LLC (Office Pride)                 | Inv-188567       | 15-Janitorial Services proved 5x per week- Showers West - 2/1/24 | Paid by EFT # 57403   |             | 02/06/2024   | 02/06/2024 | 02/16/2024 |               | 02/16/2024   | 1,648.00       |
| 223 - Duke Energy  | 9101205758430124 | 04-College Sq-200 S. College Ave-elec. chgs 12/28/23-01/26/24    | Paid by Check # 77960 |             | 02/07/2024   | 02/07/2024 | 02/07/2024 |               | 02/07/2024   | 552.78         |
| 223 - Duke Energy  | 9101205761750124 | 04-College Sq-202 S. College-elec. bill 12/28/23-01/26/24        | Paid by Check # 77960 |             | 02/07/2024   | 02/07/2024 | 02/07/2024 |               | 02/07/2024   | 27.76          |
| 223 - Duke Energy  | 9101205753640124 | 04-College Sq-204 S. College Ave-electric bill 12/28/23-01/26/24 | Paid by Check # 77960 |             | 02/07/2024   | 02/07/2024 | 02/07/2024 |               | 02/07/2024   | 1,355.29       |



# Board of Redevelopment Commission Claim Register

Invoice Date Range 02/03/24 - 02/16/24

| Vendor                                     | Invoice No.          | Invoice Description   | Status                | Held Reason | Invoice Date | Due Date   | G/L Date  | Received Date | Payment Date            | Invoice Amount |
|--|----------------------|---|-----------------------|-------------|--------------|------------|---|---------------|-------------------------|----------------|
| Fund 444 - RDC                             |                      |   |                       |             |              |            |   |               |                         |                |
| Department 15 - HAND                       |                      |   |                       |             |              |            |   |               |                         |                |
| Program 150000 - Main                      |                      |   |                       |             |              |            |   |               |                         |                |
| Account 53990 - Other Services and Charges |                      |   |                       |             |              |            |   |               |                         |                |
| 223 - Duke Energy                          | 9101205762900<br>124 | 04-College Sq-208 S. College-elec. bill<br>12/28/23-01/26/24      | Paid by Check # 77960 |             | 02/07/2024   | 02/07/2024 | 02/07/2024  |               | 02/07/2024              | 412.61         |
| 223 - Duke Energy                          | 9101205763990<br>124 | 04-College Sq-210 S. College Ave-elec. chgs<br>12/28/23-01/26/23  | Paid by Check # 77960 |             | 02/07/2024   | 02/07/2024 | 02/07/2024  |               | 02/07/2024              | 698.52         |
| 223 - Duke Energy                          | 9101205756790<br>124 | 04-College Sq-222 S. College Ave - elec serv<br>12/28/23-01/26/24 | Paid by Check # 77960 |             | 02/07/2024   | 02/07/2024 | 02/07/2024  |               | 02/07/2024              | 812.03         |
| 223 - Duke Energy                          | 9101205760180<br>124 | 04-College Sq-222 S. College Ave -elec bill<br>12/28/23-01/26/24  | Paid by Check # 77960 |             | 02/07/2024   | 02/07/2024 | 02/07/2024  |               | 02/07/2024              | 508.39         |
| 223 - Duke Energy                          | 9101205750330<br>124 | 04-College Sq-226 S. College Ave-elec chgs<br>12/28/23-01/26/24   | Paid by Check # 77960 |             | 02/07/2024   | 02/07/2024 | 02/07/2024  |               | 02/07/2024              | 666.29         |
| 2260 - Republic Services, INC              | 0694-003276205       | 06-Trash service for College Square - February 2024               | Paid by EFT # 57212   |             | 02/07/2024   | 02/07/2024 | 02/07/2024  |               | 02/07/2024              | 143.11         |
| 223 - Duke Energy                          | 9101205748680<br>124 | 15-105 W 4th St- Misc:Office 2-elec chgs<br>12/28/23-01/26/24     | Edit                  |             | 02/14/2024   | 02/14/2024 | 02/14/2024  |               |                         | 73.43          |
| 223 - Duke Energy                          | 9101205749170<br>124 | 15-489 10th St W. Misc:Cmrcl Spce-elec. chgs 12/20/23-01/22/24    | Edit                  |             | 02/14/2024   | 02/14/2024 | 02/14/2024  |               |                         | 504.32         |
| 223 - Duke Energy                          | 9101205757280<br>124 | 15-105 4th St W Misc Office 4-elec chgs<br>12/28/23-01/26/24      | Edit                  |             | 02/14/2024   | 02/14/2024 | 02/14/2024  |               |                         | 355.12         |
| 223 - Duke Energy                          | 910121210403-<br>124 | 15-105 W 4th St Misc Office 1-elec chgs<br>12/28/23-01/26/24      | Edit                  |             | 02/14/2024   | 02/14/2024 | 02/14/2024  |               |                         | 312.65         |
|  |                      |   |                       |             |              |            | Account 53990 - Other Services and Charges Totals |               | Invoice Transactions 23 | \$62,992.97    |
|  |                      |   |                       |             |              |            | Program 150000 - Main Totals                      |               | Invoice Transactions 23 | \$62,992.97    |
|  |                      |   |                       |             |              |            | Department 15 - HAND Totals                       |               | Invoice Transactions 23 | \$62,992.97    |
|  |                      |   |                       |             |              |            | Fund 444 - RDC Totals                             |               | Invoice Transactions 23 | \$62,992.97    |
|  |                      |   |                       |             |              |            | Grand Totals                                      |               | Invoice Transactions 41 | \$958,148.01   |

REGISTER OF CLAIMS

Board: Redevelopment Commission Claim Register

| Date:    | Type of Claim | FUND | Description | Bank Transfer | Amount              |
|----------|---------------|------|-------------|---------------|---------------------|
| 02/16/24 | Claims        |      |             |               | \$958,148.01        |
|          |               |      |             |               | <u>\$958,148.01</u> |

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claims, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$958,148.01

Dated this 9<sup>th</sup> day of Feb year of 2024.

\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office Cheryl Silveira



**KERRY THOMSON  
MAYOR**

CITY OF BLOOMINGTON  
401 N Morton St

Post Office Box 100  
Bloomington IN 47402

**JESSICA MCCLELLAN  
CONTROLLER**

CONTROLLER'S OFFICE  
p 812.349.3416

f 812.349.3456  
controller@bloomington.in.gov

## Payroll Register Cover Letter

**To:** Redevelopment Commission  
**From:** Jessica McClellan, Controller  
**Date:** February 9, 2024  
**Re:** Payroll Register

---

City staff, Department Heads and I have reviewed the Payroll Register covering the time period from 01/22/2024 to 02/04/2024. In signing below, I am expressing my opinion that based on that review; the payroll has complied with the City's internal approval process, including the submission of documentation and the necessary signatures and internal approvals.

  
\_\_\_\_\_  
Jessica McClellan  
Controller



# Payroll Register - Bloomington Redevelopment Commission

Check Date Range 02/09/24 - 02/09/24  
Detail Listing

| Employee  | Check Date | Gross      | Imputed Income | EIC    | Federal    | FICA       | Medicare   | State      | Other      | Deductions | Net Pay    |
|---|------------|------------|----------------|--------|------------|------------|------------|------------|------------|------------|------------|
| <b>Department HAND - Housing &amp; Neighborhood Dev</b> |            |            |                |        |            |            |            |            |            |            |            |
| 10000 Arnold, Michael L<br>0051                         | 02/09/2024 | 2,277.42   |                | .00    | 200.26     | 138.84     | 32.48      | 67.86      | 42.75      | 178.23     | 1,617.00   |
|   |            |            | .00            | .00    | 2,139.37   | 2,239.37   | 2,239.37   | 2,139.37   | 2,139.37   |            |            |
|   |            | \$2,277.42 | \$0.00         | \$0.00 | \$200.26   | \$138.84   | \$32.48    | \$67.86    | \$42.75    | \$178.23   | \$1,617.00 |
| 10000 Bixler, Daniel R<br>2594                          | 02/09/2024 | 1,705.68   |                | .00    | 128.81     | 95.71      | 22.39      | 48.63      | 30.64      | 191.83     | 1,187.67   |
|   |            |            | .00            | .00    | 1,543.95   | 1,543.95   | 1,543.95   | 1,543.95   | 1,543.95   |            |            |
|   |            | \$1,705.68 | \$0.00         | \$0.00 | \$128.81   | \$95.71    | \$22.39    | \$48.63    | \$30.64    | \$191.83   | \$1,187.67 |
| 10000 Collins, Barry<br>0111                            | 02/09/2024 | 1,250.00   |                | .00    | 62.31      | 77.50      | 18.12      | 40.38      | 21.88      | .00        | 1,029.81   |
|   |            |            | .00            | .00    | 1,250.00   | 1,250.00   | 1,250.00   | 1,250.00   | 1,250.00   |            |            |
|   |            | \$1,250.00 | \$0.00         | \$0.00 | \$62.31    | \$77.50    | \$18.12    | \$40.38    | \$21.88    | \$0.00     | \$1,029.81 |
| 2771 Council, David R                                   | 02/09/2024 | 1,742.79   |                | .00    | 73.66      | 88.88      | 20.79      | 42.80      | 26.97      | 400.90     | 1,088.79   |
|   |            |            | .00            | .00    | 1,363.53   | 1,433.53   | 1,433.53   | 1,363.53   | 1,363.53   |            |            |
|   |            | \$1,742.79 | \$0.00         | \$0.00 | \$73.66    | \$88.88    | \$20.79    | \$42.80    | \$26.97    | \$400.90   | \$1,088.79 |
| 3232 Davis, Rebecca D                                   | 02/09/2024 | 1,857.69   |                | .00    | 174.17     | 111.14     | 25.99      | 56.74      | 35.75      | 106.35     | 1,347.55   |
|   |            |            | .00            | .00    | 1,756.54   | 1,792.54   | 1,792.54   | 1,756.54   | 1,756.54   |            |            |
|   |            | \$1,857.69 | \$0.00         | \$0.00 | \$174.17   | \$111.14   | \$25.99    | \$56.74    | \$35.75    | \$106.35   | \$1,347.55 |
| 10000 Finley, Christina L<br>0187                       | 02/09/2024 | 2,322.12   |                | .00    | 269.06     | 144.37     | 33.76      | 73.65      | 47.18      | 33.78      | 1,720.32   |
|   |            |            | .00            | .00    | 2,318.62   | 2,328.62   | 2,328.62   | 2,318.62   | 2,318.62   |            |            |
|   |            | \$2,322.12 | \$0.00         | \$0.00 | \$269.06   | \$144.37   | \$33.76    | \$73.65    | \$47.18    | \$33.78    | \$1,720.32 |
| 2393 Hayes, Chastina J                                  | 02/09/2024 | 1,899.69   |                | .00    | 145.18     | 114.85     | 26.86      | 59.03      | 31.98      | 216.55     | 1,305.24   |
|   |            |            | .00            | .00    | 1,827.42   | 1,852.42   | 1,852.42   | 1,827.42   | 1,827.42   |            |            |
|   |            | \$1,899.69 | \$0.00         | \$0.00 | \$145.18   | \$114.85   | \$26.86    | \$59.03    | \$31.98    | \$216.55   | \$1,305.24 |
| 10000 Hewett, John H<br>0251                            | 02/09/2024 | 2,311.86   |                | .00    | 203.45     | 130.23     | 30.46      | 64.62      | 40.71      | 404.02     | 1,438.37   |
|   |            |            | .00            | .00    | 2,000.56   | 2,100.56   | 2,100.56   | 2,000.56   | 2,000.56   |            |            |
|   |            | \$2,311.86 | \$0.00         | \$0.00 | \$203.45   | \$130.23   | \$30.46    | \$64.62    | \$40.71    | \$404.02   | \$1,438.37 |
|   |            |            | \$0.00         | \$0.00 | \$2,000.56 | \$2,100.56 | \$2,100.56 | \$2,000.56 | \$2,000.56 |            |            |



# Payroll Register - Bloomington Redevelopment Commission

Check Date Range 02/09/24 - 02/09/24  
Detail Listing

| Employee  | Check Date | Gross              | Imputed Income | EIC           | Federal            | FICA               | Medicare           | State              | Other              | Deductions        | Net Pay            |
|---|------------|--------------------|----------------|---------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|--------------------|
| <b>Department HAND - Housing &amp; Neighborhood Dev</b> |            |                    |                |               |                    |                    |                    |                    |                    |                   |                    |
| 3183 Hyten LaFontaine, Stephanie L                      | 02/09/2024 | 2,301.93           |                | .00           | 155.94             | 139.79             | 32.69              | 50.59              | 31.87              | 697.27            | 1,193.78           |
|   |            |                    | .00            | .00           | 1,604.66           | 2,254.66           | 2,254.66           | 1,604.66           | 1,604.66           |                   |                    |
|   |            | \$2,301.93         | \$0.00         | \$0.00        | \$155.94           | \$139.79           | \$32.69            | \$50.59            | \$31.87            | \$697.27          | \$1,193.78         |
| 3306 Killion-Hanson, Anna                               | 02/09/2024 | 3,846.17           |                | .00           | 203.64             | 223.81             | 52.33              | 116.60             | 73.46              | 236.36            | 2,939.97           |
|   |            |                    | .00            | .00           | 3,609.81           | 3,609.81           | 3,609.81           | 3,609.81           | 3,609.81           |                   |                    |
|   |            | \$3,846.17         | \$0.00         | \$0.00        | \$203.64           | \$223.81           | \$52.33            | \$116.60           | \$73.46            | \$236.36          | \$2,939.97         |
| 1516 Liford, Kenneth T                                  | 02/09/2024 | 1,896.31           |                | .00           | 130.88             | 117.57             | 27.50              | 60.28              | 37.98              | 46.60             | 1,475.50           |
|   |            |                    | .00            | .00           | 1,866.31           | 1,896.31           | 1,896.31           | 1,866.31           | 1,866.31           |                   |                    |
|   |            | \$1,896.31         | \$0.00         | \$0.00        | \$130.88           | \$117.57           | \$27.50            | \$60.28            | \$37.98            | \$46.60           | \$1,475.50         |
| 10000 Stong, Mary J 0471                                | 02/09/2024 | 2,019.81           |                | .00           | 180.01             | 113.47             | 26.54              | 58.31              | 36.74              | 350.24            | 1,254.50           |
|   |            |                    | .00            | .00           | 1,805.21           | 1,830.21           | 1,830.21           | 1,805.21           | 1,805.21           |                   |                    |
|   |            | \$2,019.81         | \$0.00         | \$0.00        | \$180.01           | \$113.47           | \$26.54            | \$58.31            | \$36.74            | \$350.24          | \$1,254.50         |
| 504 Swinney, Matthew P                                  | 02/09/2024 | 2,210.11           |                | .00           | 318.25             | 137.41             | 32.14              | 71.10              | 44.80              | 37.94             | 1,568.47           |
|   |            |                    | .00            | .00           | 2,201.30           | 2,216.30           | 2,216.30           | 2,201.30           | 2,201.30           |                   |                    |
|   |            | \$2,210.11         | \$0.00         | \$0.00        | \$318.25           | \$137.41           | \$32.14            | \$71.10            | \$44.80            | \$37.94           | \$1,568.47         |
| 2477 Toothman, Cody B                                   | 02/09/2024 | 2,210.11           |                | .00           | 56.49              | 127.73             | 29.87              | 65.30              | 39.58              | 155.16            | 1,735.98           |
|   |            |                    | .00            | .00           | 2,060.18           | 2,060.18           | 2,060.18           | 2,060.18           | 2,060.18           |                   |                    |
|   |            | \$2,210.11         | \$0.00         | \$0.00        | \$56.49            | \$127.73           | \$29.87            | \$65.30            | \$39.58            | \$155.16          | \$1,735.98         |
| 10000 Wills, Dee A 3418                                 | 02/09/2024 | 1,702.10           |                | .00           | 155.96             | 102.60             | 23.99              | 51.84              | 40.12              | 130.53            | 1,197.06           |
|   |            |                    | .00            | .00           | 1,604.83           | 1,654.83           | 1,654.83           | 1,604.83           | 1,604.83           |                   |                    |
|   |            | \$1,702.10         | \$0.00         | \$0.00        | \$155.96           | \$102.60           | \$23.99            | \$51.84            | \$40.12            | \$130.53          | \$1,197.06         |
| 728 Wright, Edward E                                    | 02/09/2024 | 1,701.00           |                | .00           | 161.74             | 102.49             | 23.97              | 53.39              | 28.93              | 52.77             | 1,277.71           |
|   |            |                    | .00            | .00           | 1,652.99           | 1,652.99           | 1,652.99           | 1,652.99           | 1,652.99           |                   |                    |
|   |            | \$1,701.00         | \$0.00         | \$0.00        | \$161.74           | \$102.49           | \$23.97            | \$53.39            | \$28.93            | \$52.77           | \$1,277.71         |
| <b>HAND - Housing &amp; Neighborhood Dev</b>            |            | <b>\$33,254.79</b> | <b>\$0.00</b>  | <b>\$0.00</b> | <b>\$2,619.81</b>  | <b>\$1,966.39</b>  | <b>\$459.88</b>    | <b>\$981.12</b>    | <b>\$611.34</b>    | <b>\$3,238.53</b> | <b>\$23,377.72</b> |
| <b>Grand Totals</b>                                     |            | <b>\$33,254.79</b> | <b>\$0.00</b>  | <b>\$0.00</b> | <b>\$2,619.81</b>  | <b>\$1,966.39</b>  | <b>\$459.88</b>    | <b>\$981.12</b>    | <b>\$611.34</b>    | <b>\$3,238.53</b> | <b>\$23,377.72</b> |
|   |            |                    | <b>\$0.00</b>  | <b>\$0.00</b> | <b>\$30,605.28</b> | <b>\$31,716.28</b> | <b>\$31,716.28</b> | <b>\$30,605.28</b> | <b>\$30,605.28</b> |                   |                    |

\*\*\*\*\* Multiple Taxes or Deductions Exist.

**REGISTER OF PAYROLL CLAIMS**  
**Board: Redevelopment Claim Register**

| <b>Date:</b> | <b>Type of Claim</b> | <b>FUND</b> | <b>Description</b> | <b>Bank Transfer</b> | <b>Amount</b>    |
|--------------|----------------------|-------------|--------------------|----------------------|------------------|
| 2/9/2024     | Payroll              |             |                    |                      | 33,254.79        |
|              |                      |             |                    |                      | <u>33,254.79</u> |

**ALLOWANCE OF CLAIMS**

We have examined the claims listed on the foregoing register of claims, consisting of 1  
claim, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the  
total amount of \$ 33,254.79

Dated this \_\_\_\_\_ day of \_\_\_\_\_ year of 20\_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Officer \_\_\_\_\_



**24-16  
RESOLUTION  
OF THE  
REDEVELOPMENT COMMISSION  
OF THE  
CITY OF BLOOMINGTON INDIANA**

**APPROVAL OF SECONDARY PLAT FOR HOPEWELL EAST PROJECT**

WHEREAS, pursuant to Indiana Code 36-7-14 *et seq.*, the Redevelopment Commission of the City of Bloomington (“RDC”) and the Common Council of the City of Bloomington created an economic development area known as the Consolidated Economic Development Area (“Consolidated TIF”); and

WHEREAS, in Resolution 18-10, the RDC approved a Project Review and Approval Form (“Form”) which sought the support of the RDC for the purchase and redevelopment the Old Bloomington Hospital Site (“Hopewell”); and

WHEREAS, part of the redevelopment of the site includes making infrastructure improvements in the area referenced in the Bloomington Hospital Reuse Master Plan as Phase I East on the block that is bounded by 2<sup>nd</sup> Street to the north, 1<sup>st</sup> Street to the south, the B-Line Trail to the east, and Rogers Street to the west; the project objectives include site demolition, utility coordination, transportation and public facilities, and property platting (“Project”); and

WHEREAS, in Resolutions 22-04 and 22-37 respectively, the RDC approved a primary plat and revised primary plat for Phase I East; and

WHEREAS, City staff have prepared a secondary plat for Phase I East, which is attached to this Resolution as Exhibit A; and

WHEREAS, if approved, the secondary plat will be submitted for approval and signature to the Monroe County Commissioners and Centerstone.

NOW, THEREFORE, BE IT RESOLVED BY THE BLOOMINGTON REDEVELOPMENT COMMISSION THAT:

1. The RDC reaffirms its support of the Project and reiterates that it serves the public’s best interests.
2. The RDC approves the secondary plat for Hopewell Phase I East and authorizes its submission for all necessary approvals.
3. The RDC authorizes RDC Member, Deborah Hutton to sign all documents necessary to record the secondary plat for Phase I East at Hopewell.

BLOOMINGTON REDEVELOPMENT COMMISSION

---

Deb Hutton, President

ATTEST:

---

Sue Sgambelluri, Secretary

---

Date

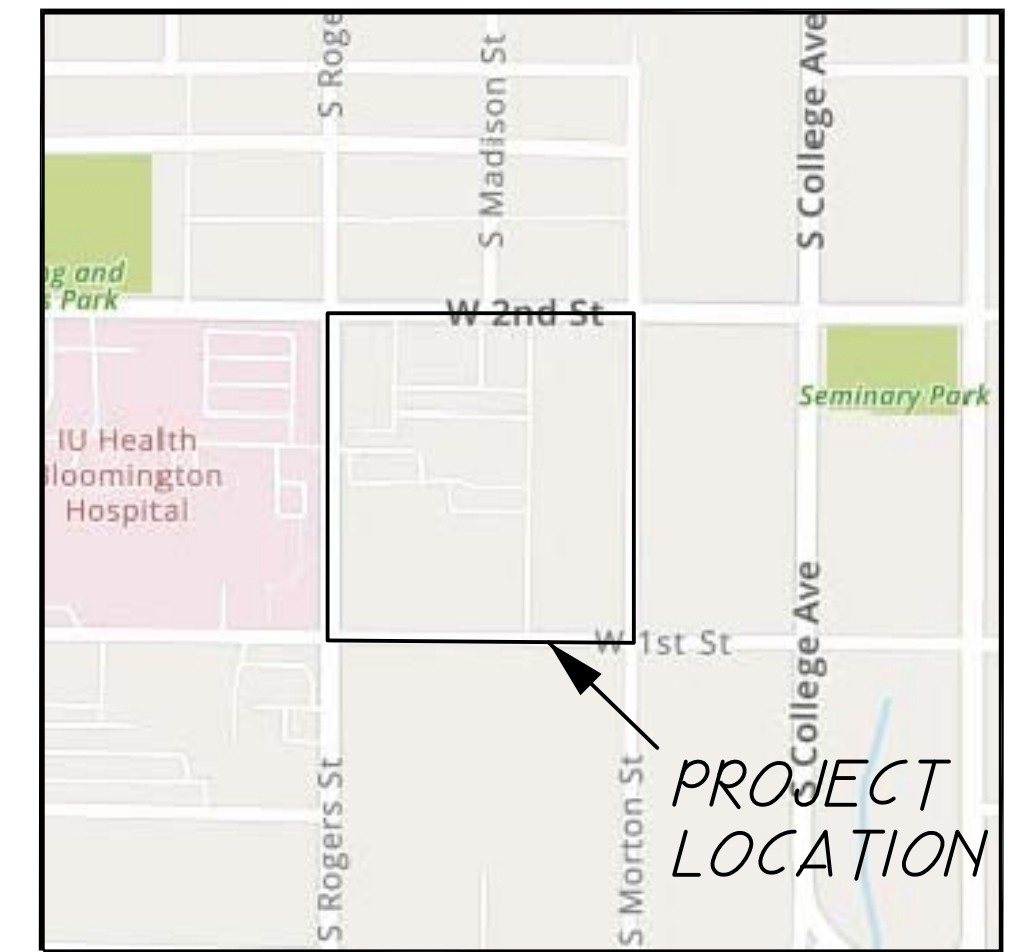
NOTE:

See Retracement Survey dated 7/23/2021 for Surveyor's Report.

