TOWN OF MANSFIELD

SPECIAL TOWN COUNCIL MEETING

Monday, May 2, 2011

6:00pm

Library Media Center
Mansfield Middle School

AGENDA

Call to Order

Opportunity for Public to Address the Council

Old Business

1. Lease Agreement by and between the Town of Mansfield, Education Realty Trust, Inc., and Storrs Center Alliance, LLC (Item #6, 04/25/11 Agenda)

Adjournment

Town of Mansfield
Agenda Item Summary

To: Town Council
From: Matt Hart, Town Manager
CC: Dennis O' Brien, Town Attorney
Date: May 2, 2011
Re: Lease Agreement by and between the Town of Mansfield, Education Realty Trust, Inc., and Storrs Center Alliance, LLC

Subject Matter/Background

As you know, on February 15, 2011, the Town of Mansfield entered into a historic Development Agreement (DA) with Storrs Center Alliance, LLC, and Education Realty Trust, Inc. for the construction of Phases 1A and 1B of Storrs Center. Storrs Center is anticipated to eventually comprise up to 800 units of housing, approximately 150,000 to 200,000 square feet of retail, office and other commercial space, as well as other public and private improvements.

Thanks mostly to substantial financial support from our State government, the Town will be developing a Public Parking Garage on the south side of Dog Lane. The Public Garage is a key component of Storrs Center, a mixed-use development project that is being undertaken by SCA as master developer and EDR, jointly, as developers of Phases 1A and 1B of the Storrs Center Project.

Recall that Article 9 of the Development Agreement addressed "Parking" at Storrs Center. Section 9.02 of the Agreement requires that before the Town enters into the construction contract for the Public Garage, EDR and the Town must agree upon the form of a parking agreement which, among other things, shall be consistent with the terms of section 9.02.

Per the Development Agreement, the parking agreement is subject to the approval of SCA, and is intended, when executed, to replace all or most of the agreements of section 9.02 of the Development Agreement. It is only where Lease language completely covers a section 9.02 provision of the DA that it is totally replaced by the Lease. In the case of a conflict, the Lease is controlling.

In satisfaction of the foregoing requirements and in hope that construction of the Parking Garage, among other planned Storrs Center structures, may begin forthwith, the Town of Mansfield and EDR and SCA have negotiated a "Lease

Agreement." I am pleased to present the draft Lease Agreement to the Town Council for your review and approval.

Though the DA only does not require that SCA be made a party to this Lease, we have been informed by SCA that SCA expects to want to lease spaces in the Public Garage and elsewhere in Storrs Center for the management and employees of the commercial tenants of SCA once the tenants sign leases. As SCA will be leasing a so far nonspecified number of Parking Garage spaces for its commercial tenants, SCA is added to EDR as a lessee under the Lease Agreement. The details of any such arrangements will be negotiated and finalized when the time comes.

The Lease Agreement provides that EDR will lease 184 Public Garage parking spaces for its residential tenants from the Town for Phase 1A, and another 184 spaces for Phase 1B of the Storrs Center Project, at rental rates of $60 a month per space, with provision for future rate increases of up to ten dollars a space a month every three years.

The duty of EDR to pay rent begins upon residential occupancy of Phase 1A, and the issuance of a certificate of occupancy for Phase 1B. The Lease permits EDR to license others to temporarily use spaces prior to full occupancy by its residential tenants, without relieving EDR of its obligation to pay rent to the Town for any unutilized spaces.

Per the agreements, the Town has the obligation to segregate by signage or otherwise to the reasonable satisfaction of EDR the spaces within the Public Parking Garage that will be provided to EDR for use by their employees and residential tenants.

As you may recall, the DA calls for the Town to lease a total of 425 spaces to EDR for use by the residential tenants of EDR. Although the Lease only requires that 368 Public Parking Garage Spaces be leased to EDR, the remaining 57 parking spaces located in the Dog Lane lot must be let to EDR in return for the same $60 a month a space per a subsequent agreement between SCA and EDR.

The DA also requires that a Parking Management Agreement be negotiated and executed by the Town and SCA, calling for management and operation of the Parking Garage and shared facilities by SCA or its agent. It is almost certain that SCA will hire an agent to perform these functions. A Parking Management Agreement has been drafted, is being negotiated, and the draft should be finalized soon for presentation to the Council.

The Town will have the authority to promulgate reasonable Rules and Regulations governing those who will be using the Public Parking Garage. The tenants of EDR, the landlord's invitees, will have to sign and submit the enclosed

Storrs Center Public Garage Reserved Parking Agreement, making a commitment, among other things, to honor the Rules and Regulations posted in the Garage or face the possibility of losing their privileges as the "Parking Access Device" they must purchase from the Town to access the Garage's parking area, will be deactivated if they fail to pay EDR for the space or violate the licensing agreement, including the posted Rules and Regulations of the Town.

As set forth in the Lease and in the DA, a minimum of $50,000 a year from parking receipts is supposed to be deposited by the Town into the Reserve and Replacement Reserve to fulfill our responsibility to repair and maintain the garage in both the short and long runs. Under both the DA and this Lease the Town is not responsible for expending any funds beyond those available in the Repair and Replacement Reserve. Any deficit in this regard may be funded by EDR and/or SCA in their discretion, without recourse against the Town.

In the event of a casualty or other event that makes Garage spaces unavailable to EDR and its tenants, the Town is required to use commercially reasonable efforts to temporarily provide replacement spaces, but we have been careful to protect the town from responsibility if commercially reasonable efforts by the Town are to no avail.

Sections 18, 19 and 20 of the Lease provide the Town with dual remedies in the unlikely event of a rent paying default by either of our two partners in this venture. After a default, which may come after 30 days of nonpayment, the Town may unilaterally deactivate any Parking Access Devices.

If rent remains unpaid 30 days after a default, the Town may commence a summary process action to evict the defaulting party. Defaults other than nonpayment of rent, most or all of which would bear on the lessee's ability to pay the rent, may be addressed via the Mediation/Arbitration Dispute Resolution provisions of section 32 of the Lease. Attorneys fees are payable to the party who prevails in an arbitration per section 32. In order to cure any default in the payment of rent, EDR or SCA must pay all back rent plus a 5 Per cent penalty and interest on both of at least 12%

This Lease restates commitments made by EDR in the DA to provide 24/7 on-site or on call management of the Residential Component of Storrs Center, and to market the project in a way that best ensures the occupancy of a broad base of residential tenants resulting in a first class, successful project in every respect.

Recommendation

If, after discussion consideration of the Lease Agreement, the Council is inclined to approve the proposed Lease Agreement, the following Resolution is in order:

BE IT RESOLVED, that the Town Manager of the Town of Mansfield be and hereby is authorized to execute, deliver and implement on behalf of this Town Council and the Town of Mansfield a document entitled "Lease Agreement," regarding the leasing of Storrs Center Public Garage parking spaces by the Town of Mansfield to Education Realty Trust, Inc, and Storrs Center Alliance, LLC, for Phases 1A and 1B of the Storrs Center project, in substantially the form attached hereto, along with such modifications as the Town Manager deems necessary or appropriate to comply with any legal requirement, to correct any inconsistency or scrivener's error, to clarify any ambiguity or to provide specificity consistent with the intent of the Council enacting this Resolution.

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "**Lease**") is made and entered into as of the _____ day of _____, 2011 (the "**Effective Date**") by and between the TOWN OF MANSFIELD, a municipal corporation organized under the laws of the State of Connecticut (the "**Town**"), EDUCATION REALTY TRUST, INC., a Maryland corporation ("**EDR**"), and STORRS CENTER ALLIANCE, LLC, a Connecticut limited liability company ("**SCA**").

RECITALS

A. The Town intends to develop a public parking garage to be located on the south side of Dog Lane in the Town of Mansfield, Connecticut (the "**Public Garage**"), in the area shown on Exhibit A annexed hereto and forming a part hereof. The Public Garage shares certain facilities with an intermodal facility to be developed by the Town (the "Intermodal Facility"), as more particularly described herein. The Public Garage is a key component of Storrs Center, a mixed-use development project that is being undertaken by SCA as the master developer, and SCA and EDR, jointly, as developers of Phases 1A and 1B of the Storrs Center project, as further described below.