BASIS OF BEARING  
MONROE CO. COORD. SYS.  
NAVD88

HOPEWELL EAST SUBDIVISION

PT OF SEM. LOTS 9-14 & 37  
PERRY TOWNSHIP  
SECONDARY PLAT



LOCATION MAP

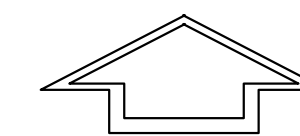
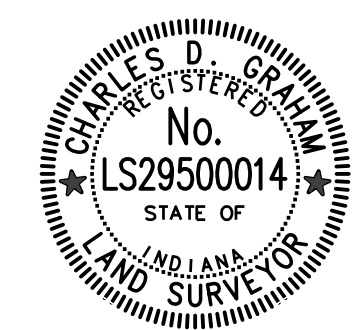
LEGAL DESCRIPTION

A part of Seminary Lots 37 and 10 and all of Lots 11, 12, 13 and 14 in the City of Bloomington, County of Monroe, State of Indiana, more particularly described as follows:

beginning at the northeast corner of said Lot 14, said point being on the west right-of-way of South Morton Street; Thence on and along the east lines of Lots 14, 13, 12, 11 and part of 10 and the west right-of-way of South Morton Street South 00 degrees 30 minutes 06 seconds East 550.51 feet; Thence leaving said east and west lines North 89 degrees 27 minutes 57 seconds West 217.03 feet to the center of a vacated alley; Thence on said centerline South 00 degrees 30 minutes 06 seconds West 108.62 feet to the north right-of-way line of West 1st Street; Thence on said north line and on and along the south line of Lot 37 North 89 degrees 26 minutes 54 seconds West 424.86 feet to the east right-of-way of South Rogers Street; Thence leaving said north and south lines and on and along said east line North 00 degrees 16 minutes 52 seconds East 658.02 feet to the south right-of-way line of West 2nd Street and the north line of Lot 37; Thence on and along said north and south line South 89 degrees 33 minutes 19 seconds East 636.17 feet to the Point of Beginning, containing within said bounds 9.058 acres (394,573.9 sq. ft.).

I certify that I am a Registered Land Surveyor licensed under the laws of Indiana; that this plat accurately represents a survey made by me on December 28, 2021, and that the monuments shown on it exist; and that their locations, sizes, types, and materials are accurately shown.

*Charles D. Graham*  
Charles D. Graham  
Indiana L.S. 29500014  
Bynum Fanyo & Associates, Inc.  
528 North Walnut Street  
Bloomington, Indiana 47404-3804  
812-332-8030

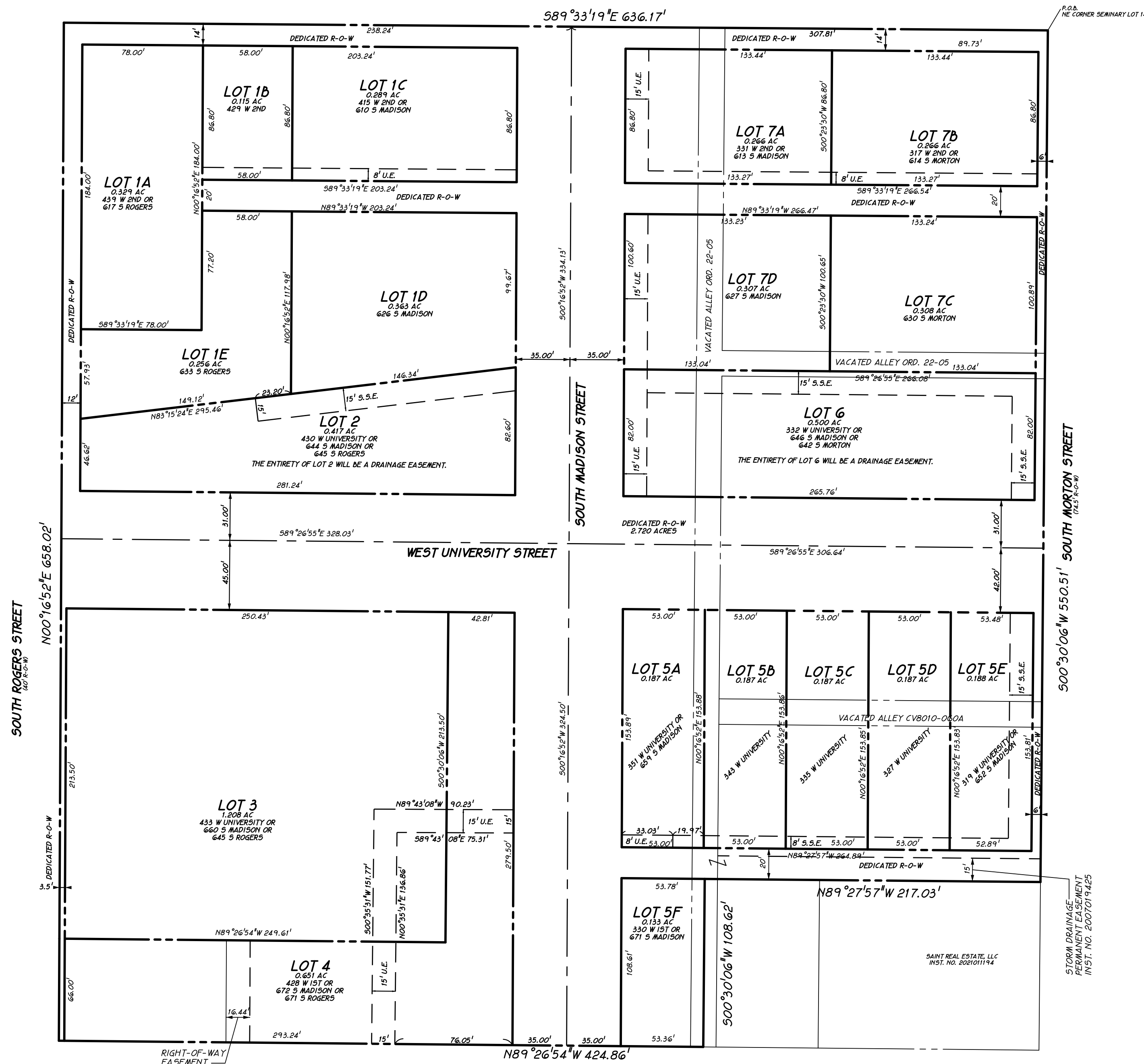


NORTH



Scale 1" = 50 ft

HOPEWELL EAST SUBDIVISION  
11-2-2023  
SHEET 1 OF 2  
JOB NO. 5021058



FLOOD NOTE:

According to Flood Insurance Rate Map (FIRM) this real estate is part of Community-Panel Number: 18105C 0141D, Effective Date: December 17, 2010. This property is located in Zone X, an area of minimal flood hazard. Source: FEMA

WEST 1ST STREET

I affirm under penalties of perjury, that I have taken reasonable care to redact each social security number in this document, unless required by law.

Charles D. Graham

This instrument prepared by Charles D. Graham

# HOPEWELL EAST SUBDIVISION

PT OF SEM. LOTS 9-14 & 37  
PERRY TOWNSHIP  
SECONDARY PLAT

SOURCE OF TITLE: SEE SHEET 1 FOR SOURCES

**OWNER:** CENTERSTONE OF INDIANA; CITY OF BLOOMINGTON;  
REDEVELOPMENT COMMISSION OF CITY OF BLOOMINGTON  
BOARD OF COMMISSIONERS;

**ZONING:** MM - MIXED USE MEDIUM SCALE & MN - MIXED USE NEIGHBORHOOD SCALE

CENTERSTONE OF INDIANA, CITY OF BLOOMINGTON, REDEVELOPMENT COMMISSION OF  
CITY OF BLOOMINGTON & BOARD OF COMMISSIONERS,  
The owners of the real estate shown and described herein, does hereby lay off, plat, and subdivide  
said real estate in accordance with the within plat.

This subdivision shall be known and designated as HOPEWELL EAST SUBDIVISION, an addition to  
the City of Bloomington. All streets and alleys shown, and not heretofore dedicated are  
dedicated to the public.

The strips of ground that are shown on the plat and marked "easement" are owned by the  
owners of the lots that they respectively affect, subject to the rights of public utilities for  
the installation and maintenance of water and sewer mains, poles, ducts, lines, and wires.  
Buildings or other structures shall not be erected or maintained on these strips.

Signed and Sealed \_\_\_\_\_, 20\_\_.

**OWNER:** Redevelopment Commission of City of Bloomington

Name Printed: \_\_\_\_\_

Title/Office: \_\_\_\_\_

STATE OF INDIANA )  
 ) 55:  
COUNTY OF \_\_\_\_\_ )

Before me, the undersigned Notary Public, in and for the said county and state, personally  
appeared \_\_\_\_\_, and acknowledged the execution of the foregoing  
for the purposes therein expressed.

Witness my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

County of Residence \_\_\_\_\_ Commission Expiration \_\_\_\_\_

Notary Public, Written \_\_\_\_\_ Notary Public, Printed \_\_\_\_\_

Signed and Sealed \_\_\_\_\_, 20\_\_.

**OWNER:** Board of Commissioners

Name Printed: \_\_\_\_\_

Title/Office: \_\_\_\_\_

STATE OF INDIANA )  
 ) 55:  
COUNTY OF \_\_\_\_\_ )

Before me, the undersigned Notary Public, in and for the said county and state, personally  
appeared \_\_\_\_\_, and acknowledged the execution of the foregoing  
for the purposes therein expressed.

Witness my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

County of Residence \_\_\_\_\_ Commission Expiration \_\_\_\_\_

Notary Public, Written \_\_\_\_\_ Notary Public, Printed \_\_\_\_\_

Signed and Sealed \_\_\_\_\_, 20\_\_.

**OWNER:** Centerstone of Indiana

Name Printed: \_\_\_\_\_

Title/Office: \_\_\_\_\_

STATE OF INDIANA )  
 ) 55:  
COUNTY OF \_\_\_\_\_ )

Before me, the undersigned Notary Public, in and for the said county and state, personally  
appeared \_\_\_\_\_, and acknowledged the execution of the foregoing  
for the purposes therein expressed.

Witness my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

County of Residence \_\_\_\_\_ Commission Expiration \_\_\_\_\_

Notary Public, Written \_\_\_\_\_ Notary Public, Printed \_\_\_\_\_

Signed and Sealed \_\_\_\_\_, 20\_\_.

**OWNER:** City of Bloomington

Name Printed: \_\_\_\_\_

Title/Office: \_\_\_\_\_

STATE OF INDIANA )  
 ) 55:  
COUNTY OF \_\_\_\_\_ )

Before me, the undersigned Notary Public, in and for the said county and state, personally  
appeared \_\_\_\_\_, and acknowledged the execution of the foregoing  
for the purposes therein expressed.

Witness my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

County of Residence \_\_\_\_\_ Commission Expiration \_\_\_\_\_

Notary Public, Written \_\_\_\_\_ Notary Public, Printed \_\_\_\_\_

### EASEMENT LEGEND

UE = Utility Easement

(A) Shall allow both private and public utility providers access associated with the installation,  
maintenance, repair, or removal of utility facilities.

(B) Prohibits the placement of any unauthorized obstructions within the easement area  
unless authorized by the City Utilities Department and easement holder(s).

DE = Drainage Easement

(A) Shall be required for any surface swales or other minor drainage improvements that are intended  
to serve the lots in which they are located.

(B) Shall prohibit any alteration within the easement that would hinder or redirect flow.

(C) Shall provide that the owner of the lot on which the easement is placed shall be responsible  
for maintenance of the drainage features within such easement.

(D) Shall be enforceable by the City Utilities Department and by owners of properties that are  
adversely affected by conditions within the easement.

(E) Shall allow the City Utilities Department to enter upon the easement for the purpose of  
maintenance, to charge the costs of such maintenance to the responsible parties, to construct  
drainage facilities within the easement, and to assume responsibility for the drainage features  
at its discretion.

SSE = Sanitary Sewer Easement

(A) Shall allow the City Utilities Department exclusive access for installation, maintenance, repair,  
or removal of sanitary sewer facilities.

(B) Encroachment by other utilities is prohibited, unless such encroachment is approved by the  
City Utilities Department in conjunction with the primary Plat. Upon written permission  
from the City Utilities Department, encroachments may be permitted after the recording of  
the secondary Plats.

(C) Trees and structures including, but not limited to, buildings, fences, retaining walls, signs, and  
light fixtures, shall not be located within the Sanitary Sewer Easements.

(D) Grading activity shall be prohibited within Sanitary Sewer Easements without written  
permission from the City Utilities Department.

### Certificate of Approval of Plan Commission

Under the authority of Indiana Code 36-7-4 700 series, enacted by the General Assembly of the State of  
Indiana and ordinances adopted by the Common Council of the City of Bloomington, Indiana, this plat was  
given approval by the City of Bloomington as follows:

Pursuant to Bloomington Municipal Code 20.06.060(C)(3)(C)(i)(1), approval authority was delegated to the  
Planning and Transportation Department by the Plan Commission at its hearing on: \_\_\_\_\_

The Planning and Transportation Department approved this secondary plat, HOPEWELL EAST SUBDIVISION, on:

\_\_\_\_\_  
Jacqueline Scanlan, Director of Planning and Transportation

HOPEWELL EAST SUBDIVISION  
11-2-2023  
SHEET 2 OF 2  
JOB NO. 5021058

**24-23**  
**RESOLUTION**  
**OF THE**  
**REDEVELOPMENT COMMISSION**  
**OF THE**  
**CITY OF BLOOMINGTON INDIANA**

**TO AUTHORIZE AND EXECUTE AN ESTOPPEL CERTIFICATE REGARDING LEASED PROPERTY**

- WHEREAS, pursuant to Indiana Code § 36-7-14 et seq., the Redevelopment Commission of the City of Bloomington ("RDC") and the Common Council of the City of Bloomington created an economic development area known as the "Downtown Economic Development Area"; and
- WHEREAS, the RDC is the fee owner of real property-including the land on which the Bloomington Hilton Garden Inn ("Hotel") is located-located within the Downtown Economic Development Area, and is a party to a *Hotel Land Ground Lease* ("Ground Lease"); and
- WHEREAS, the RDC previously approved an estoppel certificate for the Ground Lease in Resolution 14-41, 19-57, and 19-64; and
- WHEREAS, BCORE Select Raven Bloomington TRS LLC, (together with its successors and assigns, "Lessee"), by way of a previously executed assignment, is the current lessee of the Hotel and has a property interest in the Ground Lease; and
- WHEREAS, as part of a refinancing on behalf of the Lessee, the Lessee intends to receive a loan from Morgan Stanley Bank, N.A. ("Morgan Stanley"), a financial institution, and such loan shall be secured by Lessee's leasehold estate in the Property; however, such loan is contingent upon the successful completion of the attached Hotel Ground Lease and Agreement to Lease Parking Spaces Estoppel Certificate ("Estoppel Certificate"); and
- WHEREAS Lessee, New Lessee, and Sublessee have requested that the RDC complete the attached *Hotel Land Ground Lease and Agreement to Lease Parking Spaces Estoppel Certificate* ("Estoppel Certificate"), an unexecuted copy of which is attached and incorporated herein as Exhibit A; and
- WHEREAS, a copy of the original Hotel Land Ground Lease and Agreement to Lease Parking Spaces is attached this resolution and incorporated herein as Exhibit B; and
- WHEREAS, the RDC desires to approve and execute the Estoppel Certificate in order to allow Lessee to obtain the desired loan.

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA, THAT:

1. The Redevelopment Commission of the City of Bloomington, Indiana finds the attached Exhibit A: *Hotel Land Ground Lease and Agreement to Lease Parking Spaces Estoppel Certificate* sufficient in form and content and desires to approve and hereby orders the execution of the same in order to allow the Lessee the ability to secure a loan secured by Lessee's leasehold interest in the real property described herein.
2. The RDC authorizes RDC President, Deb Hutton to execute the certificate on its behalf.

BLOOMINGTON REDEVELOPMENT COMMISSION

---

Deb Hutton, President

ATTEST:

---

Sue Sgambelluri, Secretary

---

Date

**HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES  
ESTOPPEL CERTIFICATE**

THIS HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES ESTOPPEL CERTIFICATE (“**Estoppel Certificate**”) is made by The City of Bloomington, Indiana, Redevelopment Commission (“**Redevelopment Commission**”) and The City of Bloomington, Indiana (“**City**”; the Redevelopment Commission and the City are collectively referred to herein as “**Ground Lessor**”) for the benefit of BCORE Select Raven Bloomington LLC, a Delaware limited liability company (“**Lessee**”), and is delivered and effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**RECITALS**

The Redevelopment Commission is the fee owner of the real property more particularly described on **Exhibit A** (“**Hotel Property**”) attached hereto and made a part hereof. The City is the fee owner of the real property more particularly described on **Exhibit B** (“**Parking Garage Property**”) attached hereto and incorporated herein by this reference.

The Redevelopment Commission has entered into a Hotel Land Ground Lease dated December 2, 2004 (“**Ground Lease**”) with Bloomhotel, LLC (“**Original Lessee**”), whereby the Redevelopment Commission has leased the Hotel Property to Original Lessee.

The City has entered into an Agreement to Lease Parking Spaces dated December 2, 2004 (“**Parking Agreement**”) with Original Lessee, whereby Original Lessee has a leasehold interest in the parking spaces within the Parking Garage Property listed on **Exhibit C** attached hereto and incorporated herein by this reference, together with the right in common with others to use the Common Areas (as defined in the Parking Agreement) (collectively, “**Parking Space Property**”). The Hotel Property and the Parking Space Property are collectively referred to herein as “**Property**”.

Ground Lessor and Original Lessee entered into an Easement Agreement dated January 4, 2007, and recorded with the Recorder of Monroe County, Indiana, as Instrument No. 2007001515 (the “**Easement Agreement**”), with CFC, Inc. (“**CFC**”).

Original Lessee and RLJ II - HG Bloomington, LLC (“**RLJ Lessee**”) entered into that certain Assignment and Assumption of Hotel Land Ground Lease and Agreement to Lease Parking Spaces dated January 8, 2009, and recorded with the Recorder of Monroe County, Indiana as Instrument No. 200900814.

RLJ Lessee and Lessee entered into that certain Assignment and Assumption of Hotel Land Ground Lease and Agreement to Lease Parking Spaces dated June 25, 2019 and recorded with the Recorder of Monroe County, Indiana as Instrument No. 2019008836, pursuant to which RLJ Lessee transferred all of its right, title and interest in and to (i) the Ground Lease, (ii) all improvements constructed on the Hotel Property, and (iii) the Parking Agreement to Lessee.

Lessee currently subleases its interest in the Property to its affiliate, BCORE Select Raven Bloomington TRS LLC, a Delaware limited liability company (“**Sublessee**”).

Ground Lessor has agreed to execute and deliver this Estoppel Certificate on the date first set forth above, with the understanding that Lessee may rely on the truth and accuracy of the representations and statements contained herein.

NOW, THEREFORE, Ground Lessor hereby certifies, acknowledges and confirms to Lender and Lessee that the information set forth herein is true and correct and the parties hereby agree as follows:

1. The foregoing recitals are correct and complete and are incorporated herein by this reference.
2. A true, correct and complete copy of the Ground Lease is attached to this Estoppel Certificate as **Exhibit D**.
3. A true, correct and complete copy of the Parking Agreement is attached to this Estoppel Certificate as **Exhibit E**.
4. The Ground Lease and the Parking Agreement are in full force and effect and, except as listed on **Exhibit F** attached hereto, the Ground Lease and the Parking Agreement have not been amended, modified, supplemented, nor has Ground Lessor consented to an assignment or sublease of the Ground Lease or Parking Agreement.
5. To the knowledge of Ground Lessor, there are no defaults by either Ground Lessor or Lessee under the Ground Lease or the Parking Agreement. No notice of default has been served under the Ground Lease or the Parking Agreement either by Ground Lessor or by Lessee, and Ground Lessor knows of no circumstances which with notice and/or the passage of time would constitute a default under either such agreement.
6. All installments of minimum rent and other charges required to be made by Lessee under the Ground Lease as of the date hereof have been paid in full through the date hereof. Commencing on December 2, 2004 and continuing through and including January 30, 2053, the total minimum rent payable under the Ground Lease is \$490.00, payable in ten (10) equal annual installments in the amount of \$49.00 each commencing on the twentieth (20<sup>th</sup>) anniversary of December 2, 2004, and then continuing on the same date for each of the succeeding nine (9) years.
7. All installments of rent and other charges required to be made by Lessee under the Parking Agreement have been paid in full through the date hereof. Commencing on January 1, 2006 and continuing through the remainder of the Term (as defined in the Parking Agreement), the monthly rent payable under the Parking Agreement is equal to: (a) the "City Ordinance Rate", as (i) in effect from time to time; and (ii) generally applicable to first-come, first-served parking spaces available to the general public in municipal public parking garages located in Bloomington, Indiana; multiplied by (b) the number of Accepted Spaces (as defined in the Parking Agreement); provided that, if the "City Ordinance Rate" differs based on hourly use, daily use, monthly use, or otherwise, then Lessee shall be afforded the benefit of the lowest rate, adjusted by multiplying such lower rate by the appropriate unit of time, whether hourly, daily, or otherwise, as necessary to reflect the application of such rate to an entire month of usage.
8. Ground Lessor has not mortgaged or otherwise encumbered its fee simple interest in the Hotel Property or the Parking Garage Property.
9. The Ground Lease and the Parking Agreement contain no purchase option or right of first offer in favor of the applicable Ground Lessor.
10. The Redevelopment Commission acknowledges that all obligations of the Lessee to the Redevelopment Commission in connection with the property being leased by Lessee under the Ground Lease are wholly embodied in the Ground Lease. The City acknowledges that



all obligations of the Lessee to the City in connection with the property being leased by Lessee under the Parking Agreement are wholly embodied in the Parking Agreement.

11. Ground Lessor acknowledges that Lessee and/or Sublessee intend to obtain mortgage and/or mezzanine financing (each a “**Loan**”) from time to time from one or more lenders (together with its respective successors and assigns, each a “**Lender**”) secured by Lessee and/or Sublessee’s leasehold estate in the Property, all improvements thereon, and certain other property owned by Lessee and/or the pledge of direct or indirect equity interests in Lessee or in one or more entities directly or indirectly owning equity interests in Lessee and/or Sublessee. Ground Lessor will acknowledge Lender as first leasehold mortgagee with all of the rights to which a first leasehold mortgagee is entitled under the Ground Lease and the Parking Agreement and will give notice to Lender, as first leasehold mortgagee, in accordance with the terms of the Ground Lease and the Parking Agreement. Notwithstanding the provisions of 14.11 of the Lease to the contrary, any Lender or any person designated by such Lender (including anyone whose title derives directly or indirectly from Lender, including any purchaser at any foreclosure sale held under a Mortgage) shall have the right, without Ground Lessor’s consent, to assign to any person the Lease or any new lease entered into pursuant to the terms of the Lease, hold a foreclosure sale, and take title to the Lease, either in its own name or through a nominee.
12. Ground Lessor will give notice to Lender in accordance with the terms of the Ground Lease and the Parking Agreement at the following address:

Morgan Stanley Bank, N.A.  
1585 Broadway, 25<sup>th</sup> Floor  
New York, New York  
New York, New York 10036  
Attention: John Maurer  
Email: john.maurer@morganstanley.com

with a copy to:

Dechert LLP  
Cira Centre  
2929 Arch Street  
Philadelphia, Pennsylvania 19104  
Attention: David W. Forti, Esq. and Justin Gdula, Esq.  
Email: david.forti@dechert.com and justin.gdula@dechert.com

13. Ground Lessor will give notice to Lessee in accordance with the terms of the Ground Lease and the Parking Agreement at the following address:

c/o BREIT Operating Partnership L.P.  
345 Park Avenue  
New York, New York 10154  
Attention: General Counsel  
Telephone: (212) 583-5000  
Email: [realestatenotices@blackstone.com](mailto:realestatenotices@blackstone.com)

14. To the knowledge of Ground Lessor, (a) Lessee has completed all of its construction obligations under the Easement Agreement, including construction of the courtyard

described in the Easement Agreement; (b) there are no defaults by Lessee or CFC under the Easement Agreement; (c) no notice of default has been served under the Easement Agreement by Ground Lessor, Lessee, or CFC; and (d) Ground Lessor knows of no circumstances which with notice and/or the passage of time would constitute a default under the Easement Agreement.

15. **Bankruptcy.** In the event of any proceeding involving Ground Lessor or Lessee under the United States Bankruptcy Code (Title 11 U.S.C.) as now or hereafter in effect:

- a. If the Lease is rejected in connection with a bankruptcy proceeding by Lessee or a trustee in bankruptcy (or other party to such proceeding) for Lessee, such rejection shall be deemed an assignment by Lessee to the Lender of the Property and all of Lessee's interest under the Lease, and the Lease shall not terminate and the Lender shall have all rights and assume all the obligations of the Lessee as if such bankruptcy proceeding had not occurred, unless Lender shall reject such deemed assignment by notice in writing to Ground Lessor within thirty (30) days following rejection of the Lease by Lessee or Lessee's trustee in bankruptcy. If any court of competent jurisdiction shall determine that the Lease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by Lessee or the trustee in connection with any such proceeding, the rights of Lender to a new lease from Ground Lessor pursuant to Section 14.10 of the Lease shall apply.
- b. In the event of a proceeding involving Ground Lessor under the Bankruptcy Code:
  - i. In the event the bankruptcy trustee, Ground Lessor (as debtor-in-possession) or any party to such proceeding seeks to reject the Lease pursuant to United States Bankruptcy Code §365(h)(1), Lessee shall not have the right to treat the Lease as terminated except with the prior written consent of Lender and the right to treat the Lease as terminated in such event shall be deemed assigned to Lender, whether or not specifically set forth in any Mortgage, so that the concurrence in writing of Lessee and the Lender shall be required as a condition to treating the Lease as terminated in connection with such proceeding.
  - ii. Unless the Lease is treated as terminated in accordance with subsection 15(a) above, or is otherwise validly terminated under the United States Bankruptcy Code without the consent of Lessee under subsection 15(b)(i) above, then the Lease shall continue in effect upon all the terms and conditions set forth herein, including rent, but excluding requirements that are not then applicable or pertinent to the remainder of the term of the Lease. Thereafter, Lessee or its successors shall, to the extent Lessee has such rights under the United States Bankruptcy Code or under the Lease that are enforceable under the United States Bankruptcy Code, be entitled to any offsets against rent payable under the Lease for the balance of the term of the Lease or extension of the Lease, the value of any damage caused by the nonperformance after the date of such rejection of any obligation of the debtor under the Lease and any damages arising from such bankruptcy, and any such offset shall not be deemed a default under the Lease. The lien of any Mortgage shall extend to the continuing

possessory rights of Lessee following such rejection with the same priority as it would have enjoyed had such rejection not taken place.

16. **No Merger**. In the event the ownership of the fee and leasehold interest of the Property become vested in the same person or entity, other than as a result of termination of the Lease, then as long as any Mortgage remains outstanding, such occurrence shall not result in a merger of title. Rather, the Lease and the any Mortgage Lien thereon shall remain in full force and effect.
17. **New Lease**. If the Lease is terminated for any reason, including pursuant to paragraph 15 above, Ground Lessor shall provide a new lease in accordance with Section 14.10 of the Lease (as modified by this Estoppel Certificate).
18. **Subordination**. Notwithstanding the provisions of Section 14.01, Ground Lessor and Lessee agree that any mortgage encumbering Lessor's fee interest in the Property shall be subject and subordinate to the Lease, the leasehold estate of Lessee created thereunder, and any interest of Lender in Lessee's leasehold estate, including any new lease from Ground Lessor pursuant to Section 14.10 of the Lease, and Lessee's rights arising out of the Lease (including the rights of any Lender) and the Lessee's rights under the Lease shall not be diminished, interfered with, disturbed or affected by any such Ground Lessor fee mortgage or by the exercise of any rights or remedies by any mortgagee under any Ground Lessor fee mortgage.
19. **Estoppel**. At Lessee's request, Lessor shall at any time and from time to time upon not less than fifteen (15) days' prior written notice execute, acknowledge and deliver to Lessee an estoppel and agreement substantially in the form of this Agreement.

**[Signature Page Follows]**

IN WITNESS WHEREOF, Ground Lessor has executed and delivered this Estoppel Certificate as of the date first above written.

**GROUND LESSOR:**

**THE REDEVELOPMENT  
COMMISSION OF THE  
CITY OF BLOOMINGTON, INDIANA**

**WITNESS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE CITY OF BLOOMINGTON,  
INDIANA**

**WITNESS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT A

Hotel Property Description

Real estate in Monroe County, Indiana, more particularly described as follows, to-wit:

A part of Lots 223,224,265,266 and the 12' platted alley between said lots, all in the Original Town of Bloomington Plat as recorded in Plat Book A, page 5 (Plat Cabinet B, Envelope 1) Office of Recorder of Monroe County, Indiana, described as follows:

Beginning at the Northeast corner of said Lot 265; thence SOUTH 00 degrees 25 minutes 34 seconds East (basis of bearings), along the West right-of-way line of North College Avenue, same being the East line of Lots 265,266 said 12' alley, and Lot 224, 187.57 feet to the North wall of Graham Plaza Building; thence SOUTH 89 degrees 28 minutes 00 seconds West, leaving said College Avenue right-of-way and crossing Lot 224 and into said. Lot 223 and along said North wall of Graham Plaza Building, 116.45 feet; thence NORTH 00 degrees 25 minutes 51 seconds West, crossing Lot 223 and the 12' alley and Lots 266 and 265 and along the East wall of a parking garage, 187.92 feet to the south right-of-way line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds East along said South line of West 7th Street, 116.47 feet to the point of beginning.

## EXHIBIT B

### Parking Garage Property Description

Property located on West 7th Street, Lots 221-224, Lots 265-268, and the adjoining alleys all in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 265, 266 and a 12 foot alley, and into Lot 223, 193.89 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 125.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 268 and 267 and into West 7th Street, 193.99 feet to the Point of Beginning, containing 0.657 acres, more or less.

Subject to a stairwell easement for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.

EXHIBIT C

List of Parking Spaces

EXHIBIT D

Ground Lease



EXHIBIT E

Parking Agreement

EXHIBIT F

Amendments or Modifications to the Ground Lease and the Parking Agreement

[None.]

HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES  
ESTOPPEL CERTIFICATE

THIS HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES ESTOPPEL CERTIFICATE ("Estoppel Certificate") is made by The City of Bloomington, Indiana, Redevelopment Commission ("Redevelopment Commission") and The City of Bloomington, Indiana ("City"; the Redevelopment Commission and the City are collectively referred to herein as "Ground Lessor") for the benefit of Wells Fargo Bank, National Association ("Lender"), and is delivered and effective as of the 10<sup>TH</sup> day of OCTOBER, 2014.

RECITALS

A. The Redevelopment Commission is the fee owner of the land more particularly described on Exhibit A ("Hotel Property") attached hereto and made a part hereof. The City is the fee owner of the land more particularly described on Exhibit B ("Parking Garage Property") attached hereto and incorporated herein by this reference.

B. The Redevelopment Commission is party to a Hotel Land Ground Lease dated December 2, 2004, as memorialized by that certain Memorandum of Lease dated December 2, 2004 and recorded on December 7, 2004 as Instrument No. 2004026242 with the Monroe County, IN recorder's office (the "Recorder's Office"), and as assigned by that certain Assignment and Assumption of Hotel Land Ground Lease and Agreement to Lease Parking Spaces dated as of January 8, 2009 and recorded on January 21, 2009 as Instrument No. 2009000814 (the "Assignment") to RLJ II - HG Bloomington Lessee, LLC ("Lessee") (such Hotel Land Ground Lease, as assigned, the "Ground Lease"), whereby the Redevelopment Commission leases the Hotel Property to Lessee.

C. The City is party to an Agreement to Lease Parking Spaces dated December 2, 2004, as memorialized by that certain Form of Memorandum of Agreement recorded on December 7, 2004 as Instrument No. 2004026244 with the Recorder's Office, and as assigned by the Assignment (such Agreement to Lease Parking Spaces, as assigned, the "Parking Agreement") to Lessee, whereby Lessee has a leasehold interest in the parking spaces within the Parking Garage Property listed on Exhibit C attached hereto and incorporated herein by this reference, together with the right in common with others to use the Common Areas (as defined in the Parking Agreement) (collectively, "Parking Space Property"). The Hotel Property and the Parking Space Property are collectively referred to herein as "Property".

D. The Lender has represented to the Ground Lessor that the Lender intends to make a loan secured by Lessee's leasehold estate in the Property to Lessee.

E. Ground Lessor has agreed to execute and deliver this Estoppel Certificate on the date first set forth above, with the understanding that Lender may rely on the truth and accuracy of the representations and statements contained herein.

NOW, THEREFORE, Ground Lessor hereby certifies, acknowledges and confirms to Lender that the information set forth herein is true and correct:

1. The foregoing recitals are correct and complete and are incorporated herein by this reference.
2. A true, correct and complete copy of the Ground Lease is attached to this Estoppel Certificate as Exhibit D.
3. A true, correct and complete copy of the Parking Agreement is attached to this Estoppel Certificate as Exhibit E.
4. The Ground Lease and the Parking Agreement are in full force and effect and, except as listed on Exhibit F attached hereto, the Ground Lease and the Parking Agreement have not been amended, modified, supplemented, nor has Ground Lessor consented to an assignment or sublease of the Ground Lease or Parking Agreement other than as provided in Recitals (B) and (C), above.
5. To the knowledge of the Redevelopment Commission, there are no defaults by either the Redevelopment Commission or Lessee under the Ground Lease. No notice of default has been served under the Ground Lease by the Redevelopment Commission or by Lessee, and the Redevelopment Commission knows of no circumstances which with notice and/or the passage of time would constitute a default under such agreement.
6. To the knowledge of the City, there are no defaults, by either the City or Lessee under the Parking Agreement. No notice of default has been served under the Parking Agreement by the City or Lessee, and the City knows of no circumstances which with notice and/or the passage of time would constitute a default under such agreement.
7. All installments of minimum rent and other charges required to be made by Lessee under the Ground Lease as of the date hereof have been paid in full through the date hereof. Commencing on December 2, 2004 and continuing through and including January 30, 2053, the total minimum rent payable under the Ground Lease is \$490.00, payable in ten (10) equal annual installments in the amount of \$49.00 each commencing on the twentieth (20<sup>th</sup>) anniversary of December 2, 2004, and then continuing on the same date for each of the succeeding nine (9) years.
8. All installments of rent and other charges required to be made by Lessee under the Parking Agreement have been paid in full through the date hereof. Commencing on January 1, 2006 and continuing through the remainder of the Term (as defined in the Parking Agreement), the monthly rent payable under the Parking Agreement is equal to: (a) the "City Ordinance Rate", as (i) in effect from time to time; and (ii) generally applicable to first-come, first-served parking spaces available to the general public in municipal public parking garages located in Bloomington, Indiana; multiplied by (b) the number of Accepted Spaces (as defined in the Parking Agreement); provided that, if the "City Ordinance Rate" differs based on hourly use, daily use, monthly use, or otherwise, then Lessee shall be afforded the benefit of the lowest rate,

adjusted by multiplying such lower rate by the appropriate unit of time, whether hourly, daily, or otherwise, as necessary to reflect the application of such rate to an entire month of usage.

9. Ground Lessor has not mortgaged or otherwise encumbered its fee simple interest in the Hotel Property or the Parking Garage Property.

10. The Ground Lease and the Parking Agreement contain no purchase option or right of first offer in favor of the applicable Ground Lessor.

11. The Redevelopment Commission consents to the leasehold mortgage granted by Lessee to Lender of Lessee's leasehold interests in the Hotel Property. The City consents to the leasehold mortgage granted by Lessee to Lender of Lessee's interest in the Parking Agreement to Lender.

12. The Redevelopment Commission acknowledges that all obligations of the Lessee to the Redevelopment Commission in connection with the property being leased by Lessee under the Ground Lease are wholly embodied in the Ground Lease. The City acknowledges that all obligations of the Lessee to the City in connection with the property being leased by Lessee under the Parking Agreement are wholly embodied in the Parking Agreement.

13. Ground Lessor acknowledges that Lender will hold a mortgage on Lessee's interest in the Property. Ground Lessor will acknowledge Lender as first leasehold mortgagee with all of the rights to which a first leasehold mortgagee is entitled under the Ground Lease and the Parking Agreement and will give notice to Mortgagee, as first leasehold mortgagee, in accordance with the Section 14.04 of the Ground Lease and Section 17(a) of the Parking Agreement at the following address:

Wells Fargo Bank, N.A.  
Hospitality Finance Group  
1750 H Street, N.W.  
Suite 550  
Washington, D.C. 20006  
Attn: Mark F. Monahan

with a copy to:

Wells Fargo Bank, N.A.  
301 S. College St.  
4<sup>th</sup> Floor MAC: D1053-04N  
Charlotte, NC 28202

IN WITNESS WHEREOF, Ground Lessor has executed and delivered this Estoppel Certificate as of the date first above written.

GROUND LESSOR:

THE REDEVELOPMENT  
COMMISSION OF THE  
CITY OF BLOOMINGTON, INDIANA

WITNESS

Christina Finley

By: Dave Walters  
Name: DAVE WALTER  
Title: PRESIDENT, PDC

THE CITY OF BLOOMINGTON,  
INDIANA

WITNESS

Mark Krizan

By: Mark Krizan  
Name: MARK KRIZAN  
Title: MAYOR, CITY OF BLOOMINGTON

EXHIBIT A

Hotel Property Description

Real estate in Monroe County, Indiana, more particularly described as follows, to-wit:

A part of Lots 223, 224, 265, 266 and the 12' platted alley between said lots, all in the Original Town of Bloomington Plat as recorded in Plat Book A, page 5 (Plat Cabinet B, Envelope 1) Office of Recorder of Monroe County, Indiana, described as follows:

Beginning at the Northeast corner of said Lot 265; thence SOUTH 00 degrees 25 minutes 34 seconds East (basis of bearings), along the West right-of-way line of North College Avenue, same being the East line of Lots 265, 266 said 12' alley, and Lot 224, 187.57 feet to the North wall of Graham Plaza Building; thence SOUTH 89 degrees 28 minutes 00 seconds West, leaving said College Avenue right-of-way and crossing Lot 224 and into said Lot 223 and along said North wall of Graham Plaza Building, 116.45 feet; thence NORTH 00 degrees 25 minutes 51 seconds West, crossing Lot 223 and the 12' alley and Lots 266 and 265 and along the East wall of a parking garage, 187.92 feet to the South right-of-way line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds East, along said South line of West 7th Street, 116.47 feet to the point of beginning.

EXHIBIT B

Parking Garage Property Description

Property located on West 7th Street, Lots 221-224, Lots 285-288, and the adjoining alleys et in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 287, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 88 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 287, 34.21 feet; thence NORTH 88 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 287 and into West 7th Street, 8.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 80 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 285, 286 and a 12 foot alley, and into Lot 223, 193.89 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 128.00 feet; thence NORTH 80 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 288 and 287 and into West 7th Street, 193.89 feet to the Point of Beginning, containing 0.357 acres, more or less.

Subject to a slabwall easement for the parking garage on West 7th Street and Lot 287 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 287, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 88 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 287, 34.21 feet; thence NORTH 88 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 287 and into West 7th Street, 8.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 80 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 287, 15.50 feet; thence SOUTH 80 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 80 degrees 21 minutes 43 seconds WEST, leaving Lot 287 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.



EXHIBIT C

List of Parking Spaces

1. 335
2. 336
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27. 369
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35. 407

EXHIBIT D

Ground Lease

2009000814 ASGN \$33.00  
01/21/2009 01:18:49P 10 PGS

Harrison County Recorder IN  
Recorded as Presented

PREPARED BY:  
Recording requested by ~~land when recorded - mail to~~  
Arent Fox LLP  
1050 Connecticut Avenue, N.W.  
Washington, D.C. 20036  
Attention: Gerard Leval, Esq.

WHEN RECORDED RETURN TO:  
LANDAMERICA COMMERCIAL SERVICES  
140 EAST WASHINGTON ST.  
INDIANAPOLIS, IN 46204  
CASE NO. 08-023762

SPACE ABOVE THIS LINE RESERVED FOR REC ORDER'S USE

| ASSIGNOR'S NAME AND ADDRESS:   | ASSIGNEE'S NAME AND ADDRESS:  |
|--|---|
| Bloomhotel, LLC<br>c/o White Lodging Services Corporation<br>1000 East 80 <sup>th</sup> Place<br>Suite 700 North<br>Merrillville, IN 46410 | RLJ II- HG Bloomington, LLC<br>c/o RLJ Capital Partners II, LLC<br>3 Metro Center<br>Suite 1000<br>Bethesda, MD 20814 |

ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE AND  
AGREEMENT TO LEASE PARKING SPACES

THIS ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE  
AND AGREEMENT TO LEASE PARKING SPACES ("Assignment") is made as of this 21  
day of Jan, 2009, by and between Bloomhotel, LLC, an Indiana limited liability  
company ("Assignor"), and RLJ II - EG Bloomington, LLC, a Delaware limited liability  
company ("Assignee").

RECITALS

A. Assignor and RLJ Lodging Fund II Acquisitions, LLC ("Fund") are parties to  
that certain New Hotels Purchase and Sale Agreement ("Purchase Agreement"), dated as of  
March 16, 2006, for the improved real property commonly known as the Bloomington Hilton  
Garden, pursuant to which Assignor has agreed to convey to the Fund, among other things, its  
leasehold estate in the real property and the improvements located thereon ("Hotel Property"),  
as more particularly described on Exhibit A attached hereto and incorporated herein by this  
reference, together with Assignor's leasehold interest in the parking spaces listed on Exhibit B  
attached hereto and incorporated herein by this reference, together with the right in common with  
others to use the Common Areas (as defined in the Parking Agreement, hereinafter defined)  
(collectively, "Parking Space Property"), which Parking Space Property is located in the  
garage located on the property more particularly described on Exhibit C attached hereto and  
incorporated herein by this reference ("Parking Garage Property"). The Hotel Property and the  
Parking Space Property are collectively referred to herein as "Ground Lease Property";

B. The Fund assigned its rights and obligations under the Purchase Agreement to  
acquire the Ground Lease Property to Assignee pursuant to that certain Assignment and  
Assumption of Rights to Purchase Real Property, dated as of January 7, 2009;

C. Assignor is the current lessee under that certain Hotel Land Ground Lease, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, Redevelopment Commission, as lessor ("Ground Lease"), a memorandum of which Ground Lease is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026242 and incorporated herein by this reference;

D. Assignor is the current lessee under that certain Agreement to Lease Parking Spaces, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, as lessor ("Parking Agreement"), a memorandum of which Parking Agreement is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026244 and incorporated herein by this reference. The Parking Agreement and the Ground Lease are hereinafter collectively referred to as the "Ground Lease Documents"; and

E. Assignor desires to assign, transfer, sell, convey, grant and deliver all of its right, title and interest in and to the Ground Lease Documents to Assignee in connection with the consummation of the purchase and sale of the Ground Lease Property.

#### AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and upon the conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Recitals. The foregoing recitals are correct and complete and are incorporated herein by this reference.
2. Effective Date. The "Effective Date" is defined to be the date hereof.
3. Assignment. Effective on the Effective Date, Assignor hereby assigns, sells, transfers, grants, delivers and conveys to Assignee all of Assignor's right, title and interest as lessee in, to and under the Ground Lease Documents and the Ground Lease Property.
4. Acceptance. Effective on the Effective Date, Assignee hereby accepts said assignment, sale, transfer and conveyance and assumes and agrees to keep, perform and be bound by all of the terms, covenants, conditions and obligations which are required to be performed by Assignor under the Ground Lease Documents from and after the Effective Date.
5. Indemnification. Assignee hereby agrees to indemnify, defend and hold harmless Assignor from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) arising under the Ground Lease Documents and resulting from any events or from any acts or omissions of Assignee relating to the Ground Lease Documents accruing from and after the Effective Date. Assignor hereby agrees to indemnify, defend and hold harmless Assignee from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) resulting from any events or from any acts or omissions of Assignor relating to the Ground Lease Documents accruing prior to the Effective Date.

6. Modification. No modification, waiver, amendment, discharge or change of this Assignment shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

7. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their successors in interest and assigns.

8. Governing Law. This Assignment shall be governed by, and construed and enforced in accordance with, the laws of the State of Indiana.

9. Attorneys' Fees. Should any dispute occur between Assignor and Assignee, with respect to this Assignment or any document executed in connection herewith, which results in litigation, the losing party or parties shall pay the prevailing party or parties their respective reasonable attorneys' fees and costs at trial and upon any appeal.

10. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Assignment.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BLOOMHOTEL, LLC,  
an Indiana limited liability company


By: REI Real Estate Services, LLC

By:   
Jeffrey S. Spindel,  
Chief Financial Officer

STATE OF INDIANA )  
MARION COUNTY ) SS:

I, Elsa A. Will, a Notary Public in and for the said jurisdiction, do hereby certify that Jeffrey S. Spindel, of REI Real Estate Services, LLC, a Managing Member of Bloomhotel, LLC, an Indiana limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of Bloomhotel, LLC.

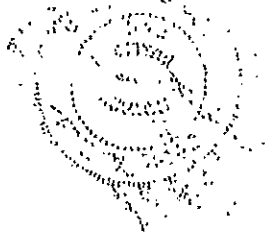
Given under my hand and seal this 16<sup>th</sup> day of December, 2008.

  
Notary Public

My Commission Expires 7-17-10

[Signature Pages Follow]

[NOTARIAL SEAL]



IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BLOOMHOTEL, LLC  
an Indiana limited liability company

By: BW Bloom, LLC

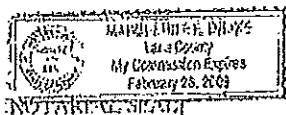
By: White Lodging Services Corporation,  
Manager

By: *Lawrence E. Burnell*  
Lawrence E. Burnell,  
Chief Operating Officer

STATE OF INDIANA     }  
                                  }     SS:  
LAKE COUNTY            }

I, Marguerite E. Drake, a Notary Public in and for the said jurisdiction, do hereby certify that Lawrence E. Burnell, of White Lodging Services Corporation, Manager of BW Bloom, LLC, a Managing Member of Bloomhotel, LLC, an Indiana limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of Bloomhotel, LLC.