B. Storrs Center is anticipated to eventually comprise up to 800 units of housing, approximately 150,000 to 200,000 square feet of retail, office, and other commercial space, as well as other public and private improvements. SCA and EDR have entered into a Development Agreement Storrs Center Phases 1A and 1B dated as of August 23, 2010, for the joint development of portions of Storrs Center. SCA and EDR have the shared goal of developing the initial phases of Storrs Center, Phases 1A and 1B, which, as currently planned, are expected to include (i) approximately 260 to 290 residential rental apartments (collectively, the "**Residential Component**"), and (ii) approximately 60,000 to 70,000 square feet of retail and other commercial space (collectively, the "**Commercial Component**"), located in mixed-use buildings on both sides of Dog Lane. The Parties acknowledge that, initially, SCA and EDR intend to own and construct Phases 1A and 1B of Storrs Center through a limited liability company referred to as the "Developer Entity" in the Town Development Agreement (defined below in Recital E); however, upon substantial completion of construction, the Residential Component will be conveyed to EDR, or its designee, and the Commercial Component will be conveyed to SCA, or its designee.

C. The Residential Component requires 425 parking spaces, 368 of which shall be made available to EDR in the Public Garage for use by residents of the Residential Component and others on the terms and conditions set forth herein (such 368 parking spaces located in the Public Garage, the "**Residential Component Parking Spaces**"). The balance of such 425 parking spaces will be reserved for use by residents of the Residential Component in the nearby parking lot located on the north side of Dog Lane (the "**Dog Lane Lot**"), pursuant to a separate agreement between EDR and SCA pertaining thereto.

D. The Town and SCA **plan to enter into]** a parking management agreement pursuant to which SCA will manage and operate the Public Garage and the Shared Facilities for a period of approximately seven (7) years (the "**Parking Management Agreement**"). As the initial manager of the Public Garage, SCA plans to subcontract with a company that specializes in parking management to undertake the actual day-to-day management of the Public Garage.

E. The Town, SCA and EDR have entered into a Development Agreement for Phases 1A and 1B dated February 15, 2011 (the "**Town Development Agreement**"), which provides for, *inter alia*, the development of the Public Garage and sets forth the basic agreement of the Parties thereto concerning the Public Garage parking spaces. This Lease is intended to memorialize the Parties' relationship with respect to the Public Garage.

LEASE TERMS

1. Recitals; Defined Terms.

(a) Recitals. The Recitals are hereby incorporated in and made a part of this Lease.

(b) Definitions. As used herein, the following terms shall have the following meanings:

"**Effective Date**" has the meaning set forth in the Preamble.

"**Leasehold Mortgage**" shall mean any mortgage creating a mortgage lien upon EDR's or SCA's leasehold estate hereunder recorded in the Mansfield Land Records, as security for a loan to EDR or SCA or a guaranty or reimbursement obligation incurred by EDR or SCA for purposes of completing, developing, equipping, or operating the Residential Component, the Commercial Component or any part thereof, and or refinancing any such loan or loans, which mortgage is held by a Person (as defined in the Town Development Agreement) unaffiliated with EDR or SCA.

"**Party**" means individually (unless otherwise expressly provided herein), as the context requires, the Town, SCA or EDR, and "**Parties**" means, collectively, the Town, SCA and EDR.

2. Term. Subject to the terms and conditions of this Lease, the term (the "**Term**") of this Lease shall commence on the date Phase 1A is first occupied by residential tenants and the Public Garage is open for business (the "**Parking Availability Date**") and shall expire on the day immediately preceding the ninety-eighth anniversary of the Parking Availability Date.

3. Lease of Parking Spaces.

(a) Subject to the terms and conditions provided in this Lease, the Town hereby leases 184 of the Residential Component Parking Spaces to EDR, and EDR hereby leases said 184 Residential Component Parking Spaces for the Term.

(b) Subject to the terms and conditions provided in this Lease, the Town hereby leases the remainder of the Residential Component Parking Spaces (184 parking spaces) to EDR, and EDR hereby leases such Residential Component Parking Spaces from the Town for the period from the Phase 1B Spaces Occupancy Date (as defined in Section 5(c)) to and including the last day of the Term.

(c) Prior to the Phase 1B Spaces Occupancy Date, the Town shall segregate, by signage or otherwise ***to the reasonable satisfaction of EDR***, the 184 Residential Component Parking Spaces leased under Section 3(a) hereof. Following the Phase 1B Spaces Occupancy Date, the Residential Component Parking Spaces will be segregated from the remainder of the parking spaces in the Public Garage by one or more parking gates, arms or other customary physical barrier system, such that the Residential Component Parking Spaces are physically reserved for the exclusive use of EDR. The Residential Component Parking Spaces leased to EDR hereunder shall be available twenty-four (24) hours a day, seven (7) days a week for the entirety of the Term.

(d) The Residential Component Parking Spaces shall be used solely for the parking of registered and operable passenger motor vehicles by EDR's employees and EDR's Invitees (as defined in and subject to the terms of Section 8.13(b)). No vehicles may be serviced, repaired, washed or waxed in, on or about the Public Garage, including without limitation within any Residential Component Parking Space. EDR shall make no alterations, additions or improvements to, nor erect nor place any signs in, to or within the Residential Component Parking Spaces or any other portion of the

Public Garage, nor shall EDR store any personal property, materials or equipment nor accumulate any boxes, waste material or other rubbish therein.

(e) EDR shall not at any time use or occupy, or suffer or permit any of its employees, contractors, agents or servants to use or occupy the Residential Component Parking Spaces or any access thereto, or do or permit anything to be done in, or bring or permit anything to be brought into the Residential Component Parking Spaces or any access thereto, in any manner (i) which violates the Certificate of Occupancy for the Public Garage; (ii) which causes or is liable to cause injury to the Public Garage or any equipment, facilities or systems therein; (iii) which constitutes a violation of any governmental laws, ordinances, orders or regulations or any rules, requirements or regulations of the Board of Fire Underwriters, the Town's insurance companies and other organizations establishing insurance rates; (iv) which impairs or tends to impair the character, reputation or appearance of the Public Garage as a first-class public parking garage; (v) which impairs or tends to impair the proper and economic maintenance, operation and repair of the Public Garage and/or its equipment, facilities or systems; or (vi) which endangers or unreasonably annoys or inconveniences or tends to annoy or inconvenience other users of the Public Garage.

(f) The Parties agree to memorialize in writing each of the Parking Availability Date and the Phase 1B Spaces Occupancy Date upon the respective determination thereof in accordance with the terms of this Lease.

(g) Subject to the terms of this Lease, the Rules and Regulations (hereinafter defined) and the Town's right to designate and change from time to time areas and facilities to be so used as provided below, each of EDR and SCA shall have, as appurtenant to any parking spaces demised to it under this Lease (as it may be amended from time to time), the nonexclusive right to use in common with others, driveways, street entrances, doors, halls, corridors, lobbies, passages, elevators, and stairways that provide ingress and egress to and from the demised parking spaces; however, the Town reserves the right to make changes and alterations to the Public Garage, fixtures and equipment thereof, and to the driveways, street entrances, doors, halls, corridors, lobbies, passages, elevators, stairways, which the Town may deem necessary or desirable, provided that such changes and alterations do not materially adversely affect the use of the parking spaces demised hereunder. The building shown as "TS-2" on the Phase 1A/1B Site Plan (as defined in the Development Agreement) shall have direct access to the Public Garage.

4. Available Parking Spaces. During the Term, the Town covenants to SCA that the parking spaces in the Public Garage which do not constitute Residential Component Parking Spaces (the "**Available Parking Spaces**"), shall be made available to the general public upon the payment of the parking fees established therefor by the Town pursuant to the terms of this Section 4, to service the needs of the Commercial Component, as well as other uses within Storrs Center; provided, however, that the Parties acknowledge and agree that the Town reserves the right to designate parking spaces for handicapped persons as may be required by applicable laws, and for compact cars, zip cars, electric charging parking bays and/or other typical intermodal transit operations in a reasonable number. Parking rates for the Available Parking Spaces, the parking spaces on the internal public streets improved as part of Phases 1A and 1B and the parking spaces on the portion of Storrs Road between Mansfield Road and South Eagleville Road shall be set from time to time by the Town, after consultation with its parking consultant, and, during the Term, shall be subject to the approval of SCA, such approval not to be unreasonably withheld, conditioned or delayed. It is expressly acknowledged that the Town is considering not charging for some or all of such spaces, subject to limits on the amount of time cars are permitted to park. SCA shall set the rate for the parking spaces in the Dog Lane Lot that are not allocated to the Residential Component, but during the Term the Town shall have the right to approve such rates, such approval not to be unreasonably withheld, conditioned or delayed; similarly, the Parties acknowledge that SCA is considering not charging for some or all of such spaces,

subject to limits on the amount of time cars are permitted to park. Either of the Town or SCA may request that the other Party re-visit the parking rates set by such other Party, but not more often than twice in any calendar year. A breach by one Party of its obligations under this provision shall entitle the other Party to suspend offering any approval rights to the defaulting Party during the period of such breach. In the event that the Town offers the Available Parking Spaces on a monthly basis (including, without limitation, to SCA as provided in the following paragraph) or SCA offers the parking spaces in the Dog Lane Lot on a monthly basis, the monthly rates charged by the applicable Party for around the clock monthly parking (24 hours a day, 7 days a week) shall not be less than the then Applicable Monthly Rent payable hereunder for the Residential Component Parking Spaces unless otherwise authorized by EDR in writing.

If, during the Term, SCA determines that it is necessary to specifically reserve some of the Available Parking Spaces for itself or for one or more tenants within the Commercial Component or other commercial space at Storrs Center, then subject to applicable laws, the Town and SCA will enter into an addendum to this Lease, covering such number of parking spaces as may reasonably be appropriate to serve such needs, at such parking space rental rate as is set by the Town in accordance with this Section 4. In such case, all terms and provisions set forth herein that apply to EDR with respect to the Residential Component Parking Spaces (other than the rental rate and the requirement that such parking spaces be segregated) and the use of the Public Garage shall apply to SCA with respect to such parking spaces leased to SCA and SCA's use of the Public Garage in connection therewith. EDR agrees to join in any such addendum.

5. Rights to use Residential Component Parking Spaces Reserved to Town.

(a) Notwithstanding anything to the contrary contained herein, EDR shall have no rights of possession with respect to the Residential Component Parking Spaces at any time prior to the Parking Availability Date, and EDR and SCA agree that prior to such date all or any portion of the Residential Component Parking Spaces may be utilized by the Town for other purposes consistent with the Rules and Regulations (and at such rates and terms as may be determined by the Town), and all revenues therefrom shall be the property of the Town.

(b) Furthermore, notwithstanding anything to the contrary contained herein, EDR shall have no rights of possession with respect to that portion of the Residential Component Parking Spaces described in Section 3(b) (the "**Phase 1B Spaces**") at any time prior to the Phase 1B Spaces Occupancy Date, and EDR and SCA agree that prior to such date all or any portion of the Phase 1B Spaces may be utilized by the Town for other purposes consistent with the Rules and Regulations (and at such rates and terms as may be determined by the Town), and all revenues therefrom shall be the property of the Town, subject to SCA's rights under the Parking Management Agreement.

(c) EDR shall give the Town prior written notice (which may be waived by the Town) at least one (1) calendar month (but not more than two (2) calendar months) prior to the expected issuance of a certificate of occupancy for any portion of the Residential Component to be constructed in Phase 1B so that the Town will be able to deliver possession of the Phase 1B Spaces as contemplated herein. As used herein, the "**Phase 1B Spaces Occupancy Date**" shall mean the date a certificate of occupancy is issued for any portion of Phase 1B of the Residential Component, provided that notice is given to or waived by the Town as aforesaid, or if no notice is given, the date following issuance of such certificate of occupancy on which the Town notifies EDR that the Phase 1B Spaces are available.

6. Rent.

(a) EDR covenants and agrees to pay without notice, demand or offset to the Town, at such place as the Town shall from time to time designate in writing, monthly rent (the "**Applicable Monthly Rent**") at the rental rate specified in this Section 6, and proportionately at such rental rate for any partial month, which Applicable Monthly Rent shall be paid monthly, in advance, on the Parking Availability Date and on the first day of each and every subsequent calendar month during the Term.

(b) The Applicable Monthly Rent for the Residential Component Parking Spaces shall be equal to (i) Sixty Dollars and 00/100 ($60.00) per month, multiplied by (ii) the number of Residential Component Parking Spaces then leased to EDR under Section 3 hereof; provided, however, that the Applicable Monthly Rent shall increase once every three (3) years, with the first such increase to be made on the third anniversary following the earlier to occur of (i) the Parking Availability Date, and (ii) July 1, 2013, by a percentage equal to the increase during the preceding three (3) year period in the Consumer Price Index, All Urban Consumers, Northeast Region All Items (the "**CPI**"); provided, further, however, that the increase shall not exceed 10% in any three (3) year period; and provided, further, however, that in no event shall the Applicable Monthly Rent be less than that payable with respect to the month immediately preceding the most recent adjustment date.

(c) If EDR is required by law to pay sales taxes to the State of Connecticut on the parking fees that EDR charges for use of the Residential Component Parking Spaces, EDR shall pay all such sales taxes directly to the State of Connecticut; provided that EDR provides to the Town reasonably satisfactory evidence of such direct sales tax payment, EDR shall be entitled to deduct such tax from the Applicable Monthly Rent from the payment due to the Town; provided, however, that EDR shall not be entitled to any deduction in excess of the then applicable sales tax on the Applicable Monthly Rent. If EDR is not required by law to pay such taxes on the parking fees EDR charges, EDR shall remit the full Applicable Monthly Rent to the Town, and the Town shall then be responsible for the payment of any sales tax on the Applicable Monthly Rent.

(d) For and with respect to each installment of Applicable Monthly Rent that is not paid by the tenth (10th) day of the month in which it is due, EDR shall pay to the Town, as additional rent, a late charge in an amount equal to five percent (5%) of the amount of the overdue payment for the purpose of defraying the Town's administrative expenses relative to handling such overdue payment. Said amount shall be in addition and not in lieu of interest at the Default Rate. As used herein, "Rent" means all Applicable Monthly Rent (or applicable monthly rent as to SCA), additional rent, and all other amounts payable by the applicable Party hereunder. Until notice of some other designation is given, Rent shall be paid by remittance to or to the order of the Town, at its address set forth herein.

7. Duty to Maintain.

(a) Shared Facilities. As currently contemplated, the Public Garage will share a common wall with the Intermodal Facility. The passenger elevator banks and elevators serving the Public Garage and the mezzanine of the Intermodal Facility will be located within the Intermodal Facility. As used herein "**Shared Facilities**" means the common wall, shared elevator banks and elevators, and any other building systems and facilities located within the Intermodal Facility that serve both the Public Garage and Intermodal Facility. Other intermodal facilities, including but not limited

to, zip car parking spaces, electric charging parking bays, and bicycle storage areas may be located within the Public Garage and, if so located, will be deemed part of the Public Garage.

(b) Repair and Replacement Reserve. No later than ninety (90) days following the last day of the first full fiscal year of the Town occurring during the Term, the Town shall establish a repair and replacement reserve fund (the "**Repair and Replacement Reserve**") for the costs of maintaining the structural integrity of the Public Garage, the building systems of the Public Garage and the Shared Facilities, and of repairing, restoring, or replacing the building systems or Shared Facilities or components thereof, excluding routine maintenance incurred as an operating expense (the "**Necessary Capital Improvements**"). Within ninety (90) days following the last day of each full fiscal year of the Town occurring during the Term, the Town shall deposit the Annual Reserve Amount into the Repair and Replacement Reserve. As used herein, "**Annual Reserve Amount**" means an annual amount of Fifty Thousand Dollars and 00/100 ($50,000.00), which annual amount shall increase each year by the increase in CPI over the preceding fiscal year, but not more than 10% in any 3-year period, and in no event shall the Annual Reserve Amount in any fiscal year be less than the amount of the preceding fiscal year's Annual Reserve Amount. Except as set forth in Section 13, the Repair and Replacement Reserve shall be used only to pay costs of Necessary Capital Improvements. The Repair and Replacement Reserve shall be deposited in one or more segregated interest-bearing accounts, and the Town shall provide SCA and EDR with reports, upon request, but not more frequently than two times per year, showing all activity in the Repair and Replacement Reserve and with such other information as may reasonably be requested with respect thereto.

(c) Initial Operations Period. During the first fifty years of the Term (the "**Initial Operations Period**"), the Town shall maintain the Public Garage and the Shared Facilities in good order and condition by providing reasonably required maintenance, and the Town shall make all Necessary Capital Improvements thereto. The Town may apply funds in the Repair and Replacement Reserve to pay for Necessary Capital Improvements.

(d) Subsequent Operations Period. Commencing with the 51st year of the Term, the Town shall maintain the Public Garage and the Shared Facilities during the remainder of the Term (the "**Subsequent Operations Period**"), in good order and condition by providing reasonably required maintenance of the Public Garage and the Shared Facilities and, to the extent that there are sufficient funds in the Repair and Replacement Reserve, the Town shall make any Necessary Capital Improvements to the Public Garage and the Shared Facilities; provided, however, the Town shall have no obligation to expend funds beyond those available in the Repair and Replacement Reserve. During the Initial Operations Period and the Subsequent Operations Period (subject to the proviso in the immediately preceding sentence), the Town shall be required to conduct periodic inspections, routine maintenance, commercially reasonable preventative maintenance and periodic structural assessments, and generally take a proactive approach so that the Public Garage and Shared Facilities shall function in an efficient and proper manner and be maintained in a neat and clean condition consistent with the quality of the Storrs Center project.