Given under my hand and seal this 22nd day of December, 2008.



*Marguerite E. Drake*  
Notary Public

My Commission Expires: February 26, 2009

{Signature Page Follows}

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNEE:

RLJ II - HG BLOOMINGTON, LLC,  
a Delaware limited liability company

By: [Signature]  
Thomas J. Baltimore, Jr.  
President

STATE OF MARYLAND )  
                                  ) SS:  
COUNTY OF MONTGOMERY )

I, Marc Moorman, a Notary Public in and for the said jurisdiction, do hereby certify that Thomas J. Baltimore, Jr., President of RLJ II - HG Bloomington, LLC, a Delaware limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of RLJ II - HG Bloomington, LLC.

Given under my hand and seal this 5<sup>th</sup> day of January, 2009.



[Signature]  
Notary Public

My Commission Expires:  
MARC MOORMAN  
Notary Public  
STATE OF MARYLAND  
My Commission Expires 10-24-12



EXHIBIT A

Description of Hotel Property

Real estate in Monroe County, Indiana, more particularly described as follows, to-wit:

A part of Lots 223, 224, 265, 266 and the 12' platted alley between said lots, all in the Original Town of Bloomington Plat as recorded in Plat Book A, page 5 (Plat Cabinet B, Envelope 1) Office of Recorder of Monroe County, Indiana, described as follows:

Beginning at the Northeast corner of said Lot 265; thence SOUTH 00 degrees 25 minutes 34 seconds East (basis of hearings), along the West right-of-way line of North College Avenue, same being the East line of Lots 265, 266 said 12' alley, and Lot 224, 187.57 feet to the North wall of Graham Plaza Building; thence SOUTH 89 degrees 28 minutes 00 seconds West, leaving said College Avenue right-of-way and crossing Lot 224 and into said Lot 223 and along said North wall of Graham Plaza Building, 116.45 feet; thence NORTH 00 degrees 25 minutes 51 seconds West, crossing Lot 223 and the 12' alley and Lots 266 and 265 and along the East wall of a parking garage, 187.92 feet to the South right-of-way line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds East, along said South line of West 7th Street, 116.47 feet to the point of beginning.

EXHIBIT B

List of Parking Spaces

1. 335
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EXHIBIT C

Description of Parking Garage Property

Property located on West 7th Street, Lots 221-224, Lots 265-268, and the adjoining alleys all in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 265, 266 and a 12 foot alley, and into Lot 223, 193.90 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 126.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and into 268 and 267 and into West 7th Street, 103.99 feet to the Point of Beginning, containing 0.567 acres, more or less.

Subject to a servitude easement for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.

In accordance with IC 36-2-11-15, I affirm, under penalty of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law.

M. Jay Yurov (by me)  
Signature of Preparer

M. Jay Yurov  
Printed Name of Preparer

HOTEL LAND GROUND LEASE

This Hotel Land Ground Lease (the "Lease") made and entered into this 2nd day of December, 2004, by and between The City of Bloomington, Indiana, Redevelopment Commission (Lessor) and HYDROMHOTEL, LLC, a(n) Indiana Limited Liability Company successors or assigns (Lessee), is a "Separate Lease" that: (a) derives exclusively from that certain Ground Lease by and between Lessor and Mercury Development, LLC, an Indiana limited liability company and successor in interest to Register Exchange, LLC ("Original Lessee"), dated January 31, 2003, as amended and modified by that certain Comprehensive Amendment to Ground Lease by and between Lessor and Original Lessee, dated December 2, 2003 (the "Original Lease"); (b) is being executed and delivered by Lessor and Lessee pursuant to, and in accordance with, the terms and conditions of Section 10.03 of the Original Lease; (c) applies only to the interests in the Original Lease and the "Leased Land" that have been assigned by Original Lessee to Lessee; and (d) replaces and supersedes the Original Lease as if applied to such interests, the Hotel Land (as hereinafter defined) and the leasehold interest of Lessee in and to the Hotel Land.

ARTICLE 1  
Demise of Hotel Land

Section 1.01. Lessor, for and in consideration of the rents, covenants and conditions herein contained to be kept, performed, and observed by Lessee, leases and demises to Lessee, and Lessee rents and accepts from Lessor, the real property located in Monroe County, Indiana, described in Exhibit "A" attached hereto (the "Hotel Land").

Section 1.02. Lessor represents and warrants that Lessor is now or shall be the owner in fee simple absolute of the Hotel Land subject only to the covenants, conditions, restrictions, easements and other matters of record. Lessor's title shall be evidenced by a Leasehold Title Insurance Policy (without the standard survey exception) in the amount of \$1,000,000, issued by an ALTA approved title insurance company which is acceptable to Lessee. The cost of the title insurance, except for the cost of curing any title defects, shall be borne by Lessee.

Section 1.03. Lessor covenants and agrees that Lessee, upon payment of the rent and other charges herein provided and upon observance and performance of the covenants, conditions and other terms of this Lease, shall peacefully hold and enjoy the Hotel Land for the term hereby demised without hindrance or interruption by Lessor or any other person or persons claiming under Lessor.

ARTICLE 2  
Lease Term

Section 2.01. This original term of this Lease shall be for a term commencing on the date hereof and ending on the 30<sup>th</sup> day of January, 2053 (the "Initial Term"), unless sooner terminated at an earlier date as provided elsewhere in this Lease.

Section 2.02. The term of this Lease automatically shall be deemed to be extended for five (5) successive renewal terms of ten (10) years each (each such extension of the term being referred to as a "Renewal Term"), unless either: (a) at least thirty (30) days prior to the expiration of the Initial Term or the then-current Renewal Term, Lessee gives notice in writing to Lessor that the term of this Lease will not be renewed; or (b) at the expiration of the Initial Term or the then-current Renewal Term, there exists an Event of Default (as hereinafter defined) that has not been cured within the periods provided by Section 11.02 and Article 14; provided that all Renewal Terms shall be upon all the terms and conditions of this Lease.

Section 2.03. If Lessee holds over after the expiration of the Initial Term (or any Renewal Term), then such tenancy shall be from month to month upon all the terms and conditions of this Lease.

Section 2.04. Prior to Lessor tendering possession and control of the Hotel Land to Lessee on the commencement date of the Initial Term, Lessor shall be responsible for terminating all leases or other rights to possession or use of the Hotel Land. Lessor agrees to hold harmless, defend, and indemnify Lessee from all claims and liabilities that may be asserted by third parties arising from the termination of any leases or other rights to possession or use.

**ARTICLE 3**  
Consideration

Section 3.01. Lessee agrees to pay to Lessor without any prior demand therefore minimum rent for the Initial Term in the amount of Four Hundred Ninety Dollars (\$490.00) (the "Rental Payment"). The Rental Payment shall be made in ten (10) equal annual installments in the amount of Forty-Nine Dollars (\$49.00) each commencing on the twentieth (20<sup>th</sup>) anniversary of the date of this Lease and then continuing on the same date for each succeeding nine (9) years. Notwithstanding the foregoing, when the Original Lessee makes its rental payments under the Original Lease, Forty-Nine Dollars (\$49.00) of each such rental payment shall be credited and applied by Lessor as, and be deemed to be, payment by Lessee of a Rental Payment hereunder. In further consideration, Lessee covenants and agrees that it will construct upon the leased premises the improvements substantially as described on Exhibit "B" attached hereto (the "Improvements").

Section 3.02. The minimum rent for each of the Renewal Terms shall be the sum of One Dollar (\$1.00) per year, or a total of Ten Dollars (\$10.00), payable in advance on the first day of each Renewal Term.

**ARTICLE 4**  
Taxes and Utilities

Section 4.01.

(a) During the Initial Term (and any Renewal Term), Lessee agrees to pay all real and personal property taxes levied and assessed and which become due and payable upon: (1) the Hotel Land and all improvements constructed thereon by Lessee; and (2) the personal property used in connection with the improvements located on the Hotel Land. For the first calendar year of the Initial Term, Lessor shall pay all real estate and personal property taxes upon the Hotel Land, the improvements constructed thereon, and all personal property used in connection with the improvements which become due and payable during such calendar year. For the last calendar year of the Initial Term (or the last year of the final Renewal Term), Lessee shall pay all real and personal property taxes assessed upon the Hotel Land, the improvements constructed thereon, and the personal property used in connection with the improvements for such last calendar year as they become due and payable in the calendar year following termination or expiration of the Lease.

(b) In the event any special tax or assessment is levied or assessed on the Hotel Land which becomes due and payable during the Initial Term (or any Renewal Term), and the tax or assessment may be legally paid in installments, Lessee shall have the option to pay such tax or assessment in installments if all such installments are paid before expiration of the then existing term. Lessor agrees to execute or join with Lessee in the execution of any application or other instrument that may be necessary to permit the payment of such special tax or assessment in installments.

(c) Lessee shall have the right to contest the amount or validity of any such tax or assessment by appropriate legal proceedings. Lessor shall, upon request, join in any such proceedings if Lessee determines that it shall be necessary or convenient for Lessor to do so in order for Lessee to prosecute such proceedings properly. If Lessor is joined, Lessee agrees to pay all expenses incurred by Lessor's involvement in such proceedings including reasonable attorney's fees.

Section 4.02. Lessee shall pay or cause to be paid all charges, including connection fees, for water, heat, gas, electricity, sewers, and any and all other utilities used upon the Hotel Land throughout

the Initial Term (or any Renewal Term). Lessee shall be permitted to pay any connection or other fees due to the City of Bloomington Utilities Department ("CBU") related to initial construction of the improvements and their connection to the CBU water, wastewater, or storm water systems, on an "in-kind" basis by providing construction services for infrastructure improvements to be made in the vicinity of the project which are at least equal in value to the total fees which would otherwise have been paid by Lessor for the project.

ARTICLE 5  
Use of Premises

Section 5.01. Lessee shall have the right to use the Hotel Land for the operation of any uses permitted by applicable zoning regulations after taking into account any applicable grandfather exemptions or variances. Lessor agrees that it will not initiate, consider, or approve any change in zoning of the Hotel Land during the Initial Term (or any Renewal Term), without the prior written consent of Lessee, which consent Lessee shall be permitted to withhold in its sole discretion.

Section 5.02. As part of the improvements constructed upon the Hotel Land, Lessee shall have the right to erect and maintain on the Hotel Land all signs that it deems appropriate to the conduct of its business so long as all such signs comply with the applicable building and zoning codes after taking into account any applicable grandfather exemptions or variances.

ARTICLE 6  
Construction by Lessee

Section 6.01. Subject to the satisfaction of all contingencies contained in other provisions of this Lease, Lessee shall construct a hotel substantially as described on Exhibit "B", all of which have been reviewed and approved by Lessor; provided that:

(a) The cost of any such construction, reconstruction, demolition, or of any change or alteration to the improvements shall be borne and paid for by Lessee.

(b) Subject to the terms and conditions of Article 8, the Hotel Land shall at all times be kept free of mechanic's and materialman's liens by Lessee.

(c) Lessor shall be notified at the time of commencement of the construction of the improvements.

(d) Lessor shall use its best efforts and assist Lessee in good faith to obtain any permits or approvals required from the City of Bloomington Stormwater Utility in connection with the construction of the Leased Land, including construction of the improvements.

Section 6.02. As part of the consideration to Lessee for the execution of this Lease and in order to provide for the more orderly development of the Hotel Land:

(a) It may be necessary, desirable, or required that street, water, sewer, drainage, gas, power line, and other easements, dedications, and similar rights be granted or dedicated, on or within portions of the Hotel Land so that Lessor shall, upon Lessee's advance written request, join with Lessee in executing and delivering such documents from time to time, and throughout the Initial Term (and any Renewal Term), as may be appropriate, necessary, or required by the several governmental agencies, public utilities, and companies for the purpose of granting such easements and dedications.

(b) If Lessee deems it necessary or appropriate to obtain use, zoning, or subdivision and plat approval and permits with respect to the Hotel Land or the improvements, Lessor agrees, from time to time upon request by Lessee, to execute such documents, petitions, applications, and authorizations as may be appropriate or required for the purposes of obtaining conditional use permits, zoning and rezoning, tentative and final plat approval, and further for the purposes of annexation to, or the

creation of, districts and governmental subdivisions; provided, first, that Lessor consents to and otherwise agrees to any such change, alteration or application.

Section 6.03. It is expressly understood and agreed that any and all improvements, including the fixtures, machinery, and equipment of whatsoever nature at any time constructed, placed, or maintained upon any part of the Hotel Land by Lessee, shall be and remain property of Lessee so long as this Lease is in effect. Lessor shall have the right at any time during Lessee's lawful occupancy of the Hotel Land, or within a reasonable time thereafter, to remove any and all improvements owned or placed by Lessee, or its sublessees or licensees, in, under, or upon the Hotel Land, or acquired by Lessee, whether before or during the Initial Term (or any Renewal Terms), but Lessee shall not be obliged to do so. In the event this Lease is terminated for any reason, whether by expiration, operation of law or otherwise, all such improvements shall become the property of Lessor, subject to all covenants, conditions, restrictions, easements, and leases previously consented to by Lessee.

Section 6.04. Lessor shall provide to Lessee, as quickly as reasonably possible after the execution of this Lease, complete originals or copies of all surveys of the Hotel Land in the possession or control of Lessor and all files, records, drawings, plans, specifications, utility information, and related documents and information with respect to the Hotel Land. Where available, Lessor shall provide the documents and information in both hard copy and electronic format. Lessor shall also authorize Bynum Fazio & Associates, Inc., to release to Lessee all survey and other information in its possession concerning the Hotel Land.

Section 6.05. At the request of Lessee, Lessor shall apply for and obtain all permits, consents, or approvals that will be required in the event the improvements to be constructed in accordance with this Lease will encroach upon adjacent property owned by Lessor.

Section 6.06. At the request of Lessee, Lessor shall apply for and obtain all permits, consents, or approvals that will be required in order to vacate any existing platted alleys running through the Hotel Land.

#### ARTICLE 7 Repairs and Restoration

Lessee, at Lessee's own cost and expense at all times during the term of this Lease, agrees to keep and maintain or cause to be kept and maintained, the improvements in first-class state of appearance and repair, reasonable wear and tear excepted. Notwithstanding the foregoing, Lessee may from time to time engage in the remodeling and/or alteration of the improvements; provided that it acts in a commercially reasonable manner.

#### ARTICLE 8 Mechanic's Liens

Section 8.01. Lessor shall not suffer or permit any mechanic's liens or any other liens to be filed against the fee of the Hotel Land, nor against Lessee's interest in the Hotel Land, nor any of the improvements, by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Lessee or anyone holding the Hotel Land or any part thereof through or under Lessee.

Section 8.02. If any such mechanic's liens or materialman's liens shall be recorded against the Hotel Land, or any improvements, Lessee shall cause the same to be removed, or, and in the alternative, if Lessee in good faith desires to contest the same, Lessee shall be privileged to do so, but, in such case, Lessee hereby agrees to indemnify and save Lessor harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure upon said mechanic's liens, cause the same to be discharged and removed prior to the execution of such judgment.



ARTICLE 9  
Condemnation

Section 9.01. If the Hotel Land, the improvements, or any part thereof shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, then the interests of Lessor and Lessee in the award of consideration for such transfer and the effect of the taking of the transfer upon this Lease shall be as provided by this Article. Neither Lessor nor its affiliates, subsidiaries, or related entities shall, during the Initial Term (or any Renewal Terms), use the power of eminent domain to initiate the taking of the whole or any part of the Hotel Land.

Section 9.02. If the Hotel Land, the improvements, or any part thereof are taken or so transferred, then this Lease and all the right, title, and interest hereunder shall cease on the date title to such land so taken or transferred vests in the condemning authority, and the proceeds of such condemnation shall be divided according to the apportionment between the Hotel Land and the improvements made by the condemning authority; provided that Lessee shall be entitled to receive: (a) all proceeds apportioned and paid in connection with the improvements; (b) during the Initial Term, all proceeds apportioned and paid in connection with the Hotel Land; and (c) after the Initial Term, a portion of the proceeds apportioned and paid in connection with the Hotel Land, which portion shall equal all such apportioned proceeds, multiplied by a fraction, the numerator of which is the total number of years in the current Renewal Term and all remaining Renewal Terms, and the denominator of which is fifty (50).

Section 9.03. If the taking or transfer is only a part of the Hotel Land leaving the remainder of the improvements in such location, or in such form, shape, or reduced size as to be not effectively and practicably usable for the purpose of operation thereon of Lessee's business, as determined by Lessee, then this Lease and all right, title, and interest hereunder shall cease on the date title to the Hotel Land, improvements, or the part thereof so taken or transferred vests in the condemning authority.

Section 9.04. If the taking or transfer is only a part of the Hotel Land, leaving the remainder of the improvements in such location and in such form, shape, or size as to be used effectively and practicably for the purpose of operation thereon of Lessee's business, as determined by Lessee, then this Lease shall terminate and end as to the part of the Hotel Land so taken or transferred only.

Section 9.05. Lessor shall immediately notify Lessee upon receiving notice of the initiation of any condemnation or eminent domain proceeding involving the Hotel Land. Lessor appoints and authorizes Lessee as its agent and attorney in fact to represent the interests of Lessor and Lessee in any such condemnation or eminent domain proceeding.

Section 9.06. For purposes of this Article, the term "improvements" shall mean the improvements (as defined in Section 3.01) and any additions to, and/or reconstructions, replacements, remodelings, and/or alterations of, the improvements.

ARTICLE 10  
Assignment and Sublease

Section 10.01. Lessee shall have the right to assign or convey Lessee's entire interest in this Lease and the Leased Land without the prior written approval of Lessor to any entity controlling, controlled by, or under common control with Lessee or White Ledger. Otherwise, Lessee shall not have the right to assign or convey Lessee's entire interest in this Lease and the Leased Land without the prior written approval of Lessor, which approval shall not be withheld, conditioned, or delayed unreasonably. Any assignment of Lessee's entire interest in this Lease which is approved by Lessor (or which does not require Lessor's approval) will release Lessee from any liability hereunder; provided that the assignee executes and delivers an agreement assuming all of Lessee's obligations hereunder.

Section 10.02. Lessee shall have the right to assign a portion of Lessee's interests in this Lease, the Leased Land, and/or the improvements (the "Partial Assignment") or to sublease all or any portion of

the Leased Land and/or the Improvements without the prior written approval of Lessor; provided that no Partial Assignment or sublease shall release Lessee from any liability to Lessor, unless Lessor also executes and delivers an instrument which releases Lessee of any further liability to Lessor (the "Release Instrument"). Lessor shall not unreasonably or arbitrarily withhold or delay its consent to any requested assignment, and, when construction of the Improvements is completed, Lessor shall execute and deliver to Lessee a certificate of completion in recordable form.

Section 10.03. In conjunction with a Partial Assignment for which Lessor executes and delivers a Release Instrument, Lessor also shall execute such documents and instruments as are necessary or appropriate to facilitate the Partial Assignment and affect the release, including, without limitation, documents and instruments that sever this Lease into two separate ground leases (the "Separate Leases"); (a) one that applies only to the interests in this Lease, the Leased Land, and/or the Improvements that have been assigned (the "Assigned Interests"); and (b) one that applies only to the interests in this Lease, the Leased Land, and/or the Improvements that are being retained; in order to reflect that: (a) consistent with the terms and conditions of this Lease, there shall be two separate "Leases" of equal status, the leasehold interests of which "Lessors" in and to separate portions of the Leased Land derive exclusively from this single original Lease; and (b) without the Separate Leases: (i) effecting the Partial Assignment and releasing Lessee from further liability to Lessor with respect to the Assigned Interests; and (ii) financing Improvements to be constructed on the portions of the Leased Land to which the Assigned Interests apply; will be impractical or impossible without Separate Leases and other Release Instruments.

**ARTICLE 11**  
**Default Provisions and Remedies**

Section 11.01. Upon the default by Lessee of any of the terms or conditions of this Lease, which default is not cured within any applicable cure period, Lessor shall have the right, upon such notice, but subject to the terms and conditions of Article 14, to re-enter and re-let the Leased Land or parcels thereof from time to time, and such re-entry and/or re-letting shall not discharge Lessee from any liability or obligations hereunder, except that net rents collected as a result of such re-letting shall be acquitted on Lessee's liability for the Rental Payments and other sums due under the terms of this Lease. Nothing herein, however, shall be construed to require Lessor to re-enter and re-let in such event, nor shall anything herein be construed to waive or postpone the right of Lessor to sue for the Rental Payments due, but on the contrary, Lessor shall have the right and option, at any time after such uncured default, to declare all Rental Payments or other sums payable or to be payable hereunder immediately due and payable, and to hereby give the right to sue for all Rental Payments and other sums rents due and payable at any time after such uncured default.

Section 11.02. The occurrence of any one of the following events shall be considered an "Event of Default":

(a) Failure to pay when due any one or more installments of the Rental Payments or any other sums due Lessor from Lessee within thirty (30) days after Lessee's receipt of written notice of nonpayment from Lessor.

(b) Default in performing any other of Lessee's obligations hereunder and failure to cure such default within sixty (60) days after written notice from Lessor; provided, however, that, if Lessee determines that the event of default cannot be cured within 60 days despite diligent effort, it shall notify Lessor in writing within twenty-one (21) days of receipt of the notice of default from Lessor. The notice from Lessee to Lessor shall include detailed plans and a schedule for curing the default as soon as reasonably possible using diligent effort. The time within which Lessee shall be permitted to cure the default shall be extended for so long as Lessee continues to pursue such cure in accordance with the plans and schedule provided to Lessor.

(c) Levy or execution or other legal process upon the Improvements, or upon the interest of Lessee in this Lease, unless such execution or other levy be discharged of record within sixty (60) days.

(d) The filing of a voluntary petition in bankruptcy by Lessee or the final adjudication of Lessee as a bankrupt.

(e) The making by Lessee of general assignment for the benefit of creditors, or the appointment of a receiver, whether in bankruptcy or otherwise, for all Lessor's property, including the improvements, provided such appointment be not vacated or set aside within sixty (60) days.

(f) The approval of any plan of reorganization for Lessee which is not satisfactory to, or approved by, Lessor.

(g) The abandonment or vacation of the improvements by Lessee for more than thirty (30) days; provided that Lessee shall not be deemed to have abandoned the improvements when Lessee is engaged in construction, reconstruction, replacing, remodeling, or alteration of the improvements.

Section 11.03. In the event of a default under this Lease by either party, the non-defaulting party shall be entitled to recover from the defaulting party, in addition to all other remedies which may be available under this Lease and under law or equity, the reasonable attorney fees and related costs incurred in the enforcement of this Lease.

#### ARTICLE 12

##### Expiration and Surrender

Section 12.01. This Lease will expire on the last day of the initial Term (or the last Renewal Term) unless sooner terminated by the provisions of this Lease.

Section 12.02. Unless otherwise mutually agreed by the parties, within fifteen (15) days after expiration of the initial Term (or the last Renewal Term), Lessee agrees to deliver possession of the Hotel Land to Lessor subject only to the terms, covenants, conditions, restrictions, easements, and other matters of record which were set forth in the Leasehold Title Insurance Policy identified in Section 1.02 of this Lease affecting the Leased Land.