(e) Capital Funds Deficit. In the event that, during the Subsequent Operations Period, the funds in the Repair and Replacement Reserve are not sufficient to pay for a Necessary Capital Improvement, the Town may, but shall not be obligated to, expend additional funds to make up such deficit (the "**Capital Funds Deficit**"). In the event of a Capital Funds Deficit that the Town does not elect to fund, the Town shall give prompt notice thereof to SCA and EDR (the "**Deficit Notice**") and SCA and/or EDR shall have the right to elect to fund the Capital Funds Deficit, provided that the electing Party(ies) provide the Town with financial assurance thereof reasonably

satisfactory to the Town within thirty (30) days after the delivery of the Deficit Notice to EDR and SCA. Any Party funding the Capital Funds Deficit (or portion thereof) shall be entitled to recover the amount so funded by it from future deposits to the Repair and Replacement Reserve.

(f) Option to Purchase. If SCA and/or EDR fail to make such election described in Section 7(e) and provide said financial assurance within said thirty (30) day time period, or if during the Subsequent Operations Period, the Town, in its reasonable judgment, determines that the Public Garage or the Shared Facilities need to be rebuilt in order to continue the parking operations therein in a safe manner or to comply with applicable laws, the Town may terminate this Lease, in which case this Lease shall terminate other than accrued liabilities as of the date of termination, subject to the following:

(i) The Town shall give SCA and EDR at least one year's prior written notice of such termination; provided, however, that in no event shall the Town be obligated to keep the Public Garage operating during such one (1) year period if the continued operation thereof without making the Necessary Capital Improvement or without replacing the Public Garage or the Shared Facilities would adversely affect the health, safety or welfare of anyone utilizing the Public Garage or otherwise pose any unacceptable risk of personal injury or property damage, as determined by the Town in its reasonable discretion, and the Town may cease such operations upon making such determination.

(ii) SCA and EDR shall have the right (to be exercised jointly, or singly if the other Party releases its rights in writing) to acquire the Public Garage within such one (1) year period "AS IS WITH ALL FAULTS" for $1.00, free and clear of all liens and encumbrances other than such matters affecting title to such real property when acquired by the Town, and any other matters approved by the Party(ies) acquiring such title, such approval not to be unreasonably withheld, conditioned or delayed (the "**Option to Purchase**"); provided, however, that unless the Town, in it sole discretion, decides to convey the Intermodal Facility to the Party acquiring the Public Garage as part of such acquisition (and on the same terms as the Public Garage acquisition), such acquiring Party shall obtain all requisite governmental approvals relating to the division of the land on which the Public Garage and Intermodal Facility are located on, and the Town and such Party shall act reasonably to enter into such easement agreements as are reasonably necessary for the continued operation and separate ownership of the Public Garage and Intermodal Facility and the maintenance, repair and replacement of the Shared Facilities; provided, however, that the Party acquiring the Public Garage shall at its expense, have sole responsibility for the maintenance and repair of the shared elevator banks and elevators unless the Town and such Party agree that they are no longer necessary to the operation of the Public Garage, in which case, the Town may remove them or seal access to them from the Public Garage. The Town shall not be obligated to incur any liability with respect to such conveyance. Upon consummation of such acquisition, the Town shall transfer the Repair and Replacement Reserve to the Party(ies) acquiring such real property.

(iii) Such termination shall occur on the earlier of the expiration of such one (1) year period, and the date of acquisition by the Party(ies) exercising the Option to Purchase.

(g) Maintenance of Public and Private Improvements. During the Term, the Town shall (i) maintain all public streets within Storrs Center or constructed as part of the Public Improvements under the Town Development Agreement in a first class manner, and (ii) provide trash pickup, landscaping and snow removal services to the Town Square in a first class manner (provided the Town Square

has been completed and conveyed to the Town in accordance with the terms of the Town Development Agreement). During the Term, EDR and SCA, their successors and assigns, shall maintain the Phase 1A/1B Private Improvements (as defined in the Town Development Agreement) in a first class manner.

8. Rules and Regulations; Parking Access Devices.

(a) The Town may enact and post reasonable rules and regulations as to the use of and behavior in the Public Garage from time to time, following consultation with EDR and SCA (as they may be enacted or amended from time to time, the "**Rules and Regulations**"); provided such Rules and Regulations apply uniformly to, and are enforced by the Town uniformly against, all users of the Public Garage. The Rules and Regulations shall be effective upon the posting of such Rules and Regulations in the Public Garage. EDR and SCA shall use commercially reasonable efforts to have their respective employees, contractors, agents and servants adhere to this Lease and the Rules and Regulations.

(b) Provided that EDR is not in Default under this Lease, the Town shall make available parking access cards, parking decals or other access control devices (each a "**Parking Access Device**") for the use of the Residential Component Parking Spaces then leased to EDR hereunder. Prior to providing any Parking Access Device to any person, EDR shall cause the person to whom such Parking Access Device is to be provided to complete and sign for delivery to the Town the revocable license agreement from time to time utilized by the Town which shall bind such person to the Rules and Regulations and all legal waivers and other agreements set forth in such license agreement (each, a "**Parking License**"), and collect from such person for the Town the deposit for such Parking Access Device (which shall be refunded to the licensee or retained by the Town upon the terms set forth in the applicable Parking License). All such deposits shall be held in trust by EDR for the Town until delivered to or at the direction of the Town. The Parking License shall include the applicable name, address, motor vehicle registration number, operator's license number, and telephone number of the licensee and have attached to it a copy of the motor vehicle insurance card for such vehicle. The originals of all Parking Licenses and deposits collected by EDR during any calendar month shall be delivered by EDR to the Town on or before the 10th day of the following calendar month. EDR shall promptly report in writing to the Town the recall of any Parking Access Device, and promptly after receiving such writing, the Town shall deactivate such device so that it no longer permits entry to the Residential Parking Component Spaces. The Town shall also be entitled to deactivate such device for any Parking License licensee (and prohibit entry to the Public Garage thereby) if such licensee violates the terms of such Parking License, if a Default has occurred hereunder with respect to the payment of Applicable Monthly Rent by EDR (after taking into account the notice and cure periods set forth in Section 18(a) and Section 19(a) hereof) or if this Lease has been terminated as to EDR. EDR shall not enter into any agreement with any Parking License licensee that is contrary to the terms hereof or of the Rules and Regulations or the Parking License. Following notification to EDR that the Town has deactivated any Parking Access Device for any reason other than at the recall request of EDR, EDR shall not provide any other Parking Access Device to the person whose original Parking Access Device was deactivated without the prior written consent of the Town. Deactivation of one or more Parking Access Devices by the Town pursuant to the terms hereof shall neither constitute any eviction, entry or detainer nor entitle EDR to any offset, deduction or abatement of Rent. As used herein, any person for whom EDR has obtained the requisite executed Parking License and Parking Access Device deposit in accordance with the terms hereof, and who is in good standing under such Parking License, shall be an "EDR Invitee".

9. Safety and Security. Each Party shall notify the other Parties to this Lease of any unsafe condition in the Public Garage promptly upon its discovery. The Town shall be responsible to implement commercially reasonable security measures for the Public Garage. No safety or security measure undertaken or failed to be undertaken by the Town, SCA or EDR shall serve as a basis for any rights of or reliance by any person not a Party to this Lease.

10. Insurance.

(a) During the Term, the Town, as to the Town Public Garage and the Shared Facilities, and EDR and SCA, as to all improvements that now or hereafter adjoin the Public Garage (other than the Intermodal Facility), shall carry the insurance in this Section 10 and Schedule 10 attached hereto. Each Party shall be listed as an additional insured on all liability insurance policies.

(b) No later than the Parking Availability Date, the Parties shall deliver to one another certificates signed by a person authorized by the insurer to bind coverage on its behalf, showing the required insurance to be in full force and effect. The certificates shall show or be accompanied by evidence of payment of such premiums, which may include proof of payment of the first installment if payable pursuant to an installment plan. Renewal of expiring certificates shall be delivered no later than thirty (30) days prior to expiration. The Parties reserve the right to require complete, certified copies of all required policies, as well as proof of payment of the then current installment of any premium payable in installments, at any time.

(c) The insurance required under this Section 10 shall be written for not less than limits of liability specified in Schedule 10 or as required by applicable legal requirements, whichever coverage is greater. It is agreed that the scope and limits of insurance coverage specified are minimum requirements and shall in no way limit or exclude the Parties from additional limits and coverage provided under the policies obtained by the Parties. If any Party fails to purchase or maintain the required insurance, such Party shall bear all reasonable costs (excluding attorneys' fees) properly incurred by the non-defaulting Party with respect to such failure. Each Party hereby waives all rights of recovery against the other Parties on account of loss or damage to their respective property to the extent of available insurance proceeds, and all policies obtained by such Party for such loss or damage shall be endorsed to waive the insurer's rights of subrogation against the other Parties.