#### ARTICLE 13

##### Insurance and Indemnification

Section 13.01. Lessee agrees to indemnify and hold Lessor and the Hotel Land (and harmless from any and all claims, liability, loss, damage or expenses (including reasonable attorney's fees) resulting from Lessee's occupation and use of the Hotel Land, including any claim, liability, loss or damage arising by reason of:

(a) The death or injury of any person or persons, including any person who is an agent or employee of Lessee, or by reason of the damage to or destruction of any property, including property owned by Lessee or any person who is an agent or employee of Lessee;

(b) Any work performed on the Hotel Land or materials furnished to the Hotel Land at the instance or request of Lessee or any agent or employee of Lessee; and

(c) Lessor's failure to perform any provision of this Lease or to comply with any requirement of law or any requirement imposed on Lessor or the Hotel Land by any duly authorized governmental agency or political subdivision;

except for indemnity Lessee (as hereinafter defined) and any demands, suits, claims, actions or causes of action (including, without limitation, corrective, responsive, or remedial actions), assessments, losses, damages, liabilities, settlements, penalties, and forfeitures, and costs and expenses incident thereto, which result or arise from an Indemnity Loss.

Section 13.02. Lessor shall, at its own cost and expense, secure and maintain during the Initial Term (and any Renewal Terms) a broad form comprehensive coverage policy of public liability insurance issued by an insurance company acceptable to Lessor, insuring Lessor against loss or liability caused by or connected with Lessee's occupation and use of the Hotel Land, in amounts not less than:

- (a) \$1,000,000 for injury to, or death of, one person, and not less than \$2,000,000 for injury to, or death of, two or more persons as a result of any one accident or incident; and
- (b) \$100,000 for damage to or destruction of any property of others.

Section 13.03. Lessee, at its sole cost and expense, shall keep the Improvements insured during the Initial Term (and any Renewal Terms) against loss or damage by fire or earthquake, with replacement cost endorsement. Such replacement value shall be determined from time to time in accordance with the provisions of the policy.

Section 13.04. All insurance provided for in this Article shall be effected under valid and enforceable policies issued by insurers of recognized responsibility. Upon the execution of this Lease, and thereafter not less than fifteen (15) days prior to the expiration dates of the issued policies, proof of insurance together with other evidence adequately establishing the payment of premium for such policies shall be delivered by Lessee to Lessor. All policies of insurance shall name as insureds Lessor, Lessee, and any Mortgage Lender (as hereinafter defined), as their respective interests may appear. Even such policy or certificate issued by the insurer shall contain an agreement by the insurer that such policy shall not be canceled without at least ten (10) days' prior written notice to Lessor and any Mortgage Lender.

Section 13.05. Lessor and Lessee hereby expressly waive any and all claims against each other for loss or damage due to fire or the perils, risks, or hazards ordinarily insured against in a State of Indiana standard form of Fire Insurance Policy with Extended Coverage Endorsement and which are, in fact, covered by such insurance, regardless of the cause of such loss or damage, including, without limitation, loss or damage resulting from the negligence of the respective parties, their agents, servants, employees, invitees, licensees, contractors and subcontractors.

Section 13.06. Lessor hereby agrees to indemnify, defend and hold Lessee harmless from and against all demands, suits, claims, actions or causes of action (including but not limited to corrective, response, or remedial actions), assessments, losses, damages, liabilities, settlements, penalties, and forfeitures, and costs and expenses incident thereto (including but not limited to attorneys' fees, legal expenses, consultants' fees and court costs) (hereinafter collectively referred to as an "Indemnity Loss") asserted against, suffered, or incurred by Lessee as a direct or indirect result of:

- (a) Pollutants, contaminants, hazardous or toxic materials, substances, or wastes generated, treated, stored, discharged, disposed of, injected, leaked, spilled or placed, released, or threatened to be released; (i) on or from the Hotel Land; (ii) as a result of the operations, acts, or omissions of Lessor or Lessor's predecessor's in interest; or (iii) as a result of the operations, acts, or omissions of any person, corporation, partnership, or other entity hired, employed, contracted, or retained by, or otherwise acting for or on behalf of, Lessor;
- (b) Pollutants, contaminants, hazardous, or toxic materials, substances, or wastes that have migrated onto the Hotel Land from adjacent properties; or
- (c) Any past, present or future failure or alleged failure of Lessor or Lessor's predecessors to comply with any applicable federal, state, local, or other laws, regulations, and court or administrative orders, including but not limited to environmental matters.

ARTICLE 14  
Subordination

Section 14.01. Lessor agrees that Lessee shall have the unrestricted right to encumber at any time and from time to time the Lease, the Leasehold, the improvements, the personal property of Lessee, and any interests therein or thereunder, including, without limitation, subleases and licenses, with mortgages, security interests, and/or assignments (the "Mortgages") granting mortgage liens, security interests, and/or assignments (the "Mortgage Liens") to secure indebtedness that at any time and from time to time may be extended to Lessor by its lenders (the "Mortgage Lenders"); provided that nothing contained in this Lease shall be construed as an agreement by Lessor to subordinate its fee simple interest in the Hotel Land to any Mortgage Lien.

Section 14.02. Upon the request of Lessee and/or any Mortgage Lender, Lessor shall execute and deliver evidence of its assent to and confirm its agreement to a Mortgage Lien by executing and delivering such instruments as may be reasonably requested by Lessee and/or any Mortgage Lender.

Section 14.03. So long as any portion of the indebtedness secured by a Mortgage Lien is outstanding, Lessor shall not agree to any mutual termination nor accept any surrender of this Lease by Lessee or consent to any material amendment or modification of this Lease without the prior written consent of all Mortgage Lenders. Any termination, surrender, amendment, or modification in violation of the terms and conditions of this Section shall be null and void and have no force or effect.

Section 14.04. Notwithstanding any default by Lessee in the observance or performance of any covenant, condition, obligation, or agreement on the part of Lessee to be kept, performed, or observed, Lessor shall have no right to terminate the Leasehold or this Lease even though an Event of Default may have occurred and be continuing, unless and until Lessor shall have given all Mortgage Lenders written notice of such Event of Default, and the Mortgage Lenders shall have failed to cure such Event of Default or commence efforts to cure such Event of Default or acquire possession of the Hotel Land and/or the improvements as provided in Sections 14.07 and 14.08. Any termination in violation of the terms and conditions of this Section shall be null and void and have no force or effect.

Section 14.05. Each Mortgage Lender shall have the right, but not the obligation, at any time prior to the termination of this Lease, and without payment of any penalty, to pay any of the rents due hereunder, to provide any insurance, to pay any taxes, to release any mechanic's liens, to make any repairs or improvements, and to make any other payments or do any other act or thing required to be paid or done by Lessee by the terms and conditions of this Lease. All payments so made and all things so done and performed by a Mortgage Lender shall be accepted by Lessor as effective to prevent a termination of this Lease and to cure an Event of Default as the same would have been if made, done, or performed by Lessee. After a termination of this Lease, the terms and conditions of Section 14.10 shall apply.

Section 14.06. If a Mortgage Successor (as hereinafter defined) takes possession of the Leasehold under the improvements, then the Mortgage Successor's liability under and with respect to the Lease, the Leasehold, the improvements, and any interests therein or thereunder shall be limited to: (a) the amounts due and payable to Lessor for the unexpired balance of the Initial Term (or any Renewal Terms); and (b) observance or performance of any obligation or agreement on the part of Lessee first arising after the Mortgage Successor takes possession. The term "Mortgage Successor" shall mean a Mortgage Lender, a receiver appointed at the request of a Mortgage Lender, a purchaser at a foreclosure sale, or a party to which the Leasehold is transferred by an assignment in lieu of foreclosure, and their successors and assigns.

Section 14.07. If any Event of Default occurs, then each Mortgage Lender shall have sixty (60) days (beginning after receipt of the notice from Lessor required by Section 14.04 and the expiration of the applicable period for Lessee to cure the Event of Default under Section 11.02) in which to cure the Event of Default. If a Mortgage Lender acquires possession of the Hotel Land and/or the improvements to cure the Event of Default, or if, by its nature, the Event of Default cannot reasonably be cured within such sixty

(60) day period, then the Mortgage Lenders shall have a reasonable time after the expiration of such sixty (60) day period within which to cure the Event of Default; provided that a Mortgage Lender cures within such sixty (60) day period all other Events of Default which can be cured solely by the payment of monies to Lessor.

Section 14.08. An Event of Default for which an extended cure period is permitted by the terms and conditions of Section 14.07 shall be deemed remedied so long as a Mortgage Lender is diligently proceeding to acquire possession of the Hotel Land and/or the Improvements from Lessee or foreclose its Mortgage Lien, and, after possession is obtained (directly by a Mortgage Lender or indirectly by a receiver appointed at the request of a Mortgage Lender) or the foreclosure is completed (by the Leasehold being purchased at a foreclosure sale or the Leasehold being transferred by an assignment in lieu of foreclosure), the Mortgage Successor shall have a reasonable period of time, but not less than ninety (90) days, to cure any remaining Events of Default.

Section 14.09. If a Mortgage Lender is prohibited by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy, rehabilitation, or insolvency proceedings involving Lessee, the time for commencing or prosecuting foreclosure or other proceedings shall be extended by the period of such prohibition.

Section 14.10. If Lessor terminates this Lease by reason of any Event of Default, then, upon written request by a Mortgage Lender served upon Lessor within ninety (90) days after such termination, Lessor shall execute and deliver a new ground lease for the remainder of the Initial Term (and any Renewal Term) with the same terms, conditions, covenants, and agreements of this Lease, excepting that Lessor shall not be required to remove the fees of any tenant whose interest in the Leasehold and/or the Improvements was created by the action or inaction of Lessee, and excepting further that the Mortgage Lender shall agree to take the Improvements in their condition at the time, subject to the terms and conditions of Section 13.08.

Section 14.11. If a Mortgage Successor acquires possession of the Hotel Land and assumes the obligations of Lessee under this Lease, then, notwithstanding the provisions of Section 10.01, the Mortgage Successor shall be permitted to assign the entire interests of Lessee in this Lease and the Hotel Land to a third party without the consent of Lessor, however such an assignment shall not be permitted unless the Assignee is qualified to satisfy the obligations included in the terms of the ground lease, including but not limited to having experience in hotel management, having a franchise for a hotel operation, having adequate net worth to finance such an operation. Any such assignment shall release the Mortgage Successor from liability for the performance of the obligations of Lessee under this Lease.

Section 14.12. Lessor and Lessee shall cooperate in providing any additional amendment, instrument, or document reasonably required by a Mortgage Lender or which may otherwise be necessary or expedient to implement the provisions of this Article 14; provided that no such amendment, instrument, or document shall extend the term of this Lease beyond its Initial Term (and any Renewal Term) nor adversely affect Lessor's rights hereunder.

Section 14.13. Lessor shall mail a duplicate copy of any notice of an Event of Default by certified mail to each Mortgage Lender as provided in the other provisions of this Lease, and no notice by Lessor to Lessee shall be deemed to have been properly given unless and until a copy of the notice has been sent to each Mortgage Lender.

Section 14.14. If the Improvements are damaged or destroyed by fire or other casualty, then the insurance proceeds shall be used to rebuild or replace the Improvements or applied as provided in the Mortgages. It shall not be an Event of Default under this Lease so long as Lessee is trying in good faith to repair or rebuild the damaged property.

ARTICLE 16  
Miscellaneous

Section 15.01. All of the provisions of this Lease shall be deemed as running with the land and construed to be "conditions" as well as "covenants" as though the words specifically expressing or importing covenants and conditions were used in each separate provision.

Section 15.02. No failure by either Lessor or Lessee to insist upon the strict performance by the other of any covenant, agreement, term, or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this Lease, but each and every covenant, condition, agreement, and term of this Lease shall continue in full force and effect with respect to any other than existing or subsequent breach.

Section 15.03. Time is of the essence of this Lease and of each provision hereof. The time in which any act provided by this Lease to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday, or legal holiday, and then it is also excluded so that the last day is the next day following such Saturday, Sunday, or legal holiday.

Section 15.04. If either party shall be delayed or prevented from the performance of any act required by this Lease by reason of acts of God, strikes, walk-outs, labor troubles, inability to procure materials, restrictive governmental laws or regulations, or other causes, without fault beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided, however, nothing in this Section shall excuse Lessee from the prompt payment of any rental or other charge required of Lessee except as may be expressly provided elsewhere in this Lease.

Section 15.05. Each and all the covenants, conditions, and restrictions in this Lease shall inure to the benefit of, and shall be binding upon, the successors in interest of Lessor, and the assignees, transferees, subtenants, licensees, and other successors in interest of Lessee.

Section 15.06. This Lease contains the entire agreement of the parties with respect to the matters covered by this Lease, and no other agreement, statement, or promise made by any party, or to any employee, officer, or agent of any party, which is not contained in this Lease shall be binding or valid.

Section 15.07. If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Section 15.08. Nothing contained in this Lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or a partnership, joint venture, or any association between Lessor and Lessee, and neither the provisions contained in this Lease, nor any acts of the parties shall be deemed to create any relationship between Lessor and Lessee, other than the relationship of lessor and lessee.

Section 15.09.

(a) The language in all parts of this Lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Lessor or Lessee.

(b) Unless otherwise provided in this Lease or unless the context otherwise requires, the following definitions and rules of construction shall apply to this Lease:

(i) In this Lease, the neuter gender includes the feminine and masculine, and the singular number includes the plural, and the word "person" or "entity" includes a corporation, partnership, limited liability company, firm, or association wherever the context so requires.

(ii) "Shall," "will," and "agrees" are mandatory, and "may" is permissive.

(iii) Captions of the articles, sections, and paragraphs of this Lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Lease.

(iv) Except as otherwise provided, all references to the form of this Lease or to the lease term shall include any Renewal Terms.

Section 15.10. Any sum accruing to Lessor under the provisions of this Lease which shall not be paid when due shall bear interest at the prevailing prime rate as published in the Wall Street Journal on the last publication date immediately preceding the date of accrual.

Section 15.11. This Lease is not subject to amendment or modification except in writing.

Section 16.12.

(a) All rents or other sums, notices, demands, or requests from one party to another may be personally delivered or sent by mail, certified or registered, postage *pro-prio*, to the addressee stated in this section.

(b) All notices, demands, or requests from Lessor to Lessor shall be given to Lessor at City of Bloomington Redevelopment Commission, P.O. Box 100, Bloomington, Indiana 47402.

(c) All notices, demands, or requests from Lessor to Lessee shall be given to Lessee at 11711 North Pennsylvania Street, Suite 200, Carmel, Indiana 46032, Attention: Michael W. Wells

(d) A copy of all notices, demands, or requests from Lessor to Lessee shall be given to Karl P. Haas, Esq., Wollack Somers & Haas, One Indiana Square, Suite 1600, Indianapolis, Indiana 46204.

(e) Each party shall have the right, from time to time, to designate a different address by notice given in conformity with this Article.

(f) If more than one Lessor or Lessee is named in this Lease, service of any notice on any of Lessees or Lessors shall be deemed service on all of Lessees or Lessors, respectively.

Section 16.13. In the event Lessor and Lessee cannot agree on any point in this Lease, the parties agree that Indiana law shall be applicable hereto.

Section 16.14. Whenever under the Lease: (a) the consent or approval of Lessor is required or requested by Lessee, such consent or approval shall not be withheld, delayed, or conditioned unreasonably; or (b) Lessee requires or requests the permission of, or a determination by, Lessor, such permission shall not be withheld, delayed, or conditioned unreasonably, and such determination shall be made promptly and reasonably.

ARTICLE 16

Execution, Recording and Incorporation by Reference

Section 16.01. The parties shall, concurrently with the execution of this Lease, execute, acknowledge, and record the memorandum *in* here attached as Exhibit "D" and made a part of this Lease. Following recording, the memorandum shall be reattached to this Lease.

Section 16.02. This Lease has been executed at Bloomington, Indiana, on the day and year first above written.

LESSOR:

LESSEE:



THE REDEVELOPMENT COMMISSION  
of the City of Bloomington, Indiana

BLOOMHOTEL, LLC  
an Indiana limited liability company

By: *David Walter*  
David Walter, President

By: *Michael W Wells*  
Printed: MICHAEL W WELLS  
Title: PRES OF MGR

Attest: *Michael Gentile*  
Michael Gentile, Secretary

STATE OF INDIANA }  
COUNTY OF MONROE } SS:

David Walter and Michael Gentile, the President and Secretary, respectively of the City of Bloomington, Indiana Redevelopment Commission personally appeared before me, a Notary Public, in and for said County and State on the 4th day of Oct, 2004 and for and on behalf of said Commission acknowledged the execution of the foregoing Hotel Land Ground Lease as their voluntary act and deed,

My Commission Expires: 12/21/04  
County of Residence: Monroe

Notary Public: *Janet E Roberts*  
(Name Printed) Janet E Roberts

STATE OF INDIANA }  
COUNTY OF MONROE } SS:

MICHAEL W. WELLS of BLOOMHOTEL, LLC an Indiana limited liability company personally appeared before me, a Notary Public, in and for said County and State on the 2nd day of December, 2004, and for and on behalf of said limited liability company acknowledged the execution of the foregoing document as his/her voluntary act and deed.

My Commission Expires: 12/21/07  
County of Residence: Monroe

Notary Public: *Sherry M Pears*  
(Name Printed) Sherry M Pears

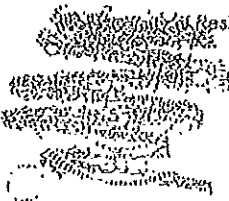


EXHIBIT B

Legal Description for Hotel Real Estate

A part of Lot 223, 224, 265 and 266, the Twelve (12) Foot Alley, all in the City of Bloomington, Monroe County, Indiana, described as follows:

BEGINNING at the Northeast corner of Lot 266, Original Plat of Bloomington; thence SOUTH 00 degrees 25 minutes 34 seconds EAST (back of bearings) along the East line of Lots 265, 263 and 224, and the twelve (12) foot alley between, same being the West line of North College Avenue, 167.63 feet; thence SOUTH 09 degrees 35 minutes 34 seconds WEST leaving the West line of College Avenue and crossing Lot 224 and into Lot 223, 116.45 feet; thence NORTH 00 degrees 25 minutes 52 seconds WEST leaving Lot 223 and crossing said twelve (12) foot alley and Lots 266 and 265, 167.62 feet to the North line of Lot 266, same being the South line of West Seventh Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST along the South line of West Seventh Street, same being the North line of Lot 265, 116.47 feet to the point of beginning, containing 0.502 acres, more or less.

This description subject to a 10' x 10' stair tower easement along the description's South line, per Deed Record 268, page 505.

EXHIBIT B

PROJECT DESCRIPTION REGESTER PLACE

The project described below and all work performed to achieve the project shall be completed pursuant to a Project Labor Agreement.

Overview

Regester Place is a mixed-use development consisting of a parking facility, hotel, commercial space and residential dwelling units. This innovative vision resulted when the Redevelopment Commission requested a creative redevelopment of the Regester Parking Garage.

Parking Structure

Located in the center of the block, the parking structure is approximately 180,000 square feet. It will accommodate about 552 automobiles, including eleven spaces for accessible parking. With entrances on Seventh and Morton Streets, the single helix, cast in place structure uses two way traffic and perpendicular parking for easy way-finding efficiency. For pedestrians, an elevator and stairway are located in the southeast corner, served conveniently by the public pedestrian way adjacent to the Graham Plaza. A second stair is located at the northwest corner of the garage. Immediately east of the garage is space for bicycle parking and landscaped site amenities. The primary, exposed, facade of the garage at Seventh Street will be treated with modest architectural details to compliment the architecture of the adjacent buildings. The City of Bloomington will manage operation of the garage.

Residential Buildings

The residential component consists of two (2) buildings that wrap the parking structure on two sides. Containing an approximate total of 76 individual units, the buildings primarily front Sixth and Morton Streets, with some frontage on 7<sup>th</sup> Street.

One structure is located at the corner of Sixth and Morton Streets. Approximately 8,000 square feet on the ground floor provides commercial and retail opportunities, accessed from Sixth Street and Morton Street. The upper floors contain about 52 residential units, accessed via a central elevator and stair core from the Morton Street entrance.

The second structure is located along Morton Street, spanning to Seventh Street. The 5,500 square foot ground floor provides commercial, retail or residential opportunities, accessed from Morton Street and Seventh Street. The upper floors contain approximately 24 residential units, accessed via a main hallway that connects to the elevator/stair core.

To compliment the architecture of downtown Bloomington and the adjacent Showers area, the primary facades of the apartment buildings will be clad with brick, masonry and metal elements. Coupled with glazed storefronts for the commercial tenant space, this treatment will establish the

primary façade for the project. The body of the façade will be brick and metal. Subtle changes in brick color or bonding pattern will balance the proportions of the façade. These secondary materials, such as metal, windows, stone trim and the like, will be employed to provide variety in the detailing and similarly relate to the surrounding context. The façades are articulated with a window rhythm that corresponds to the apartment function within - with larger areas of glass at the primary living spaces. Top floor units are treated with a modest change in materials to create visual interest in the building.

#### Hotel

Located on the corner of College and Seventh Streets, the hotel will anchor the northeast corner of the site with approximately 105 rooms. The restaurant, lobby, lounge, fitness center and other business functions will be on the first floor and below grade on 7<sup>th</sup> Street, and guest rooms will be on the upper floors. In use, size and proportion, the hotel is a complimentary building to the apartment buildings. As such, the primary façades will include architectural details of brick, architectural masonry, aluminum storefronts and windows, and other materials complimentary to the apartment buildings.

CROSS REFERENCES:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EXHIBIT C

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is executed by the parties hereto on the 2nd day of December, 2004, to evidence their execution of a certain Hotel Land Ground Lease dated December 2, 2004 (the "Lease").

1. The name of the landlord ("Landlord") is The City of Bloomington, Indiana, Redevelopment Commission with an address of 401 W. Horton Street, Bloomington, TN 47401
2. The name of the tenant ("Tenant") is BLOOMINGTON, LLC with an address of 11711 N. PENNSYLVANIA ST., SUITE 200, Carmel, TN 46032-4539
3. The property devised by the Lease consists of the real property more particularly described on Exhibit A as per plat thereof, recorded February 11, 2003 as Instrument No. 2003003623 in the Office of the Recorder of Monroe County, Indiana and all easements rights and appurtenances thereto (the "Leased Premises").
4. The original term of the Lease is for a period commencing on 1/31/03 and ending on January 30, 2053.
5. The Lease grants to Tenant the option to extend the term of the Lease for five (5) additional successive period(s) of ten (10) years each, as more particularly set forth in the Lease.

This Memorandum of Lease is executed solely for the purpose of giving notice to third parties of the existence of the Lease and certain terms thereof. Reference is made to the Lease which contains a full description of the rights and duties of Landlord and Tenant and the terms, conditions, provisions and limitations on the use and occupancy of the Leased Premises. This Memorandum of Lease (or description of certain of such rights, duties, conditions and limitations) shall in no way or under any circumstances affect the terms and conditions of the Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed as of the date set forth above.

LESSOR:

THE REDEVELOPMENT COMMISSION  
of the City of Bloomington, Indiana

By: David Walter  
David Walter, President

LESSEE:

BLOOMHOTEL, LLC  
an Indiana limited liability company

By: Michael W Wells  
Printed: MICHAEL W WELLS  
Title: PRES OF MCA

Attest:  
Michael Gentile  
Michael Gentile, Secretary

STATE OF INDIANA }  
COUNTY OF MONROE } SS:

David Walter and Michael Gentile, the President and Secretary, respectively of the City of Bloomington, Indiana Redevelopment Commission personally appeared before me, a Notary Public, in and for said County and State on the 1st day of Oct, 2004 and for and on behalf of said Commission acknowledged the execution of the foregoing Hotel Land Ground Lease as their voluntary act and deed.