(d) All of the policies of insurance required to be carried hereunder by EDR and SCA shall be with reputable companies licensed and authorized to issue such policies in such amounts in the State of Connecticut and having a Best's rating of at least A minus VIII. The Town carries its insurance coverage through the Connecticut Interlocal Risk Management Agency, which is an insurance pool regulated by the State of Connecticut and owned by its members, including the Town of Mansfield. If, in the future, the Town carries its coverage through an insurance company, such company shall satisfy the criteria specified in the first sentence of this Section 10(d).

(e) Each Party shall be responsible to pay all deductibles and/or retentions with respect to its insurance carried under this Section 10.

(f) For other than non-payment of premium, each insurance policy required herein shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to each insured. Ten (10) days prior written notice shall be given for non-payment of premium.

11. Indemnification.

(a) Subject to the mutual waiver of claims and waiver of subrogation referred to above in Section 10, EDR hereby indemnifies and holds harmless the Town from and against all liabilities, losses, claims, demands, costs, expenses (including reasonable attorneys' fees and expenses) and judgments of any nature, arising, or alleged to arise, from or in connection with, (i) any breach or default in the performance of any obligation on EDR's part to be performed under the terms of this Lease or (ii) the negligence or willful misconduct of EDR or EDR's contractors, agents, servants or employees.

(b) Subject to the mutual waiver of claims and waiver of subrogation referred to above in Section 10, SCA hereby indemnifies and holds harmless the Town from and against all liabilities, losses, claims, demands, costs, expenses (including reasonable attorneys' fees and expenses) and judgments of any nature, arising, or alleged to arise, from or in connection with, (i) any breach or default in the performance of any obligation on SCA's part to be performed under the terms of this Lease, or (ii) the negligence or willful misconduct of SCA or SCA's contractors, agents, servants or employees.

(c) Subject to the mutual waiver of claims and waiver of subrogation referred to above in Section 10, the Town hereby indemnifies and holds harmless SCA and EDR from and against all liabilities, losses, claims, demands, costs, expenses (including reasonable attorneys' fees and expenses) and judgments of any nature, arising, or alleged to arise, from or in connection with (i) any breach or default in the performance of any obligation on the Town's part to be performed under the terms of this Lease or (ii) the negligence or willful misconduct of the Town or the Town's contractors, agents, servants or employees (other than SCA as manager under the Parking Management Agreement).

12. Insured Damage or Destruction. In the event the Public Garage or the Shared Facilities are damaged or destroyed during the Term of this Lease by any casualty covered under the insurance maintained or required to be maintained by the Town under this Lease, the Town agrees that it will restore the same, with reasonable dispatch, to substantially the same condition as existed immediately prior to such casualty.

13. Uninsured Damage or Destruction. Notwithstanding anything to the contrary contained in this Lease, provided that the Town has obtained all required insurance pursuant to the provisions hereof, in the event of a casualty to the Public Garage or the Shared Facilities not covered by the required insurance, the Town may elect to terminate this Lease by written notice to EDR and SCA within 120 days following such casualty (unless otherwise extended by agreement of the Town, EDR and SCA) (the **"Termination Notice"**), in which case this Lease shall terminate other than accrued liabilities as of the date of termination.

Upon delivery of the Termination Notice by the Town, SCA and EDR shall have the right (to be exercised jointly, or singly if the other Party releases its rights in writing) to elect to acquire the Public Garage "AS IS WITH ALL FAULTS" for $1.00, free and clear of all liens and encumbrances other than such matters affecting title to such real property when acquired by the Town, and any other matters approved by the Party acquiring such title (which approval shall not be unreasonably withheld, conditioned or delayed), such election to be made by delivery of written notice thereof to the Town within ninety (90) days following delivery of the Termination Notice, and any closing shall occur within thirty (30) days thereafter; provided, however, that unless the Town, in its sole discretion, decides to convey the Intermodal Facility to the Party acquiring the Public Garage as part of such acquisition (and on the same terms as the Public Garage acquisition), such acquiring Party shall obtain all requisite governmental approvals relating to the division of the land on which the Public Garage and Intermodal Facility are located, and the Town and such Party shall act reasonably to enter into such easement agreements as are reasonably necessary

for the continued operation and separate ownership of the Public Garage and Intermodal Facility and the maintenance, repair and replacement of the Shared Facilities; provided, however, that the Party acquiring the Public Garage shall at its expense, have sole responsibility for the maintenance and repair of the shared elevator banks and elevators unless the Town and such Party agree that they are no longer necessary to the operation of the Public Garage, in which case, the Town may remove them or seal access to them from the Public Garage in its sole discretion. The Town shall not be obligated to incur any liability with respect to such conveyance. If, in the Town's reasonable determination, it is necessary to take steps to shore up the property or to demolish and remove the improvements in order to protect the health, safety or welfare of the public or to avoid personal injury or property damage, the Town may take such steps and, at the Town's election, the Town may deduct the cost thereof from the Repair and Replacement Reserve; if the Town removes the improvements from the land to be conveyed, only the land shall be conveyed as aforesaid. Upon consummation of such acquisition, the Town shall transfer the Repair and Replacement Reserve to the Party(ies) acquiring such real property.

14. Substitute Parking.

(a) If, by reason of any casualty, any of the Residential Component Parking Spaces then leased to EDR under Section 3 are rendered unusable, the Applicable Monthly Rent shall be reduced by an amount equal to the per monthly parking space rent then being charged hereunder multiplied by the number of unusable parking spaces, and such reduction shall continue for the period commencing with such destruction or damage and ending upon the earlier to occur of the completion of restoration or the termination of this Lease. The Town shall use commercially reasonable efforts to provide for temporary parking elsewhere within reasonable proximity to the Residential Component. To the extent that such efforts are successful, the requirement to reduce the Applicable Monthly rent will be negated.

(b) In the event that the Town needs to temporarily relocate any Residential Component Parking Spaces to other areas within the Public Garage (or if necessary, to any parking lot in the general vicinity of Storrs Center) for purposes of construction of one or more additional levels to the Public Garage after its initial completion or for purposes of repairs other than on account of a casualty, the Town may do so, and if such temporary parking is not located within the Public Garage, the Town and EDR will cooperate in good faith to reach agreement on the terms of such temporary substitute parking. The Town shall use commercially reasonable efforts to effectuate any such temporary relocation within reasonable proximity to the Residential Component.

(c) In the event that the Public Garage is not substantially completed in accordance with the Phase 1A/1B Schedule and the Phase 1A portion of the Phase 1A/1B Private Improvements (as such terms are defined in the Town Development Agreement) is substantially complete and will be occupied by tenants prior to completion of the parking structure, then upon the written request of EDR and SCA, the Town will use commercially reasonable efforts to provide (on an interim basis until said parking structure is substantially completed) a sufficient number of substitute parking spaces (but not in excess of the number included in the final design of said parking structure) in reasonable proximity to the Residential Component, so that the use and occupancy of said improvements can commence.

(d) EDR shall be obligated to pay for such substitute parking spaces at a rental rate equal to the lesser of (i) all costs incurred by the Town of obtaining, permitting and providing such substitute parking, and (ii) the Applicable Monthly Rent.

15. Interruption of Services; No Liability.

(a) The Town shall not be liable for the interruption, curtailment, stoppage or suspension of services and utilities to be furnished by the Town hereunder when necessary by reason of accident or emergency or suspension of utility services or when necessary for repairs, alterations, replacements or improvements desirable or necessary in the reasonable judgment of the Town or for any cause beyond the reasonable control of the Town. In the event of any such interruption, curtailment, stoppage or suspension, for a period in excess of ten (10) consecutive business days, and if it: (i) is caused by the gross negligence or willful misconduct of the Town, and (ii) results in the Residential Component Parking Spaces becoming inaccessible and untenantable and therefor unusable for the parking of motor vehicles, Applicable Monthly Rent due hereunder shall be abated on the same basis as provided in Section 14(a) if such spaces had been rendered unusable due to casualty, unless the Town supplies substitute parking for such unusable spaces. The Town shall exercise commercially reasonable efforts to restore any services or utilities so interrupted, curtailed, stopped or suspended, and attempt to provide substitute parking in accordance with Section 14 of this Lease Agreement, but will not be legally responsible in any way for any such interruption, curtailment, stoppage or suspension in the absence of the gross negligence or willfull misconduct of the Town, and a period in excess of ten (10) consecutive business days of such interruption, curtailment, stoppage or suspension.

(b) Subject to the Town's indemnification obligations under Section 11(c), the Town shall not be liable for (i) loss of or damage to or theft or vandalism of any property or vehicle of EDR, SCA or any of their respective contractors, employees, agents or servants, (ii) any injury or damage to any person or property resulting from fire, explosion, falling debris, steam, gas, electricity, dust, water or snow, or leaks from any part of the Public Garage or from the pipes, appliances or plumbing system, or from the roof, street or subsurface or any other place or by dampness, or from any other cause whatsoever, (iii) any such damage caused by other occupants or persons in the Public Garage or by construction of any private, public or quasi-public work, or (iv) any latent defect in the Public Garage.

16. Assignment / Transfer.

(a) Neither EDR nor SCA shall assign, transfer, mortgage or otherwise encumber or grant a security interest in this Lease or its interest therein, or any part thereof, or sublet or permit the Residential Component Parking Spaces, or any portion or part thereof, to be used by others, except for the following on the terms and conditions set forth in this Section 16(a) or as otherwise provided in Section 17:

(i) In the case of EDR and provided no Default by EDR exists under this Lease, EDR may provide Parking Access Devices to EDR Invitees in accordance with the terms of Section 8(b) for use of the Residential Component Parking Spaces during the Term;

(ii) In the case of EDR, an assignment to any Person controlling, under common control with or controlled by EDR acquiring all of EDR's right, title and interest in and to the Residential Component, provided that as a condition precedent to such assignment, (A) the assignee shall assume in a written, recordable instrument reasonably satisfactory to the Town, all obligations of EDR under this Lease, and (B) no Default by EDR exists under this Lease;

(iii) In the case of EDR, an assignment to any other Person acquiring all of EDR's right, title and interest in and to the Residential Component, provided that as a condition precedent to such assignment, (A) the assignee shall assume in a written, recordable instrument reasonably satisfactory to the Town, all obligations of EDR under this Lease, and (B) no Default by EDR exists under this Lease.

(iv) In the case of SCA, an assignment to any Person controlling, under common control with or controlled by LeylandAlliance LLC, a Delaware limited liability company ("Leyland") acquiring all of SCA's right, title and interest in and to the Commercial Component, provided that as a condition precedent to such assignment, (A) the assignee shall assume in a written, recordable instrument reasonably satisfactory to the Town, all obligations of SCA under this Lease, (B) Leyland reaffirms its obligations under that certain Guaranty executed and delivered by Leyland to the Town pursuant to the terms of the Town Development Agreement, and (C) no Default by SCA exists under this Lease.

(v) In the case of SCA, an assignment to any Person acquiring SCA's right, title and interest in and to the Commercial Component or any portion thereof, provided that as a condition precedent to such assignment, (A) the assignee shall assume in a written, recordable instrument reasonably satisfactory to the Town, all obligations of SCA under this Lease with respect to the Commercial Component or portion thereof being acquired, (B) no Default by SCA exists under this Lease, and, (C) if as a result of any such assignment or any Leasehold Mortgage under Section 17, more than one Person shall be entitled to exercise the rights of SCA under this Agreement, then all such Persons acquiring any interest in the Commercial Component shall appoint one Person as their authorized representative for purposes of receiving Default notices as to any Default by SCA and for receiving notices of and exercising SCA's rights hereunder (including, without limitation, any consent or approval rights and the notices and rights under Sections 7(f) and 13); provided, however, that if they fail to act jointly to appoint such representative, or if Storrs Center Alliance LLC, a Connecticut limited liability company, and each such assignee and Leasehold Mortgagee notifies the Town in writing that Storrs Center Alliance LLC shall continue to receive all such Default and other notices and exercise all such rights, the Town's only obligations hereunder with respect to such matters shall be to Storrs Center Alliance LLC.

For purposes of this Section 16(a), the sale or other transfer of fifty percent (50%) or more of the stock, membership, partnership or other ownership interest in the transferor shall constitute a transfer or assignment of its interest in this Lease.

(b) Notwithstanding anything to the contrary contained herein, in no event shall either SCA or EDR be relieved of its obligations under this Lease in connection with or as the result of any assignment under Section 16(a)(ii) or (iv) or any Leasehold Mortgage under Section 17.

(c) Notwithstanding anything to the contrary contained herein, in no event shall the assignor (or any previous assignor) or any guarantor under any guaranty of the assignor's obligations, be relieved of its obligations under this Lease in connection with any assignment that complies with the terms of Section 16(a)(iii) or (v), unless the Town consents in writing to release the applicable Party or guarantor of its obligations under this Lease or the applicable guaranty as to matters arising after the assignment. Such consent shall not be unreasonably withheld, conditioned or delayed so long as in the Town's reasonable judgment, the assignee has the reputation, experience, financial

capacity and ability to perform all of the assignor's obligations under this Lease. No assignment or release shall affect any other Party's obligations under this Lease.

(d) During the Term, the Town shall not voluntarily convey fee title to the Public Garage to any Person (as defined in the Town Development Agreement) other than to the State of Connecticut, the University of Connecticut (or its Board of Trustees), a parking authority established by the Town of Mansfield (and financially supported by the Town), or an agency, council, commission, or authority of any nature whatsoever of any governmental unit (federal, state, county, district, municipal, city, or otherwise), whether now or hereafter in existence (a "**Public Transferee**"), which Public Transferee must assume the obligation to operate the Public Garage as a public parking facility in accordance with the terms of this Lease, and which Public Transferee must be approved by SCA and EDR, which approval shall not be unreasonably withheld, conditioned or delayed, so long as the following conditions are satisfied prior to such conveyance:

(i) in the reasonable judgment of SCA and EDR, as to any Public Transferee other than a parking authority created by the Town of Mansfield, the Public Transferee has the experience, financial capacity and ability to perform the obligations being assumed by it; and

(ii) the Public Transferee by valid instrument in writing, satisfactory to SCA and EDR in their reasonable discretion, shall have expressly assumed, the obligation to operate the Public Garage as a public parking facility in accordance with the terms of this Lease.

The Town agrees that this restriction on transfer is not an unreasonable restriction on alienation and that it serves the public policy goal of ensuring that the owner of the Public Garage is focused on providing a public parking garage for use in connection with the occupancy of the Residential Component and the Commercial Component and by the general public, including without limitation the residents of Mansfield, Connecticut.

17. Leasehold Mortgages and Collateral Assignments.

(a) Leasehold Mortgages Authorized.

(i) Notwithstanding anything to the contrary herein, EDR and SCA at all times shall have the absolute right, exercisable at any time and from time to time, without the necessity of securing the Town's permission or consent but with prompt written notice to the Town, to grant any Leasehold Mortgage, to assign its right, title and interest in this Lease as collateral security for such Leasehold Mortgage(s), and to enter into any and all extensions, modifications, amendments, replacements and refinancings of such Leasehold Mortgages as it may desire. No foreclosure of a Leasehold Mortgage or deed-in-lieu of foreclosure of a Leasehold Mortgage shall constitute a prohibited transfer under Section 16 above or require the Town's consent thereto.

(ii) With respect to each holder of a Leasehold Mortgage, EDR or SCA, as the case may be, shall provide to the Town upon the execution thereof: (i) a copy of the Leasehold Mortgage; and (ii) notice of each such Leasehold Mortgage, including the Leasehold Mortgagee's name and notice address (such holder for whom such notice has been given to the Town, a **"Leasehold Mortgagee"**).

(iii) The granting of a Leasehold Mortgage or other security interest by EDR or SCA shall not be deemed to constitute an assignment or transfer of this Lease, nor shall the Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Lease so as to require the Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of EDR or SCA, as applicable, to be performed under this Lease. However, subject to the terms of the Town Development Agreement prior to substantial completion of the Developer Party Improvements (as defined therein), the purchaser at any sale in any proceedings for the foreclosure of the Leasehold Mortgage, or the transferee under any deed in lieu of the foreclosure of the Leasehold Mortgage shall be deemed to be an assignee or transferee, and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of EDR or SCA, as applicable, to be performed under this Lease from and after the date of such purchase and transfer, but only for so long as such purchaser or transferee is the owner of EDR's or SCA's leasehold interest hereunder and provided further that in any action brought to enforce the obligation of any such transferee as the party under this Lease, the judgment or decree shall be enforceable against such transferee only to the extent of its leasehold interest hereunder and any such judgment shall not be subject to execution on, nor be a lien on, assets of such transferee other than its leasehold interest hereunder.

(b) Notice of Default and Right to Cure.