My Commission Expires: 1/28/04 Notary Public: Janet E Roberts  
County of Residence: Monroe (Name Printed) Janet E Roberts

STATE OF INDIANA }  
COUNTY OF MONROE } SS:

MICHAEL W. WELLS of BLOOMHOTEL, LLC an Indiana limited liability company personally appeared before me, a Notary Public, in and for said County and State on the 2nd day of December, 2004, and for and on behalf of said limited liability company acknowledged the execution of the foregoing document as his/her voluntary act and deed.

My Commission Expires: 4/2/07 Notary Public: Shelley Pi Puckert  
Residence: Monroe (Name Printed) Shelley Pi Puckert

EXHIBIT B  
Parking Agreement

2009000814 ASGN \$33,00  
01/21/2009 01:18:49P 10 PGS

Honore County Recorder III  
Recorded as Presented

Prepared By:  
Recording requested by and when recorded mail to:  
Arent Fox LLP  
1050 Connecticut Avenue, N.W.  
Washington, D.C. 20036  
Attention: Clifford Leval, Esq.

WHEN RECORDED RETURN TO:  
LANDAMERICA COMMERCIAL SERVICES  
140 EAST WASHINGTON ST.  
INDIANAPOLIS, IN. 46204  
CASE NO. ~~08-003762~~

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

| ASSIGNOR'S NAME AND ADDRESS;   | ASSIGNEE'S NAME AND ADDRESS:  |
|--|---|
| Bloomhotel, LLC<br>c/o White Lodging Services Corporation<br>1000 East 80 <sup>th</sup> Place<br>Suite 700 North<br>Merrillville, IN 46410 | RLJ II- HG Bloomington, LLC<br>c/o RLJ Capital Partners II, LLC<br>3 Metro Center<br>Suite 1000<br>Bethesda, MD 20814 |

ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE AND  
AGREEMENT TO LEASE PARKING SPACES

THIS ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES ("Assignment") is made as of this 21<sup>st</sup> day of JAN., 2009, by and between Bloomhotel, LLC, an Indiana limited liability company ("Assignor"), and RLJ II - HG Bloomington, LLC, a Delaware limited liability company ("Assignee").

RECITALS

A. Assignor and RLJ Lodging Fund II Acquisitions, LLC ("Fund") are parties to that certain New Hotels Purchase and Sale Agreement ("Purchase Agreement"), dated as of March 16, 2006, for the improved real property commonly known as the Bloomington Hilton Garden, pursuant to which Assignor has agreed to convey to the Fund, among other things, its leasehold estate in the real property and the improvements located thereon ("Hotel Property"), as more particularly described on Exhibit A attached hereto and incorporated herein by this reference, together with Assignor's leasehold interest in the parking spaces listed on Exhibit B attached hereto and incorporated herein by this reference, together with the right in common with others to use the Common Areas (as defined in the Parking Agreement, hereinafter defined) (collectively, "Parking Space Property"), which Parking Space Property is located in the garage located on the property more particularly described on Exhibit C attached hereto and incorporated herein by this reference ("Parking Garage Property"). The Hotel Property and the Parking Space Property are collectively referred to herein as "Ground Lease Property";

B. The Fund assigned its rights and obligations under the Purchase Agreement to acquire the Ground Lease Property to Assignee pursuant to that certain Assignment and Assumption of Rights to Purchase Real Property, dated as of January 7, 2009;



C. Assignor is the current lessee under that certain Hotel Land Ground Lease, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, Redevelopment Commission, as lessor ("Ground Lease"), a memorandum of which Ground Lease is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026242 and incorporated herein by this reference;

D. Assignor is the current lessee under that certain Agreement to Lease Parking Spaces, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, as lessor ("Parking Agreement"), a memorandum of which Parking Agreement is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026244 and incorporated herein by this reference. The Parking Agreement and the Ground Lease are hereinafter collectively referred to as the "Ground Lease Documents"; and

E. Assignor desires to assign, transfer, sell, convey, grant and deliver all of its right, title and interest in and to the Ground Lease Documents to Assignee in connection with the consummation of the purchase and sale of the Ground Lease Property.

#### AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and upon the conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Recitals. The foregoing recitals are correct and complete and are incorporated herein by this reference.
2. Effective Date. The "Effective Date" is defined to be the date hereof.
3. Assignment. Effective on the Effective Date, Assignor hereby assigns, sells, transfers, grants, delivers and conveys to Assignee all of Assignor's right, title and interest as lessee in, to and under the Ground Lease Documents and the Ground Lease Property.
4. Acceptance. Effective on the Effective Date, Assignee hereby accepts said assignment, sale, transfer and conveyance and assumes and agrees to keep, perform and be bound by all of the terms, covenants, conditions and obligations which are required to be performed by Assignor under the Ground Lease Documents from and after the Effective Date.
5. Indemnification. Assignee hereby agrees to indemnify, defend and hold harmless Assignor from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) arising under the Ground Lease Documents and resulting from any events or from any acts or omissions of Assignee relating to the Ground Lease Documents accruing from and after the Effective Date. Assignor hereby agrees to indemnify, defend and hold harmless Assignee from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) resulting from any events or from any acts or omissions of Assignor relating to the Ground Lease Documents accruing prior to the Effective Date.

6. Modification. No modification, waiver, amendment, discharge or change of this Assignment shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

7. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their successors in interest and assigns.

8. Governing Law. This Assignment shall be governed by, and construed and enforced in accordance with, the laws of the State of Indiana.

9. Attorneys' Fees. Should any dispute occur between Assignor and Assignee, with respect to this Assignment or any document executed in connection herewith, which results in litigation, the losing party or parties shall pay the prevailing party or parties their respective reasonable attorneys' fees and costs at trial and upon any appeal.

10. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Assignment.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BLOOMHOTEL, LLC,  
an Indiana limited liability company

By: REI Real Estate Services, LLC

By: Jeffrey S. Sporleder  
Jeffrey S. Sporleder,  
Chief Financial Officer

STATE OF INDIANA     )  
                                  )     SS:  
MARION COUNTY        )

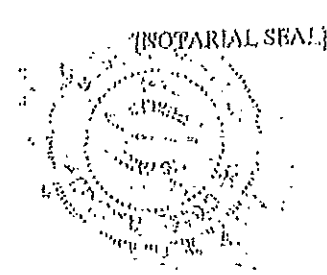
I, Elizabeth A. Wall, a Notary Public in and for the said jurisdiction, do hereby certify that Jeffrey S. Sporleder, of REI Real Estate Services, LLC, a Managing Member of Bloomhotel, LLC, an Indiana limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of Bloomhotel, LLC.

Given under my hand and seal this 16<sup>th</sup> day of December, 2008.

Elizabeth A. Wall  
Notary Public

My Commission Expires: 7-17-10

[Signature Pages Follow]



IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BLOOMHOTEL, LLC  
an Indiana limited liability company.

By: BW Bloom, LLC

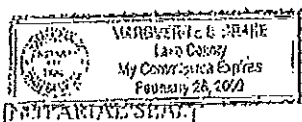
By: White Lodging Services Corporation,  
Manager

By: Lawrence E. Burnell  
Lawrence E. Burnell,  
Chief Operating Officer

STATE OF INDIANA     )  
                                  )     SS:  
LAKE COUNTY            )

I, Marguerite E. Drake, a Notary Public in and for the said jurisdiction, do hereby certify that Lawrence E. Burnell, of White Lodging Services Corporation, Manager of BW Bloom, LLC, a Managing Member of Bloomhotel, LLC, an Indiana limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces herelo annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of Bloomhotel, LLC.

Given under my hand and seal this 22nd day of December, 2008.



Marguerite E. Drake  
Notary Public

My Commission Expires: February 26, 2009

{Signature Page Follows}

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNEE:

RLJ II - HG BLOOMINGTON, LLC,  
a Delaware limited liability company

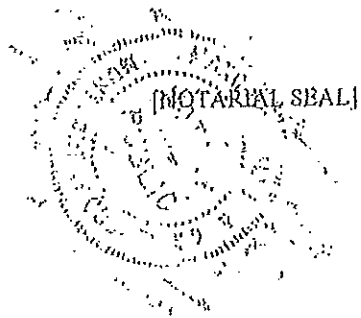
By: [Signature]  
Thomas J. Baltimore, Jr.  
President

STATE OF MARYLAND )  
                                  ) SS:  
COUNTY OF MONTGOMERY )

I, Marc Moorman, a Notary Public in and for the said jurisdiction, do hereby certify that Thomas J. Baltimore, Jr., President of RLJ II - HG Bloomington, LLC, a Delaware limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of RLJ II - HG Bloomington, LLC.

Given under my hand and seal this 5<sup>th</sup> day of January, 2009.

[Signature]  
Notary Public



My Commission Expires:  
MARC MOORMAN  
Notary Public  
STATE OF MARYLAND  
My Commission Expires 10-24-12

EXHIBIT A

Description of Hotel Property

Real estate in Monroe County, Indiana, more particularly described as follows, to-wit:

A part of Lots 223, 224, 265, 266 and the 12' platted alley between said lots, all in the Original Town of Bloomington Plat as recorded in Plat Book A, page 5 (Plat Cabinet B, Envelope 1) Office of Recorder of Monroe County, Indiana, described as follows:

Beginning at the Northeast corner of said Lot 265; thence SOUTH 00 degrees 25 minutes 34 seconds East (basis of bearings), along the West right-of-way line of North College Avenue, same being the East line of Lots 265, 266 said 12' alley, and Lot 224, 187.57 feet to the North wall of Graham Plaza Building; thence SOUTH 89 degrees 28 minutes 00 seconds West, leaving said College Avenue right-of-way and crossing Lot 224 and into said Lot 223 and along said North wall of Graham Plaza Building, 116.45 feet; thence NORTH 00 degrees 25 minutes 51 seconds West, crossing Lot 223 and the 12' alley and Lots 266 and 265 and along the East wall of a parking garage, 187.92 feet to the South right-of-way line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds East, along said South line of West 7th Street, 116.47 feet to the point of beginning.

EXHIBIT D

List of Parking Spaces

1. 335
2. 336
3. 337
4. 338
5. 339
6. 340
7. 341
8. 342
9. 343
10. 344
11. 345
12. 346
13. 347
14. 348
15. 349
16. 350
17. 359
18. 360
19. 361
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21. 363
22. 364
23. 365
24. 366
25. 367
26. 368
27. 369
28. 400
29. 401
30. 402
31. 403
32. 404
33. 405
34. 406
35. 407

EXHIBIT C

Description of Parking Garage Property

Property located on West 7th Street, Lots 221-224, Lots 286-288, and the adjoining alleys #1 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 8.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 285, 286 and a 12 foot alley, and into Lot 223, 183.00 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 125.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 208 and 207 and into West 7th Street, 193.00 feet to the Point of Beginning, containing 0.557 acres, more or less

Subject to a state-wide assessment for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 8.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.



In accordance with IC 36-2-11-15, I affirm, under penalty of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law.

M. Jay Yarrow (by me)  
Signature of Preparer

M. Jay Yarrow  
Printed Name of Preparer

AGREEMENT TO LEASE PARKING SPACES

*December* This Agreement to Lease Parking Spaces (the "Agreement") is executed as of the 21<sup>st</sup> day of November, 2024, by and between The City of Bloomington, Indiana (the "City"), and BloomHotel, LLC ("Bloom").

1. **Definitions.** Capitalized terms used in this Agreement shall have the meanings ascribed to such terms in this Section.

**Accepted Spaces** shall mean the number of Allotted Spaces that have been accepted by Bloom for use in any given Annual Period.

**Adjustment Notice** shall mean a written notice from Bloom to the City delivered by May 1 of a given year during the Term and specifying: (a) the increased or decreased number of Accepted Spaces for use in the following Annual Period; and (b) in the case of: (i) an increase, which of the Allotted Spaces Bloom is adding; or (ii) a decrease, which of the Allotted Spaces Bloom is relinquishing.

**Allotted Spaces** shall mean the 35 designated Spaces that have been allotted for use by Bloom and its Guests, which Spaces shall be in the locations shown on Exhibit A.

**Alterations** shall mean alterations, improvements, additions, changes, or modifications to or of the Accepted Spaces.

**Annual Period** shall mean: (a) the initial period from the Usage Commencement Date to the following July 31; (b) each succeeding period of one year during the Term that commences on August 1, and ends on the following July 31; and (c) the final period of August 1, 2033, to December 31, 2033.

**Bloom Default** shall have the meaning set forth in Subsection 11(a).

**Casualty Damage** shall mean damage to, or destruction of, the Garage by fire or other casualty.

**City Agency** shall mean an agency, authority, instrumentality, and/or officer of the City, as applicable.

**City Default** shall have the meaning set forth in Subsection 11(c).

**Commonsense Notice** shall mean a written notice from Bloom to the City delivered not later than May 1, 2025, and specifying the initial number of Accepted Spaces.

**Common Areas** shall mean the areas in and around the Garage intended for common use or as common areas, which areas shall include, without limitation, entrances, exits, lobbies, ramps, drive lanes, toilet facilities, stairs, and elevators.

**Condemnation** shall mean that all or a part of the Garage is: (a) taken or condemned for public or quasi-public use under any statute or by the right of eminent domain; or (b) conveyed to a public or quasi-public body under threat of condemnation.

**Cure Period** shall mean, except in the case of a Wrongful Exclusion, a period of 30 days from the date that the defaulting party receives notice of a failure: (a) by Bloom to pay any amount of Rent; or (b) by the City to perform any of its obligations under this Agreement; provided that: (i) if such failure by the City is of a nature that reasonably cannot be corrected within such 30 days, then the Cure Period shall continue so long as the City: (1) commences to correct such failure within 15 days after receipt of notice thereof; and (ii) diligently pursues such correction to completion; and (b) in the case of a Wrongful Exclusion, there shall be no cure period.

**Default** shall mean a City Default or a Bloom Default, as applicable.

Default Rate shall mean the prime rate, as reported in the Wall Street Journal or its successor publication, plus 6%.

Equipment Failure shall mean a failure of the equipment allowing entrance to and/or exit from the Garage, which equipment shall include, without limitation, ticket machines, card readers, gates, and stairs.

Force Majeure shall mean: (a) an act by God; or (b) any other cause not within the reasonable control of the City (including, without limitation, unusually inclement weather, the unusual unavailability of materials, equipment, services, or labor, and utility or energy shortages or acts or omissions of public utility providers); that results in the inability of the City to timely perform any obligation required by this Agreement to be performed by it.

Garage shall mean that certain parking garage located on the Real Estate, as depicted on Exhibit D.

Guests shall mean guests, patrons, invitees, tenants, employees, contractors, and agents of Bloom.

Hotel Land shall mean that certain real estate described and/or depicted on Exhibit C.

Hotel Lease shall mean that certain lease of the Hotel Land of even date herewith executed by and between The City of Bloomington, Indiana, Redevelopment Commission and Bloom.

Laws shall mean all applicable laws, statutes, and/or ordinances, and any applicable governmental rules, regulations, guidelines, orders, and/or decrees.

Leasehold shall mean the leasehold interest of Bloom in and to the Hotel Land pursuant to the Hotel Lease.

Mercury shall mean Mercury Development Group, LLC.

Mortgage Cure Period shall mean a period of 90 days, commencing on the date that the Cure Period expires, during which any Mortgage Lender to which the City is obligated to deliver notice pursuant to Section 17 shall have the option to cure a Bloom Default.

Mortgage Lender shall mean any lender of Bloom's that holds a Mortgage Lien.

Mortgage Lien shall mean the lien of any mortgage, or any other method of financing or refinancing in effect with respect to the Hotel Land and the Leasehold.

Mortgage Successor shall mean a Mortgage Lender, a receiver appointed at the request of a Mortgage Lender, a purchaser at a foreclosure sale, or a party to which the Leasehold is transferred by an assignment in law or foreclosure, and their successors and assigns.

Operational Plan shall mean that certain plan for the day-to-day operation of the Garage, which, when completed and approved, shall be attached hereto as Exhibit E.

Operating Lease shall mean that certain Register Parking Garage Operating Lease executed by and between Mercury and the City of Bloomington Redevelopment Commission and dated December 11, 2003.

Real Estate shall mean that certain real estate described and/or depicted on Exhibit B.

Real Estate Taxes shall mean: (a) real estate taxes and assessments of any nature; and (b) any taxes or charges levied or made in partial or complete substitution for, or replacement of, real estate taxes.

Rent shall mean, for each month of the Term, an amount equal to: (a) the 'City Ordinance Rate', as: (i) in effect from time to time, and (ii) generally applicable to (i) self-stored parking spaces available to the general public in municipal public parking garages, located in Birmingham, Indiana; multiplied by (b) the number of Accepted Spaces; provided that, if the 'City Ordinance Rate' differs based on hourly use, daily use, monthly use, or otherwise, then Bloom shall be afforded the benefit of the lowest rate, adjusted by multiplying: (a) such lowest rate; by (b) the appropriate unit of time, whether hourly, daily, or otherwise; as necessary to reflect the application of such rate to an entire month of usage.

Replacement Garage shall mean a parking facility on the Real Estate but: (a) replace the Garage; and (b) is constructed by authorization of, and operated by, a City Agency.

Replacement Spaces shall mean either: (a) spaces other than the Allocated Spaces; or (b) to the extent that there are insufficient Spaces other than the Allocated Spaces, parking spaces in a municipal public parking facility in close proximity to the Hotel Land; with which the Accepted Spaces are replaced in the event of a Casualty or Condemnation; provided that any Replacement Spaces located outside the Garage shall be subject to the reasonable approval of Bloom.

Reserved Signs shall mean signs specifying that the Accepted Spaces are reserved for use by Bloom and its Guests.

Rules shall mean all reasonable written rules and regulations delivered from time to time by the City to Bloom with respect to use of the Garage; provided that such rules and regulations: (a) are of general applicability to all members of the general public; and (b) do not diminish Bloom's rights (including, without limitation, its rights to direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week), or increase Bloom's obligations, under this Agreement.

Spaces shall mean standard automobile parking spaces in the Garage.

Spaces Condemnation shall mean a Condemnation that includes some or all of the Allocated Spaces, regardless of whether such Condemnation renders the Garage unusable for continued operation as a public parking garage.

Sublease Agreement shall mean that certain agreement entered into, or to be entered into, by and between Bloom and Mercury pursuant to which Bloom has, or shall have, the right to sublease up to 35 Spaces from Mercury.

Term shall mean the term of this Agreement, as provided in Section 3.

Termination Date shall mean the date on which: (a) the Term expires; or (b) this Agreement otherwise is terminated in accordance with its terms and conditions.

Usage Commencement Date shall mean the first date on which Bloom commences use of any or all of the Spaces, which date shall be January 1, 2008.

Wrongful Exclusion shall mean that Bloom or its Guests are excluded from access to, or precluded from use of, any Accepted Space either: (a) on more than two occasions in any 90 day period; or (b) on any one occasion, if the exclusion or preclusion lasts for more than four hours; in any case except in the event of Casualty Damage, Condemnation, Force Majeure, or an Equipment Failure that is addressed and corrected in accordance with the Operational Plan.

2. Lease. The City hereby leases to Bloom, and Bloom hereby leases from the City, the Allocated Spaces for use 24 hours per day, seven days per week, by Bloom and its Guests. Bloom shall have the right, in common with all other parties using the Garage and subject to the laws and the Rules, to use the Common Areas. The City shall operate and maintain the Common Areas for common use by parties parking vehicles

in the Garage, including Bloom and its Guests; provided that the City shall operate and maintain the Common Area so that Bloom and its Guests are provided with direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week.

3. Term. The Term shall: (a) commence on the date hereof; and (b) end on December 10, 2033; provided that, if: (i) the Operating Lease is: (1) extended or renewed, or (2) replaced with a new parking lease or usage agreement that succeeds the Operating Lease; then Bloom shall have the option to extend the Term so that it ends on the same day as: (1) the Operating Lease, as extended or renewed; or (2) the replacement lease or agreement, as the case may be; and/or (b) Mercury conveys ownership of the Garage to the City, which conveyance is contemplated by Section 3.1 of the Operating Lease, then, as of December 11, 2033: (1) the number of Admitted Spaces shall increase to 70; (2) Bloom and the City shall modify Exhibit A to show the location of the additional 35 Admitted Spaces; (3) the Term automatically shall be extended until December 10, 2044, without any notice from, or action by, Bloom; and (4) Bloom for the Term automatically shall be extended for four additional and consecutive periods of 10 years each, without any notice from, or action by, Bloom, so long as, on the date of each such additional extension: (A) the Garage or a Replacement Garage is being operated on the Real Estate; (B) the Hotel Lease remains in effect; and (C) a hotel is being operated on the Hotel Land.

4. Rent. Until the Usage Commencement Date, Bloom shall not be obligated to pay Rent. Commencing on the Usage Commencement Date, and continuing throughout the Term, Bloom shall pay Rent monthly, in advance on or before the first day of each full and partial calendar month during the Term; provided that: (a) if the Usage Commencement Date or the Termination Date is a date other than the first day or the last day of a calendar month, respectively, then the Rent payable for such partial calendar month shall be the amount of the Rent in effect on the Usage Commencement Date or the Termination Date, respectively, computed on a daily basis; and (b) the Rent for any partial calendar month at the commencement of the Term shall be payable on the first day of the first full calendar month during the Term.

5. Adjustment. Bloom may change the number of Accepted Spaces on or the first day of each Annual Period by delivering an Adjustment Notice to the City no later than May 1 of the preceding Annual Period. At any time when Bloom increases the number of Accepted Spaces, Bloom shall remove the Reserved Signs from the Spaces that no longer are within the Accepted Spaces; provided that, if, at a subsequent date, any such Spaces again become Accepted Spaces, Bloom may re-affix its Reserved Signs.

6. Services.

(a) Maintenance. The City, at its cost and expense, shall perform, or to cause to be performed, all maintenance, repair, and replacement of the Garage (including, without limitation, the Admitted Spaces and the Common Area), so that: (1) the Garage is in good condition and repair, ordinary wear and tear excepted; and (2) Bloom and its Guests are provided with direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week. Bloom shall have no obligation with respect to the maintenance, repair, and/or replacement of any portion of the Garage.

(b) Services. The City, at its cost and expense, shall provide all utilities, lighting, ventilation, fire/alarm, and other services required for proper use of the Garage, including, without limitation, that the City shall keep the Garage property in accordance with 24 hours per day, seven days per week.

(c) Taxes. If, at any time, the State Tax or any other tax is assessed against the Real Estate of the Garage, the City shall pay all such Real Estate Taxes when due.

(d) Plan. The City, at its cost and expense, shall operate the Garage in compliance with the Operational Plan which shall be: (1) drafted in consultation with Bloom; (2) subject to the reasonable approval of Bloom; (3) be completed prior to completion of construction of the hotel to be constructed on the Hotel Land; and (4) when completed and approved, attached

11/22/2023 10:00 AM

herein as Exhibit O. As circumstances change such that amendments to the Operational Plan are required, the City: (i) may amend the Operational Plan to reflect the changed circumstances; provided that each such amendment is commercially reasonable and does not diminish Bloom's rights (including, without limitation, its rights to direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week), increase Bloom's obligations, or diminish the City's obligations, under this Agreement; and (ii) shall provide a copy of each fully executed amendment to Bloom.