(i) The Town, upon providing EDR or SCA any notice of: (i) Default by such Party under this Lease; (ii) a termination of this Lease as to such Party; or (iii) any matter on which the Town may predicate or claim a Default by such Party, shall at the same time provide a copy of such notice to every Leasehold Mortgagee with respect to which such defaulting Party has provided the Town notice under Section 17(a)(ii) above. No such notice by the Town to such defaulting Party shall be deemed to have been duly given unless and until a copy thereof has been so provided to every such Leasehold Mortgagee of such defaulting Party. In addition to the time periods provided to the defaulting Party hereunder, such defaulting Party's Leasehold Mortgagee shall have the additional periods of time specified in Section 17(b)(ii) and (iii), to remedy, commence remedying or cause to be remedied the defaults or acts or omissions that are the subject matter of such notice specified in any such notice. The Town shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been done by the defaulting Party.

(ii) Notwithstanding anything to the contrary contained herein, if any Default shall occur that entitles the Town to terminate this Lease as to such defaulting Party, the Town shall have no right to terminate this Lease unless, following the expiration of any applicable period of time given such defaulting Party to cure such Default, the Town shall notify every Leasehold Mortgagee of such defaulting Party of the Town's intent to so terminate at least ten (10) days in advance of the proposed effective date of such termination if such Default is capable of being cured by the payment of money, and at least thirty (30) days in advance of the proposed effective date of such termination if such Default is not capable of being cured by the payment of money.

(iii) If the Default remains uncured at the expiration of the additional time provided in Section 17(b)(ii), the Town may terminate this Lease as to such defaulting Party unless the Town is notified by such defaulting Party's Leasehold Mortgagee that it has commenced to take and diligently continues steps to acquire or sell the defaulting Party's interest in this Lease by foreclosure or other appropriate means. In such case, the specified date for the termination

of this Lease as to the defaulting Party as fixed by the Town in its termination notice shall be extended for a period of six (6) months, provided such Leasehold Mortgagee shall, during such six (6)-month period: (i) cure all then existing monetary defaults and pay or cause to be paid the Rent and other monetary obligations of the defaulting Party under this Lease as the same become due, and continue its good faith efforts to perform all of the defaulting Party's other obligations under this Lease, excepting (A) obligations of the defaulting Party to satisfy or otherwise discharge any lien, charge or encumbrance against such defaulting Party's interest in this Lease junior in priority to the lien of the mortgage held by such Leasehold Mortgagee, and (B) past non-monetary obligations then in Default and not reasonably susceptible of being cured by such Leasehold Mortgagee.

(iv) If at the end of such six (6)-month period such Leasehold Mortgagee is complying with Section 17(b)(iii), this Lease shall not then terminate as to such defaulting Party, and the time for completion by such Leasehold Mortgagee of its proceedings shall continue so long as such Leasehold Mortgagee is enjoined or stayed and thereafter for so long as such Leasehold Mortgagee proceeds to complete steps to acquire or sell the defaulting Party's interest in this Lease by foreclosure of the Leasehold Mortgage or by other appropriate means with reasonable diligence and continuity. Nothing in this Section 17(b)(iv), however, shall be construed to require a Leasehold Mortgagee to continue such foreclosure proceedings after the Default has been cured. If the Default shall be cured and the Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Lease shall continue in full force and effect as if the defaulting Party had not defaulted under this Lease.

(v) If a Leasehold Mortgagee is complying with Section 17(b)(iii), upon the acquisition of a defaulting Party's estate herein by such Leasehold Mortgagee or its designee or any other purchaser at a foreclosure sale or otherwise, this Lease shall continue in full force and effect as if the defaulting Party had not defaulted under this Lease provided that such acquirer holds fee title to: (A) the Residential Component, if the Leasehold Mortgage encumbered the Residential Component, or (B) if the Leasehold Mortgage encumbered any portion of the Commercial Component, such portion of the Commercial Component.

(c) New Lease/Amendment.

(i) In the event of the termination of this Lease as to a defaulting Party as a result of a Default, the Town shall, in addition to providing the notices of default and termination as required by Section 17(b), provide each Leasehold Mortgagee of the defaulting Party with written notice that the Lease has been terminated, together with a statement of all sums that would at that time be due under this Lease but for such termination, and of all other Defaults of such Party, if any, then known to the Town. The Town agrees to enter into a new Lease (or, if this Lease is still effective as to any other Party, an amendment of this Lease) ("New Lease/Amendment") with such Leasehold Mortgagee or its designee for the remainder of the Term, effective as of the date of termination, at the Rent applicable to the defaulting Party, and upon the terms, covenants and conditions of this Lease applicable to the defaulting Party, provided: (i) such Leasehold Mortgagee shall make written request upon the Town for such New Lease/Amendment within sixty (60) days after the date such Leasehold Mortgagee receives the Town's notice of termination of this Lease as to the defaulting Party given pursuant to this Section 17(c)(i); (ii) such Leasehold Mortgagee or its designee shall pay or cause to be paid to the Town at the time of the execution and delivery of such New Lease/Amendment, any and all sums that would at the time of

execution and delivery thereof be due pursuant to this Lease by such defaulting Party but for such termination and, in addition thereto, all reasonable expenses, including reasonable attorney's fees, that the Town shall have incurred by reason of such termination and the execution and delivery of the New Lease/Amendment and have not otherwise been received by the Town from the defaulting Party or other party in interest under such defaulting Party, and (iii) such Leasehold Mortgagee or its designee shall agree to remedy any of the defaulting Party's defaults of which the Leasehold Mortgagee was notified by the Town's notice of termination and that are reasonably susceptible of being so cured by Leasehold Mortgagee or its designee.

(ii) Any New Lease/Amendment made pursuant to Section 17(c)(i) entered into with a Leasehold Mortgagee shall be prior to any mortgage or other lien, charge or encumbrance on the fee of the Public Garage (other than the Negative Pledge (as defined in Section 33 of this Lease) and any other encumbrance existing as of the date hereof or otherwise approved by EDR and SCA prior to termination of this Lease as to the defaulting Party as aforesaid).

(iii) If more than one Leasehold Mortgagee shall request a New Lease/Amendment pursuant to this Section, the Town shall enter into such New Lease/Amendment with the Leasehold Mortgagee whose mortgage is prior in lien, or with the designee of such Leasehold Mortgagee. The Town, without liability to EDR, SCA or any Leasehold Mortgagee with an adverse claim, may rely upon a mortgagee title insurance policy issued by a responsible title insurance company doing business within the State of Connecticut as the basis for determining the appropriate Leasehold Mortgagee who is entitled to such New Lease/Amendment.

(iv) The non-defaulting Party agrees to execute any such New Lease/Amendment required by this Section 17(c).

(d) Miscellaneous Leasehold Mortgage Issues.

(i) Nothing contained herein shall require any Leasehold Mortgagee or its designee, as a condition to its exercise of rights hereunder, to cure any default of a defaulting Party not reasonably susceptible of being cured by such Leasehold Mortgagee or its designee in order to take over this Lease as provided in Section 17(b) or as a condition of entering into the New Lease/Amendment provided for by Section 17(c).

(ii) So long as any Leasehold Mortgage of a Party's leasehold estate hereunder is in existence, unless all such Leasehold Mortgagees shall otherwise expressly consent in writing, the fee title to the demised premises and the leasehold estates herein created by this Lease shall not merge but shall remain separate and distinct, notwithstanding the acquisition of the fee title and leasehold estate by any Party.

(iii) The Parties shall amend this Lease from time to time to the extent reasonably requested by a Leasehold Mortgagee proposing to make EDR or SCA a loan secured by a lien upon its respective leasehold estate or by a Grant Party providing funds for development of the Public Garage or the other Public Improvements (as defined in the Town Development Agreement) or any rating agency who requests the same with respect to the rating of the Town's bonds, provided such proposed amendments do not materially adversely affect any Party's rights or obligations under this Lease.

(iv) Notices from the Town to any Leasehold Mortgagee shall be mailed to the address furnished the Town pursuant to Section 17(a)(ii), and those from the Leasehold Mortgagee to the Town shall be mailed to the address designated pursuant to the provisions of Section 31. Such notices, demands and requests shall be given in the manner described in and shall in all respects be governed by the provisions of Section 31.