7. Alterations.

(a) **Hotel Entry.** Bloom shall not make any Alterations. Bloom shall not affix, or cause to be affixed, to any portion of the Garage any sign, insignia, advertisement, notice, or decoration without the prior written consent of the City; provided that: (i) Bloom may affix Reserved Signs to the wall behind the Accepted Spaces; and (ii) the cost of installing, installing, maintaining, and removing the Reserved Signs shall be the responsibility of Bloom.

(b) **City.** The City shall not make: (i) any alterations to the structure of the Garage without Bloom's prior written consent; or (ii) any alterations to the Garage, the result of which would interfere with providing Bloom and its Guests direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week.

8. Insurance.

(a) **Casualty.** The City, at its cost and expense, shall maintain in full force and effect throughout the Term the extended coverage insurance on the Garage for at least 100% of its insurable value on a replacement cost basis.

(b) **Liability.** The City, at its cost and expense, shall maintain during the Term general public liability and property damage insurance covering any and all claims for injuries to, or death of, persons, and damage to, or loss of, property, occurring in, on, or about the Garage in the amounts of not less than: (i) \$1,000,000.00 for injury to, or death of, more than one person in the same accident or occurrence; (ii) \$1,000,000.00 for injury to, or death of, any one person; and (iii) \$1,000,000.00 for property damage or loss arising out of any one accident or occurrence. The policies of insurance required by this Subsection may be maintained under a blanket policy of insurance.

9. **Casualty.** If there is Casualty Damage, then: (a) this Agreement shall continue in full force and effect; and (b) the City promptly shall repair and/or restore the Garage to substantially the same condition as existed prior to the Casualty Damage. If, as a result of the Casualty Damage, Bloom is unable to use any or all of the Accepted Spaces, then, until Bloom is able to use all of the Accepted Spaces: (a) if there are other usable Spaces in the Garage, then the City shall replace the unusable Accepted Spaces space for space with Replacement Spaces; and (b) Bloom shall pay Rent only with respect to: (i) the usable Accepted Spaces; and (ii) the Replacement Spaces.

10. **Condemnation.** If there is a Condemnation, then, to the extent possible, the City promptly shall perform such repairs and/or replacements to the remainder of the Garage as are necessary so that the remainder of the Garage may be used as a public parking facility. If the Condemnation constitutes a Spaces Condemnation, then the City shall replace the resulting unusable Accepted Spaces space for space with Replacement Spaces; and (b) Bloom shall pay Rent only with respect to: (i) the usable Accepted Spaces; and (ii) the Replacement Spaces. To the extent that the Replacement Spaces are located outside the Garage, the terms and conditions of this Agreement shall be: (a) applicable to such Replacement Spaces; and (b) deemed to be modified to the extent required to be applicable to such Replacement Spaces.

11. Defaults and Remedies.

(a) Bloom Default. It shall be a "Bloom Default" if Bloom fails to pay any amount of Rent when due, and such failure continues beyond the Cure Period.

(b) City Remedies. If there is a Bloom Default, then, subject to the terms and conditions of Section 17, the City may:

- (i) commence a suit at law to recover any overdue Rent; and/or
- (ii) reclaim the Accepted Spaces, and refrain from leasing any Accepted Spaces to Bloom until such time as Bloom has paid to the City an amount equal to 150% of all overdue Rent, together with interest on the entirety of such amount at the Default Rate from the date that the overdue Rent first became due until the date paid.

(c) City Default. It shall be a "City Default" if: (i) the City fails to perform any of its obligations under this Agreement, and such failure continues beyond the Cure Period; or (ii) there is a Wrongful Exclusion.

(d) Hotel Entity Remedies. If there is a City Default, then Bloom may:

- (i) enforce the failure, or specifically enforce the performance, of the obligation that the City has failed to perform; and
- (ii) perform the obligation that the City has failed to perform; provided that the performance by the City of such obligation shall not be construed to be a waiver of the City Default;

provided that, if there is a Wrongful Exclusion, then, in addition to the foregoing remedies, Bloom may offset against Rent an amount determined by multiplying: (i) the number of Accepted Spaces from which access is excluded or of which use is prohibited; by (ii) 150% of the Rent attributable to such Accepted Spaces; together with interest on the entirety of such amount at the Default Rate for the period during which the Wrongful Exclusion continues.

(e) Fees. The non-defaulting party may recover from the defaulting party all: (i) damages incurred by such party by reason of a Default; and (ii) costs and expenses incurred in connection with exercising its rights and remedies with respect to such Default, together with interest thereon at the Default Rate.

(f) No Waiver. Neither: (i) a waiver by a non-defaulting party of a Default; nor (ii) an exercise by a non-defaulting party of any right or remedy with respect to a Default; shall be deemed either to: (i) constitute a waiver of any subsequent Default; (ii) release or excuse the defaulting party from performing any of its obligations under this Agreement; or (iii) constitute an amendment or modification of this Agreement. The rights and remedies hereunder are cumulative, and no: (i) right or remedy shall be deemed to be, or construed as, exclusive of any other right or remedy hereunder; or (ii) failure to exercise any right or remedy shall operate to prevent the subsequent exercise of such right or remedy.

12. Surrender. On the Termination Date, Bloom shall: (a) remove all Reserved Signs; and (b) surrender the Accepted Spaces to the City.

13. Quiet Enjoyment. The City represents and warrants that it has the right and authority to enter into this Agreement, subject to all restrictions of record. The City agrees that, if Bloom observes all of the terms

and conditions of, and performs all of its obligations under, this Agreement, then, at all times during the Term, Bloom shall have the peaceable and quiet enjoyment of possession of the Accepted Spaces, without any manner of hindrance from parties claiming under, by, or through the City.

14. **Notices.** Any notice or other communication required or permitted to be delivered under this Agreement shall be: (a) in writing; and (b) deemed to have been delivered; if delivery is made in person or by a national overnight courier service; addressed to the other party as follows: to the City at City of Bloomington Department of Public Works, P.O. Box 100, Bloomington, Indiana 47402; and to Bloom at 11711 North Pennsylvania Street, Suite 200, Carmel, Indiana 46032, Attention: Michael W. Wells, with a copy to Karl P. Haas, Esq., Wolbeck Samms & Haug, One Indiana Square, Suite 1500, Indianapolis, Indiana 46204. Either party may change its address for notice from time to time by delivering notice to the other party as provided above.

15. **Assignment.**

(a) **Hotel Entry.** Bloom shall not: (i) assign this Agreement or any interest hereunder; or (ii) sublet any or all of the Accepted Spaces; in either case without the prior written consent of the City. The consent of the City to any assignment or subletting shall not constitute a waiver of the requirement for such consent to any subsequent assignment or subletting. Notwithstanding the foregoing, Bloom may: (i) assign this Agreement in connection with any permitted assignment of the Hotel Lease; (ii) assign this Agreement to any Mortgage Lender or Mortgage Successor; (iii) sublet any or all of the Accepted Spaces to Mercury Development, LLC, and its successors and assigns; and/or (iv) by license or other right, permit the Guests to use the Accepted Spaces; in any case without the prior written consent of the City.

(b) **City.** The City may assign this Agreement and convey the Garage to another agency or instrumentality of the City that has the power and authority to accept an assignment of this Agreement and carry out the obligations of the City hereunder. Otherwise, the City shall not assign this Agreement or convey the Garage without the prior written consent of Bloom.

(c) **No Release.** Notwithstanding any assignment permitted under this Section, the City or Bloom, as the case may be, shall remain liable to perform all of the terms and conditions to be performed by it under this Agreement, and the approval by the other party of any assignment shall not release the City or Bloom, as the case may be, from liability for such performance; provided that: (i) Bloom shall be released from liability under this Agreement for all obligations to be performed after the date of assignment if Bloom assigns this Agreement either: (A) in connection with any assignment of the Hotel Lease; or (B) to any Mortgage Lender or Mortgage Successor; and (ii) if the City assigns this Agreement to another agency or instrumentality of the City that (A) has full power and authority to accept an assignment of this Agreement and carry out the obligations of the City hereunder; and (B) expressly assumes the obligations of the City under this Agreement; then the City shall be released from liability under this Agreement for all obligations to be performed after the date of such assignment and assumption.

16. **Indemnity.** Each of the City and Bloom shall indemnify and hold harmless the other from and against all claims, judgments, liabilities, losses, costs, and expenses (including, without limitation, reasonable attorneys' fees and court costs) arising from, or in connection with: (a) the failure of the City or Bloom, respectively, to perform any of its obligations under this Agreement, or otherwise comply with the terms and conditions of this Agreement, and the exercise by the other party of its rights and remedies with respect to such failure; and (b) its gross negligence or willful misconduct.

17. **Mortgage Protections.**



(a) Notice. Notwithstanding any Bloom Default, the City shall not exercise any of its rights and remedies with respect thereto unless and until: (i) the City has delivered written notice of such Bloom Default to all Mortgage Lenders, which notice shall be delivered in accordance with the terms and conditions of Section 14; and (ii) Bloom Default remains uncured at the expiration of the Mortgage Cure Period. No notice by the City to Bloom specifying any failure by Bloom to perform shall be deemed to have been properly given unless and until a copy of the notice has been sent to each Mortgage Lender.

(b) Cure Right. Each Mortgage Lender shall have the right, but not the obligation, at any time and without payment of any penalty, to pay any of the Rent or perform any other obligation of Bloom under this Agreement, and such payment or performance, as applicable, shall be accepted by the City as if such payment or performance had been by Bloom.

(c) Possession. If a Mortgage Successor takes possession of the Accepted Spaces, then the Mortgage Successor's liability under and with respect to this Agreement shall be limited to: (i) the amounts due and payable to the City for the unexpired balance of the Term; and (ii) observance or performance of any obligation or agreement on the part of Bloom first arising after the Mortgage Successor takes possession.

(d) Assignment. If a Mortgage Successor acquires possession of the Accepted Spaces and assumes the obligations of Bloom under the Hotel Lease, then, notwithstanding the provisions of Section 16 of this Agreement, the Mortgage Successor shall be permitted to assign this Agreement in connection with any assignment of the Hotel Lease. Any such assignment shall release the Mortgage Successor from liability for the performance of the obligations of Bloom under this Agreement.

(e) Instruments. The City and Bloom shall cooperate in providing any additional amendment, instrument, or document reasonably required by a Mortgage Lender or that may otherwise be necessary or expedient to implement the terms and conditions of this Section; provided that no such amendment, instrument, or document shall extend the term of this Agreement beyond the Term or adversely affect the City's rights hereunder.

12. City Consent.

(n) Sublease Agreement. The City acknowledges, and consents to, the Sublease Agreement.

(l) Subleased Spaces. At such time as Bloom is subleasing Spaces from Mercury pursuant to the Sublease Agreement, the City and Bloom shall treat the subleased Spaces as though Bloom had leased such Spaces directly from the City pursuant to this Agreement; provided that: (i) Mercury shall be responsible for paying all rent due and payable with respect to the subleased Spaces; and (ii) notwithstanding anything to the contrary set forth herein, Bloom shall have no obligation to the City with respect to rent due and payable for the subleased Spaces.

(c) Termination. If, during the Term, Mercury's rights with respect to leasing Spaces pursuant to the Operating Lease are terminated, then this Agreement shall be amended to add 15 additional Spaces to the definition of Allocated Spaces, and, as part of such amendment, there shall be a replacement Exhibit A that shows the location of the original and the newly added Allocated Spaces.

19. Miscellaneous.

(a) **Transient Spaces.** In addition to leasing the Allocated Spaces to Bloom, the City of Bloom shall operate the Garage in such a manner so that there are a minimum of 60 "Transient" Spaces that are: (i) neither reserved nor leased or reserved to monthly parkers; and (ii) available for use by the general public on a "first come-first served" basis 24 hours per day, 365 days per year, at a rate not to exceed the "City Ordinance Rate" in effect from time to time.

(b) **Operating Lease.** The City shall not act in any manner with respect to the Operating Lease that would materially and adversely affect the rights of Bloom under this Agreement (including, without limitation, waiving, releasing, delaying, or deferring Meredy's conveying ownership of the Garage to the City as provided in Section 3.1).

(c) **Memoandum.** The parties shall record a Memorandum of Agreement in the form attached hereto as Exhibit E.

(d) **Validation.** Prior to completion of construction of the hotel to be constructed on the Hotel Land; (i) the City and Bloom shall determine a validation program or other procedure whereby Guests may park in the Accepted Spaces without charge to such Guest; and (ii) the terms of such program or procedure shall be added to the Operational Plan.

(e) **Prior Agreements.** This Agreement shall not be amended, modified, or supplemented, except by a written agreement executed by both the City and Bloom. This Agreement may be executed in separate counterparts, each of which shall be an original, but all of which together shall constitute but one and the same instrument.

(f) **Construction.** Whenever in this Agreement a singular word is used, it also shall include the plural wherever required by the context and vice versa. This Agreement shall be construed in accordance with the laws of the State of Indiana. The captions of this Agreement are for convenience only and do not in any way limit or alter the terms and conditions of this Agreement. The invalidity or unenforceability of any term or condition of this Agreement shall not affect the other terms and conditions, and this Agreement shall be construed in all respects as if such invalid or unenforceable term or condition had not been contained herein. All exhibits referenced hereto are attached hereto and incorporated herein by reference.

(g) **Successors.** Subject to the terms and conditions of Section 16, and except as otherwise expressly provided herein, this Agreement, and all of the terms and conditions hereof, shall: (i) inure to the benefit of; and (ii) be binding upon; the respective heirs, executors, administrators, successors, and assigns of the City and Bloom. All provisions set forth in this Agreement shall survive the Termination Date.

(h) **Authority.** Each person executing this Agreement represents and warrants that: (i) he or she has been authorized to execute and deliver this Agreement by the entity for which he or she is signing; and (ii) this Agreement is the valid and binding agreement of such entity, enforceable in accordance with its terms.

IN WITNESS WHEREOF, the City and Bloom have executed this Agreement on the day and year first written above.

CITY:

THE CITY OF BLOOMINGTON, INDIANA

By: Julio Alonso

Printed: Julio Alonso

Title: Director of Public Works

HOTEL ENTITY:

BLOOM HOTEL, LLC

By: MARC WILSON

Printed: MARC WILSON

Title: PRES OF MGR

Index to Exhibits

|           |  |
|-----------|--|
| Exhibit A | Depiction of Location of Allowed Spaces            |
| Exhibit B | Depiction or Description of Real Estate and Garage |
| Exhibit C | Depiction or Description of Hotel Land             |
| Exhibit D | Initial Operational Plan                           |
| Exhibit E | Form of Memorandum of Agreement                    |



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EXHIBIT A

Location of Allotted Spaces

The Allotted Spaces shall include Spaces numbered:

1. 335
2. 336
3. 337
4. 338
5. 339
6. 340
7. 341
8. 342
9. 343
10. 344
11. 345
12. 346
13. 347
14. 348
15. 349
16. 350
17. 359
18. 360
19. 361
20. 362
21. 363
22. 364
23. 365
24. 366
25. 367
26. 368
27. 369
28. 400
29. 401
30. 402
31. 403
32. 404
33. 405
34. 406
35. 407

EXHIBIT B

Legal Description for Garage Real Estate

Property located on West 7th Street, Lots 221-224, Lots 265-268, and the adjoining alleys all in the City of Bloomington, Monroe County, Indiana, described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 287, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 265, 268 and a 12 foot alley, and into Lot 223, 193.09 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 125.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 268 and 267 and into West 7th Street, 193.09 feet to the Point of Beginning, containing 0.557 acres, more or less.

Subject to a stairwell easement for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 287, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.

EXHIBIT C

Legal Description for Hotel Real Estate

A part of Lot 223, 224, 265 and 266, the Twelve (12) Foot Alley, all in the City of Bloomington, Monroe County, Indiana, described as follows:

BEGINNING at the Northeast corner of Lot 265, Original Plat of Bloomington; thence SOUTH 00 degrees 25 minutes 34 seconds EAST (basis of bearings) along the East line of Lots 265, 263 and 224, and the twelve (12) foot alley between, same being the West line of North College Avenue, 187.53 feet; thence SOUTH 89 degrees 35 minutes 34 seconds WEST leaving the West line of College Avenue and crossing Lot 224 and into Lot 223, 116.45 feet; thence NORTH 00 degrees 25 minutes 52 seconds WEST leaving Lot 223 and crossing said twelve (12) foot alley and Lots 266 and 265, 187.62 feet to the North line of Lot 266, same being the South line of West Seventh Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST along the South line of West Seventh Street, same being the North line of Lot 265, 116.47 feet to the point of beginning, containing 0.302 acres, more or less.

This description subject to a 10' x 10' stair tower easement along the description's South line, per Deed Record 258, page 665

**EXHIBIT D**  
**Operational Plan**

To be added upon completion and approval of the parties.



EXHIBIT E

FORM OF MEMORANDUM OF AGREEMENT

This Memorandum of Agreement, executed this 2nd day of December, 2004, by and between The City of Bloomington, Indiana (the "City"), and BloomHotel, L.L.C. ("Bloom"), Witnesses:

Recitals

WHEREAS, the City and Bloom have entered into that certain Agreement to Lease Parking Spaces dated December 2, 2001 (the "Agreement"), pursuant to which the City leased to Bloom the 36 designated parking spaces (the "Spaces") located in that certain parking garage depicted on Schedule 1 (the "Garage");

WHEREAS, the real estate on which the Garage is located is described and/or depicted on Schedule 2 (the "Real Estate");

WHEREAS, the Spaces are located as depicted on Schedule 3; and

WHEREAS, the City and Bloom desire to execute and record this memorandum of the Agreement;

Agreement

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged hereby, the City and Bloom represent and acknowledge the following:

The term of the Agreement: (a) commenced on the date hereof; and (b) ends on December 10, 2003; provided that, if the Operating Lease is: (a) extended or renewed; or (b) replaced with a new parking lease or usage agreement that succeeds the Operating Lease, then Bloom shall have the option to extend the Term so that it ends on the same day as the Operating Lease, as extended, renewed, or replaced. "Operating Lease" shall mean that certain Auguster Parking Garage Operating Lease executed by and between Mercury Development Group, LLC, and the City of Bloomington Redevelopment Commission and dated December 11, 2003.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement on the date set forth above.

THE CITY OF BLOOMINGTON, INDIANA

By: Julio Alonso

Printed: Julio Alonso

Title: Director of Public Works

BLOOMHOTEL, LLC

By: Melissa Weeks

Printed: MELISSA WEEKS

Title: PROPS OF AMOR

ACKNOWLEDGMENTS

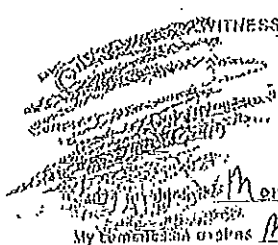
STATE OF INDIANA )  
 ) SS:  
COUNTY OF Monroe )

Before me, a Notary Public in and for the State of Indiana, personally appeared Robb Alonso, the Director of Public Works, at The City of Bloomington, Indiana, who acknowledged the execution of the foregoing Memorandum of Agreement on behalf of such entity.

WITNESS my hand and Notarial Seal this 24<sup>th</sup> day of September, 2001.

By: Vickie Ranford  
Notary Public

Printed Name: Vickie Ranford



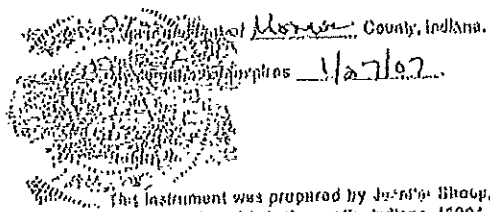
STATE OF INDIANA )  
 ) SS:  
COUNTY OF Monroe )

Before me, a Notary Public in and for the State of Indiana, personally appeared MICHAEL W. WELLS, the Member of Bloomhotel, LLC, who acknowledged the execution of the foregoing Memorandum of Agreement on behalf of such entity.

WITNESS my hand and Notarial Seal this 7<sup>th</sup> day of December, 2001.

By: Sherry M. Puckett  
Notary Public

Printed Name: Sherry M. Puckett



This instrument was prepared by Joseph Group, Attorney-at-Law, Wallace, Bowers & Hays, One Indiana Square, Suite 1500, Indianapolis, Indiana, 46204.

SCHEDULE 1  
Location of Allocated Spaces

The Allocated Spaces shall include Spaces numbered:

1. 335
2. 336
3. 337
4. 338
5. 339
6. 340
7. 341
8. 342
9. 343
10. 344
11. 345
12. 346
13. 347
14. 348
15. 349
16. 350
17. 359
18. 360
19. 361
20. 362
21. 363
22. 364
23. 365
24. 366
25. 367
26. 368
27. 369
28. 400
29. 401
30. 402
31. 403
32. 404
33. 405
34. 406
35. 407

SCHEDULE 2

Legal Description for Garage Real Estate

Property located on West 7th Street, Lots 221-224, Lots 265-268, and the adjoining alleys all in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 265, 268 and a 12 foot alley, and into Lot 223, 193.09 to the North face of the Graham Firzo Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 125.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 268 and 267 and into West 7th Street, 193.09 feet to the Point of Beginning, containing 0.667 acres, more or less.

Subject to a stairwell easement for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.

SCHEDULE J  
Location of Allotted Spaces

The Allotted Spaces shall include Spaces numbered:

1. 335
2. 336
3. 337
4. 338
5. 339
6. 340
7. 341
8. 342
9. 343
10. 344
11. 345
12. 346
13. 347
14. 348
15. 349
16. 350
17. 350
18. 360
19. 361
20. 362
21. 363
22. 364
23. 365
24. 366
25. 367
26. 368
27. 369
28. 400
29. 401
30. 402
31. 403
32. 404
33. 405
34. 406
35. 407

EXHIBIT F

Amendments or Modifications to the Ground Lease and the Parking Agreement

NONE

EXHIBIT E

Parking Agreement

EXHIBIT F

Amendments or Modifications to the Ground Lease and Parking Agreement



COMPREHENSIVE AMENDMENT TO GROUND LEASE

This Comprehensive Amendment to Ground Lease (the "Amendment") made and entered into this 2nd day of December, 2004, by and between The City of Bloomington, Indiana, Redevelopment Commission ("Lessor") and Mercury Development, LLC, an Indiana limited liability company and successor in interest to Register Exchange, LLC ("Lessee"), is an amendment to, and modification of, that certain Ground Lease (the "Lease") made and entered into ~~February 16~~, 2003, by and between Lessor and Register Exchange LLC. January 31

1. **Section 2.02.** Section 2.02 of the Lease is amended, modified, and restated as follows:

Section 2.02. The term of this Lease automatically shall be deemed to be extended for five (5) successive renewal terms of ten (10) years each (each such extension of the term being referred to as a "Renewal Term"), unless either: (a) at least thirty (30) days prior to the expiration of the Initial Term or the then-current Renewal Term, Lessee gives notice in writing to Lessor that the term of this Lease will not be renewed; or (b) at the expiration of the Initial Term or the then-current Renewal Term, there exists an Event of Default (as hereinafter defined) that has not been cured within the periods provided by Section 11.02 and Article 14; provided that all Renewal Terms shall be upon all the terms and conditions of this Lease.

2. **Section 6.01.** Subsections 6.01(b) and (c) of the Lease are amended, modified, and restated as follows:

(b) Subject to the terms and conditions of Article 8, the Leased Land shall at all times be kept free of mechanic's and materialman's liens by Lessee.

(c) Lessor shall be notified at the time of commencement of the construction of the Improvements.

3. **Article 9.** Article 9 of the Lease is amended, modified, and restated as follows:

**ARTICLE 9**  
Condemnation

Section 9.01. If the Leased Land, the Improvements, or any part thereof shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, then the interests of Lessor and Lessee in the award of consideration for such transfer and the effect of the taking of the transfer upon this Lease shall be as provided by this Article. Neither Lessor nor its affiliates, subsidiaries, or related entities shall, during the Initial Term (or any Renewal Terms), use the power of eminent domain to initiate the taking of the whole or any part of the Leased Land.

Section 9.02. If the Leased Land, the Improvements, or any part thereof are taken or so transferred, then this Lease and all the right, title, and interest thereunder shall cease on the date title to such land so taken or transferred vests in the condemning authority, and the proceeds of such condemnation shall be divided according to the apportionment between the Leased Land and the Improvements made by the condemning authority; provided that Lessee shall be entitled to retain: (a) all proceeds apportioned and paid in connection with the Improvements; (b) during the Initial Term, all proceeds apportioned and paid in connection with the Leased Land; and (c) after the Initial Term, a portion of the proceeds apportioned and paid in connection with the Leased Land, which portion shall equal all such apportioned proceeds, multiplied by a fraction, the numerator of which is the total number of years in the current Renewal Term and all remaining Renewal Terms, and the denominator of which is fifty (50).

Section 9.03. If the taking or transfer is only a part of the Leased Land leaving the remainder of the Improvements in such location, or in such form, shape, or reduced size as to be not effectively and practicably usable for the purpose of operation thereon of Lessee's business, as determined by Lessee,

then this Lease and all right, title, and interest hereunder shall cease on the date title to the Leased Land, Improvements, or the part thereof so taken or transferred vests in the condemning authority.

Section 9.04. If the taking or transfer is only a part of the Leased Land, leaving the remainder of the Improvements in such location and in such form, shape, or size as to be used effectively and practicably for the purpose of operation thereon of Lessee's business, as determined by Lessee, then this Lease shall terminate and end as to the part of the Leased Land so taken or transferred only.

Section 9.05. Lessor shall immediately notify Lessee upon receiving notice of the initiation of any condemnation or eminent domain proceeding involving the Leased Land. Lessor appoints and authorizes Lessee as its agent and attorney in fact to represent the interests of Lessor and Lessee in any such condemnation or eminent domain proceeding.

Section 9.06. For purposes of this Article, the term "Improvements" shall mean the Improvements (as defined in Section 3.01) and any additions to, and/or reconstructions, replacements, remodelings, and/or alterations of, the Improvements.

4. **Article 10.** Article 10 of the Lease is amended, modified, and restated as follows:

**ARTICLE 10**  
Assignment and Sublease

Section 10.01. Lessee shall have the right to assign or convey Lessee's entire interest in this Lease and the Leased Land without the prior written approval of Lessor to any entity controlling, controlled by, or under common control with Lessee. Otherwise, Lessee shall not have the right to assign or convey Lessee's entire interest in this Lease and the Leased Land without the prior written approval of Lessor, which approval shall not be withheld, conditioned, or delayed unreasonably. Any assignment of Lessee's entire interest in this Lease which is approved by Lessor (or which does not require Lessor's approval) will release Lessee from any liability hereunder; provided that the assignee executes and delivers an agreement assuming all of Lessee's obligations hereunder.

Section 10.02. Lessee shall have the right to assign a portion of Lessee's interests in this Lease, the Leased Land, and/or the Improvements (the "Partial Assignment") or to sublease all or any portion of the Leased Land and/or the Improvements without the prior written approval of Lessor; provided that no Partial Assignment or sublease shall release Lessee from any liability to Lessor, unless Lessor also executes and delivers an instrument which releases Lessee of any further liability to Lessor (the "Release Instrument"). Lessor shall not unreasonably or arbitrarily withhold or delay its consent to any requested assignment, and, when construction of the Improvements is completed, Lessor shall execute and deliver to Lessee a certificate of completion in recordable form.

Section 10.03. In conjunction with a Partial Assignment for which Lessor executes and delivers a Release Instrument, Lessor also shall execute such documents and instruments as are necessary or appropriate to facilitate the Partial Assignment and effect the release, including, without limitation, documents and instruments that sever this Lease into two separate ground leases (the "Separate Leases"): (a) one that applies only to the interests in this Lease, the Leased Land, and/or the Improvements that have been assigned (the "Assigned Interests"); and (b) one that applies only to the interests in this Lease, the Leased Land, and/or the Improvements that are being retained; in order to reflect that: (a) consistent with the terms and conditions of this Lease, there shall be two separate "Lessees" of equal status, the leasehold interests of which "Lessees" in and to separate portions of the Leased Land derive exclusively from this single original Lease; and (b) without the Separate Leases: (i) effecting the Partial Assignment and releasing Lessee from further liability to Lessor with respect to the Assigned Interests; and (ii) financing improvements to be constructed on the portioned of the Leased Land to which the Assigned Interests apply; will be impractical or impossible without Separate Leases and other Release Instruments.

5. **Section 11.01.** Section 11.01 of the Lease is amended, modified, and restated as follows:

Section 11.01. Upon the default by Lessee of any of the terms or conditions of this Lease, which default is not cured within any applicable cure period, Lessor shall have the right, upon such notice, but subject to the terms and conditions of Article 14, to re-enter and re-let the Leased Land or parcels thereof from time to time, and such re-entry and/or re-letting shall not discharge Lessee from any liability or obligations hereunder, except that net rents collected as a result of such re-letting shall be acquitted on Lessee's liability for the Rental Payments and other sums due under the terms of this Lease. Nothing herein, however, shall be construed to require Lessor to re-enter and re-let in such event, nor shall anything herein be construed to waive or postpone the right of Lessor to sue for the Rental Payments due, but on the contrary, Lessor shall have the right and option, at any time after such uncured default, to declare all Rental Payments or other sums payable or to be payable hereunder immediately due and payable, and is hereby given the right to sue for all Rental Payments and other sums rents due and payable at any time after such uncured default.

6. **Section 11.02.** Section 11.02 of the Lease is amended and modified as follows: (a) the number "sixty (60)" shall be substituted for the number "thirty (30)" in Subsections 11.02 (c) and (e); and (b) Subsections 11.02 (f) and (g) shall be amended, modified, and restated as follows:

(f) The approval of any plan of reorganization for Lessee which is not satisfactory to, or approved by, Lessor.

(g) The abandonment or vacation of the Improvements by Lessee for more than thirty (30) days; provided that Lessee shall not be deemed to have abandoned the Improvements when Lessee is engaged in construction, reconstruction, replacing, remodeling, or alteration of the Improvements.

7. **Section 12.02.** Section 12.02 of the Lease is amended, modified, and restated as follows:

Section 12.02. Unless otherwise mutually agreed by the parties, within fifteen (15) days after expiration of the Initial Term (or the last Renewal Term), Lessee agrees to deliver possession of the Leased Land to Lessor subject only to the terms, covenants, conditions, restrictions, easements, and other matters of record which were set forth in the Leasehold Title Insurance Policy identified in Section 1.02 of this Lease affecting the Leased Land.

8. **Section 13.01.** Section 13.01 of the Lease is amended and modified by the addition of the following clause after Subsection 13.01 (c) for applicability to all Subsections of Section 13: "except for Indemnity Losses (as hereinafter defined) and any demands, suits, claims, actions or causes of action (including, without limitation, corrective, responsive, or remedial actions), assessments, losses, damages, liabilities, settlements, penalties, and forfeitures, and costs and expenses incident thereto, which result or arise from an Indemnity Loss."

9. **Section 13.04.** Section 13.04 of the Lease is amended, modified, and restated as follows:

Section 13.04. All Insurance provided for in this Article shall be effected under valid and enforceable policies issued by insurers of recognized responsibility. Upon the execution of this Lease, and thereafter not less than fifteen (15) days prior to the expiration dates of the issued policies, proof of insurance together with other evidence adequately establishing the payment of premium for such policies shall be delivered by Lessee to Lessor. All policies of insurance shall name as insureds Lessor, Lessee, and any Mortgage Lender (as hereinafter defined), as their respective interests may appear. Each such policy or certificate issued by the insurer shall contain an agreement by the insurer that such policy shall not be canceled without at least ten (10) days' prior written notice to Lessor and any Mortgage Lender.

10. **Article 14.** Article 14 of the Lease is amended, modified, and restated as follows:

**ARTICLE 14**  
**Subordination**

Section 14.01. Lessor agrees that Lessee shall have the unrestricted right to encumber at any time and from time to time the Lease, the Leasehold, the Improvements, the personal property of Lessee, and any interests therein or thereunder, including, without limitation, subleases and licensees, with mortgages, security interests, and/or assignments (the "Mortgages") granting mortgage liens, security interests, and/or assignments (the "Mortgage Liens") to secure indebtedness that at any time and from time to time may be extended to Lessee by its lenders (the "Mortgage Lenders"); provided that nothing contained in this Lease shall be construed as an agreement by Lessor to subordinate its fee simple interest in the Leased Land to any Mortgage Lien.

Section 14.02. Upon the request of Lessee and/or any Mortgage Lender, Lessor shall evidence its assent to and confirm its agreement to a Mortgage Lien by executing and delivering such instruments as may be reasonably requested by Lessee and/or any Mortgage Lender.

Section 14.03. So long as any portion of the indebtedness secured by a Mortgage Lien is outstanding, Lessor shall not agree to any mutual termination nor accept any surrender of this Lease by Lessee or consent to any material amendment or modification of this Lease without the prior written consent of all Mortgage Lenders. Any termination, surrender, amendment, or modification in violation of the terms and conditions of this Section shall be null and void and have no force or effect.

Section 14.04. Notwithstanding any default by Lessee in the observance or performance of any covenant, condition, obligation, or agreement on the part of Lessee to be kept, performed, or observed, Lessor shall have no right to terminate the Leasehold or this Lease even though an Event of Default may have occurred and be continuing, unless and until Lessor shall have given all Mortgage Lenders written notice of such Event of Default, and the Mortgage Lenders shall have failed to cure such Event of Default or commence efforts to cure such Event of Default or acquire possession of the Leased Land and/or the Improvements as provided in Sections 14.07 and 14.08. Any termination in violation of the terms and conditions of this Section shall be null and void and have no force or effect.

Section 14.05. Each Mortgage Lender shall have the right, but not the obligation, at any time prior to the termination of this Lease, and without payment of any penalty, to pay any of the rents due hereunder, to provide any insurance, to pay any taxes, to release any mechanic's liens, to make any repairs or improvements, and to make any other payments or do any other act or thing required to be paid or done by Lessee by the terms and conditions of this Lease. All payments so made and all things so done and performed by a Mortgage Lender shall be accepted by Lessor as effective to prevent a termination of this Lease and to cure an Event of Default as the same would have been if made, done, or performed by Lessee. After a termination of this Lease, the terms and conditions of Section 14.10 shall apply.

Section 14.06. If a Mortgage Successor (as hereinafter defined) takes possession of the Leasehold and/or the Improvements, then the Mortgage Successor's liability under and with respect to the Lease, the Leasehold, the Improvements, and any interests therein or thereunder shall be limited to: (a) the amounts due and payable to Lessor for the unexpired balance of the Initial Term (or any Renewal Terms); and (b) observance or performance of any obligation or agreement on the part of Lessee first arising after the Mortgage Successor takes possession. The term "Mortgage Successor" shall mean a Mortgage Lender, a receiver appointed at the request of a Mortgage Lender, a purchaser at a foreclosure sale, or a party to which the Leasehold is transferred by an assignment in lieu of foreclosure, and their successors and assigns.

Section 14.07. If any Event of Default occurs, then each Mortgage Lender shall have sixty (60) days (beginning after receipt of the notice from Lessor required by Section 14.04 and the expiration of the applicable period for Lessee to cure the Event of Default under Section 11.02) in which to cure the Event

of Default. If a Mortgage Lender requires possession of the Leased Land and/or the Improvements to cure the Event of Default, or if, by its nature, the Event of Default cannot reasonably be cured within such sixty (60) day period, then the Mortgage Lenders shall have a reasonable time after the expiration of such sixty (60) day period within which to cure the Event of Default; provided that a Mortgage Lender cures within such sixty (60) day period all other Events of Default which can be cured solely by the payment of monies to Lessor.

Section 14.08. An Event of Default for which an extended cure period is permitted by the terms and conditions of Section 14.07 shall be deemed remedied so long as a Mortgage Lender is diligently proceeding to acquire possession of the Leased Land and/or the Improvements from Lessee or foreclose its Mortgage Lien, and, after possession is obtained (directly by a Mortgage Lender or indirectly by a receiver appointed at the request of a Mortgage Lender) or the foreclosure is completed (by the Leasehold being purchased at a foreclosure sale or the Leasehold being transferred by an assignment in lieu of foreclosure), the Mortgage Successor shall have a reasonable period of time, but not less than ninety (90) days, to cure any remaining Events of Default.

Section 14.09. If a Mortgage Lender is prohibited by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy, rehabilitation, or insolvency proceedings involving Lessee, the time for commencing or prosecuting foreclosure or other proceedings shall be extended by the period of such prohibition.

Section 14.10. If Lessor terminates this Lease by reason of any Event of Default, then, upon written request by a Mortgage Lender served upon Lessor within ninety (90) days after such termination, Lessor shall execute and deliver a new ground lease for the remainder of the Initial Term (and any Renewal Term) with the same terms, conditions, covenants, and agreements of this Lease, excepting that Lessor shall not be required to remove the lien of any lienholder whose interest in the Leasehold and/or the Improvements was created by the action or inaction of Lessee, and excepting further that the Mortgage Lender shall agree to take the Improvements in their condition at the time, subject to the terms and conditions of Section 13.06.

Section 14.11. If a Mortgage Successor acquires possession of the Leased Land and assumes the obligations of Lessee under this Lease, then, notwithstanding the provisions of Section 10.01, the Mortgage Successor shall be permitted to assign the entire interests of Lessee in this Lease and the Leased Land to a third party without the consent of Lessor. Any such assignment shall release the Mortgage Successor from liability for the performance of the obligations of Lessee under this Lease.

Section 14.12. Lessor and Lessee shall cooperate in providing any additional amendment, instrument, or document reasonably required by a Mortgage Lender or which may otherwise be necessary or expedient to implement the provisions of this Article 14; provided that no such amendment, instrument, or document shall extend the term of this Lease beyond the Initial Term (and any Renewal Term) nor adversely affect Lessor's rights hereunder.

Section 14.13. Lessor shall mail a duplicate copy of any notice of an Event of Default by certified mail to each Mortgage Lender as provided in the other provisions of this Lease, and no notice by Lessor to Lessee shall be deemed to have been properly given unless and until a copy of the notice has been sent each Mortgage Lender.

Section 14.14. If the Improvements are damaged or destroyed by fire or other casualty, then the insurance proceeds shall be used to rebuild or replace the Improvements or applied as provided in the Mortgages. It shall not be an Event of Default under this Lease so long as Lessee is trying in good faith to repair or rebuild the damaged property.

11. **Miscellaneous.** Whenever under the Lease: (a) the consent or approval of Lessor is required or requested by Lessee, such consent or approval shall not be withheld, delayed, or conditioned unreasonably; or (b) Lessee requires or requests the permission of, or a determination by, Lessor, such

permission shall not be withheld, delayed, or conditioned unreasonably, and such determination shall be made promptly and reasonably. The phrases "any exercised extension(s)" or "any extended term(s)", when used in the Lease with reference to the term of this Lease, shall be deemed to be references to Renewal Term(s). Except as amended and/or modified by this Amendment, the Lease and the covenants, agreements, terms, and conditions set forth in the Lease remain in full force and effect as set forth therein, and, as amended and modified by this Amendment, the Lease and the covenants, agreements, terms, and conditions of the Lease are binding upon, and enforceable against, Lessor and Lessee, as applicable.

12. **Memorandum.** Concurrently with the execution of this Amendment, Lessor and Lessee shall execute, acknowledge, and record the memorandum attached as Exhibit "A" and made a part of this Amendment. Following recording, this Amendment and the memorandum shall be attached to the Lease. This Lease has been executed at Bloomington, Indiana, on the day and year first above written.

LESSOR:

LESSEE:

THE REDEVELOPMENT COMMISSION  
of the City of Bloomington, Indiana

MERCURY DEVELOPMENT GROUP, LLC,  
an Indiana limited liability company

By:

By: REGESTER PLACE, LLC, an Indiana  
limited liability company, Member

David Walter, President

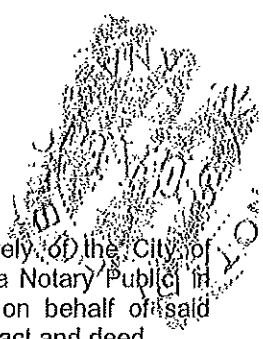
David Ferguson, Managing Member

Attest:

Michael Gentile, Secretary

STATE OF INDIANA            )  
  ) SS:  
COUNTY OF MONROE)

David Walter and Michael Gentile, the President and Secretary, respectively, of the City of Bloomington, Indiana Redevelopment Commission personally appeared before me, a Notary Public in and for said County and State on the 14 day of Oct, 2004 and for and on behalf of said Commission acknowledged the execution of the foregoing document as their voluntary act and deed.



My Commission Expires: 10/10/08

Notary Public:

County of Residence: Monroe

(Name Printed) Janet E. Roberts

STATE OF INDIANA )  
COUNTY OF Monroe ) SS:

David Ferguson, the Managing Member, of Mercury Development, LLC, an Indiana limited liability company, personally appeared before me, a Notary Public, in and for said County and State on the 2nd day of December, 2004, and for and on behalf of said Mercury Development, LLC, acknowledged the execution of the foregoing document as his voluntary act and deed.

My Commission Expires: 1/27/07

Notary Public: Sherry M. Pura

County of Residence: Monroe

(Name Printed) Sherry M. Pura



CROSS REFERENCES:

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EXHIBIT A

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is executed by the parties hereto on the 2nd day of December, 2004, to evidence their execution of a certain Ground Lease dated January 31, 2003 as amended by that certain Comprehensive Amendment to Ground Lease dated December 2, 2004 (the "Lease").

1. The name of the landlord ("Landlord") is The City of Bloomington, Indiana, Redevelopment Commission with an address of 401 N. Morton Street, Bloomington, IN 47401

2. The name of the tenant ("Tenant") is Mercury Development, LLC with an address of 403 E. 6th Street, Bloomington, IN 47401

3. The property demised by the Lease consists of the real property more particularly described on Exhibit A as per plat thereof, recorded February 11, 2003 as Instrument No. 2003003623 in the Office of the Recorder of Monroe County, Indiana and all easements rights' and appurtenances thereto (the "Leased Premises").

4. The original term of the Lease is for a period commencing on 1/31/03, and ending on 1/30/53.

5. The Lease grants to Tenant the option to extend the term of the Lease for five (5) additional successive period(s) of ten (10) years each, as more particularly set forth in the Lease.

This Memorandum of Lease is executed solely for the purpose of giving notice to third parties of the existence of the Lease and certain terms thereof. Reference is made to the Lease which contains a full description of the rights and duties of Landlord and Tenant and the terms, conditions, provisions and limitations on the use and occupancy of the Leased Premises. This Memorandum of Lease (or description of certain of such rights, duties, conditions and limitations) shall in no way or under any circumstances affect the terms and conditions of the Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed as of the date set forth above.



LESSOR:

THE REDEVELOPMENT COMMISSION  
Of the City of Bloomington, Indiana

By:

*David Walter*  
David Walter, President

LESSEE:

MERCURY DEVELOPMENT GROUP, LLC,  
an Indiana limited liability company

By: REGESTER PLACE, LLC, an Indiana  
limited liability company, Member

*David L. Ferguson*  
Printed: DAVID L. FERGUSON  
Title: Managing Member

Attest:

*Michael Gentile*  
Michael Gentile, Secretary

STATE OF INDIANA )  
                                  ) SS:  
COUNTY OF MONROE )



David Walter and Michael Gentile, the President and Secretary, respectively, of the City of Bloomington, Indiana, Redevelopment Commission, personally appeared before me, a Notary Public, in and for said County and State on the 4th day of Oct, 2004, and for and on behalf of said Commission acknowledged the execution of the foregoing document as their voluntary act and deed.

My Commission Expires: 1/27/07  
County of Residence: Monroe

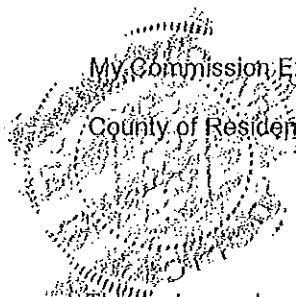
Notary Public: *Janet E. Roberts*  
Name Printed: Janet E. Roberts

STATE OF INDIANA )  
                                  ) SS:  
COUNTY OF MONROE )

DAVID L. FERGUSON, Managing Member of Regester Place, LLC  
\*Member of Mercury Development Group, LLC  
DAVID L. FERGUSON, Managing Member of Regester Place, LLC  
personally appeared before me, a Notary Public, in and for said County and State on the 2nd day of December, 2004, and for and on behalf of said limited liability company acknowledged the execution of the foregoing document as his/her voluntary act and deed.

My Commission Expires: 1/27/07  
County of Residence: Monroe

Notary Public: *Sherry M. Paus*  
Name Printed: Sherry M. Paus



## EXHIBIT A

### Property Description

The "Leased Land" shall include real estate in Monroe County, Indiana, more particularly described as:

Commencing at the Northwest corner of Lot 278 of the Town of Bloomington Plat, found in Plat Cabinet B, envelope 5, and was originally recorded in Book A, page 5, Office of the Recorder, Monroe County, Indiana, and being the point of beginning. Thence proceeding N89°38'17"E for a distance of 276 feet, and to the Northeast corner of Lot 265 of the Town of Bloomington Plat as mentioned above. Thence S00°25'34"E for a distance of 187.74' along the Western right-of-way of College Avenue to a point near the building corner of the existing Graham Plaza Building. Thence proceeding S89°29'26"W for a distance of 132' to the Eastern edge of a 12' platted alley running North/South between 6<sup>th</sup> Street and 7<sup>th</sup> Street. Thence proceeding S00°25'34"E for a distance of 86.55 feet to the Southwest corner of Lot 223. Thence proceeding S89°35'34"W for a distance of 144' along the Northern right-of-way of West 6<sup>th</sup> Street to the Southwest corner of Lot 221. Thence N00°25'34"W for a distance of 274.75' to the point of beginning and along the Eastern right of way of North Morton Street. Containing 64,344.41 square feet or 1.4771 acres more or less.

Subject to a Stair Tower easement found in Deed Book 268, Page 585, Office of the Recorder, Monroe County, Indiana which is described as follows:

Commencing at the Northwest corner of Lot 278 of the Town of Bloomington Plat, found in Plat Cabinet B, envelope 5, and was originally recorded in Book A, page 5, Office of the Recorder, Monroe County, Indiana. Thence proceeding N89°38'17"E for a distance of 276 feet, and to the Northeast corner of Lot 265 of the Town of Bloomington Plat as mentioned above. Thence S00°25'34"E for a distance of 187.74' along the Western right-of-way of College Avenue to a point near the building corner of the existing Graham Plaza Building. Thence proceeding S89°29'26"W for a distance of 14.06' to the point of beginning and Southeast corner of said Stair Tower Easement. Thence S89°29'26"W for a distance of 18.94 feet. Thence N00°25'34"W for a distance of 10.47 feet. Thence N89°29'26"E for a distance of 18.94 feet. Thence S00°25'34"E for a distance of 10.47 feet and to the point of beginning. Containing 198.30 square feet or .0045 acres more or less.