18. Default. The occurrence of any one or more of the following shall constitute a "Default" as that term is used in this Lease:

(a) If EDR fails to pay the Applicable Monthly Rent when due and such failure continues for both (i) ten (10) days after written notice from the Town, and (ii) following its failure to pay the entire Applicable Monthly Rent within such ten (10) day period, EDR fails to make such payment, together with all applicable late charges and Default Rate interest, within twenty (20) days after a second written notice from the Town;

(b) Any transfer in violation of Section 16 of this Lease;

(c) EDR or, if EDR is not a tenant under this Lease, any guarantor of EDR's obligations under this Lease (an "EDR Guarantor") shall make an assignment for the benefit of its creditors, admit in writing its inability to pay its debts as they become due, file a petition commencing a voluntary case under any chapter of the Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), file a petition seeking for itself any reorganization, composition, readjustment, liquidation, dissolution or similar arrangement under the Bankruptcy Code or any other present or future law or regulation; or file an answer admitting the material allegations of a petition filed against it in any such proceeding, consent to the filing of such a petition or acquiesce in the appointment of a trustee, receiver, custodian or other similar official for EDR or an EDR Guarantor or of all or substantially all of EDR's or EDR Guarantor's assets or properties, or institute any proceeding for the dissolution or liquidation of EDR or EDR Guarantor; a case, proceeding or other action shall be instituted against EDR or EDR Guarantor, seeking the entry of an order for relief against EDR or EDR Guarantor, to adjudicate EDR or EDR Guarantor as a bankrupt or insolvent, or seeking reorganization, arrangement, readjustment, liquidation, dissolution or similar relief against EDR or EDR Guarantor under the Bankruptcy Code or other present or future rule or regulation, which case, proceeding or other action either results in the entry or issuance of any other order or judgment having a similar effect or remains undismissed for sixty (60) days, or within sixty (60) days after the appointment, without EDR or EDR Guarantor's consent or acquiescence, of any trustee, receiver, custodian or other similar official for EDR or EDR Guarantor or for all or any substantial part of EDR or EDR Guarantor's assets and properties, such appointment shall not be vacated;

(d) The default by any Party of any material provision of this Lease not expressly referenced elsewhere in this Section 18 and the failure by such Party to cure such material default within thirty (30) days after notice thereof by the Town to the Party (if the default is one of either SCA or EDR) or by SCA and EDR to the Town (if the default is one of the Town), provided that if such default cannot reasonably be cured within such thirty (30) day time period but is capable of cure, then the defaulting Party shall have such additional time as may be reasonably necessary to cure such failure and no Default shall be deemed to exist hereunder so long as such defaulting Party commences such cure within the initial thirty (30) day period and diligently and in good faith pursues such cure to completion;

(e) SCA or, if SCA is not a tenant under this Lease, any guarantor of SCA's obligations under this Lease (an "SCA Guarantor") shall make an assignment for the benefit of its creditors, admit in writing its inability to pay its debts as they become due, file a petition commencing a voluntary case under any chapter of the Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), file a petition seeking for itself any reorganization, composition, readjustment, liquidation, dissolution or similar arrangement under the Bankruptcy Code or any other present or future law or regulation; or file an answer admitting the material allegations of a petition filed against it in any such proceeding, consent to the filing of such a petition or acquiesce in the appointment of a trustee, receiver, custodian or other similar official for SCA or an SCA Guarantor or of all or substantially all of SCA's or SCA Guarantor's assets or properties, or institute any proceeding for the dissolution or liquidation of SCA or SCA Guarantor; a case, proceeding or other action shall be instituted against SCA or SCA Guarantor, seeking the entry of an order for relief against SCA or SCA Guarantor, to adjudicate SCA or SCA Guarantor as a bankrupt or insolvent, or seeking reorganization, arrangement, readjustment, liquidation, dissolution or similar relief against SCA or SCA Guarantor under the Bankruptcy Code or other present or future rule or regulation, which case, proceeding or other action either results in the entry or issuance of any other order or judgment having a similar effect or remains undismissed for sixty (60) days, or within sixty (60) days after the appointment, without SCA or SCA Guarantor's consent or acquiescence, of any trustee, receiver, custodian or other similar official for SCA or SCA Guarantor or for all or any substantial part of SCA or SCA Guarantor's assets and properties, such appointment shall not be vacated; or

(f) If this Lease has been amended to provide for the direct lease of any of the Available Parking Spaces to SCA hereunder and SCA fails to pay the applicable monthly rent therefor in accordance with the terms of such amendment when due and such failure continues for both (i) ten (10) days after written notice from the Town, and (ii) following its failure to pay the entire applicable monthly rent within such ten (10) day period, SCA fails to make such payment, together with all applicable late charges and Default Rate interest, within twenty (20) days after a second written notice from the Town.

19. Remedies upon an EDR Rent Default Under Section 18(a).

(a) Upon the occurrence of a Default by EDR under Section 18(a) (an "**EDR Rent Default**"), the Town shall have the following rights and remedies:

(i) If within ten (10) days following the receipt of a written "Deactivation Notice" from the Town, EDR fails to cure the EDR Rent Default and bring all other rent payments of EDR current, the Town may deactivate all Parking Access Devices issued with respect to the Residential Component Parking Spaces leased to EDR hereunder, whereupon the Town shall notify EDR of such deactivation. EDR shall then have the right to cure such EDR Rent Default within twenty (20) days following receipt of a Deactivation Notice, and upon such cure within such twenty (20) day period and provided that all other Rent payments of EDR are then current, the Town shall reactivate such Parking Access Devices; and

(ii) If EDR fails to cure any EDR Rent Default within ten (10) days following receipt of a Deactivation Notice and fails to bring all other rent payments of EDR current, the Town may reenter and attempt in a reasonably commercial manner to relet the Residential Component Parking Spaces without thereby avoiding or terminating this Lease.

(iii) In the event EDR fails to cure any EDR Rent Default within thirty (30) days following a Default by EDR under Section 18(a), and fails to bring all other Rent payments of EDR current, the Town may, without prejudice to its other rights hereunder or at law or in equity, terminate this Lease in its entirety as to EDR and seek to recover possession of the Residential Component Parking Spaces in the manner prescribed by State of Connecticut law relating to summary process. Notwithstanding any such termination, EDR shall have the right to be reinstated to its former position within this Lease (and if this Lease Agreement is not still in place as to SCA or if such reinstatement is not available under applicable law, EDR shall be entitled to a new Lease on the same terms and conditions of this Lease), provided that EDR cures any outstanding EDR Rent Default and brings all other rent payments of EDR current, including all late charges and default rate interest owed by EDR, at any time prior to the issuance of a final, non-appealable order of eviction by a court having jurisdiction. In order to reinstate its position in this Lease, or enter into a new Lease on the same terms and conditions as this Lease, EDR shall also be required to reimburse the Town for all reasonable out-of-pocket costs incurred by the Town in exercising its remedies hereunder, including all reasonable legal fees incurred by the Town.

EDR hereby acknowledges that the terms and provisions of this Lease relating to any deactivation of Parking Access Devices were included in this Lease at its specific request and EDR hereby waives, releases and indemnifies the Town against any and all claims of forcible entry and detainer related to any such deactivation or reentry.

(b) EDR covenants and agrees, notwithstanding any termination of this Lease as aforesaid or any entry or re-entry by the Town, whether by summary proceedings, termination, or otherwise, to pay and be liable for the payment of Rent and all amounts as they would become due under the terms hereof if this Lease had not been terminated or if the Town had not entered or re-entered, and whether the Residential Component Parking Spaces be relet or remain vacant, in whole or in part, for a period less than the remainder of the Term, or for the whole thereof; provided, however, that the Town shall use commercially reasonable efforts to mitigate damages and in the event the Town relets the Residential Component Parking Spaces, EDR shall be entitled to a credit in the net amount of rent received by the Town in reletting the Residential Component Parking Spaces, after deduction of all expenses incurred by the Town in connection with such reletting, including, without limitation, alterations, repairs, replacements, remodeling costs, brokerage fees and the like, and in collecting the rent in connection therewith. In connection with any reletting of the Residential Component Parking Spaces, the Town shall be entitled to take into account all relevant factors, such as, but not limited to, the quality of the Public Garage, the financial responsibility of any replacement tenant and the nature and use of the Public Garage and the Residential Component Parking Spaces. As long as the Town uses commercially reasonable efforts to mitigate damages, the failure of the Town to re-let the Residential Component Parking Spaces or any part thereof shall not release or affect EDR's liability for continued Rent or damages hereunder nor shall the Town in any event be liable in any way whatsoever for failure to re-let the Residential Component Parking Spaces or any of them.

(c) After any event of EDR Rent Default, the acceptance of Rent or any use and occupancy payment, or failure to reenter by the Town shall not be held to be a waiver of its right to terminate this Lease. Notwithstanding anything to the contrary set forth herein, upon the occurrence of any EDR Rent Default, the Town shall have the right to seek an injunction. The Town shall also be entitled to recover all costs and expenses incurred by the Town in exercising its remedies under this Section 19, including reasonable attorneys' fees. All such remedies shall be deemed cumulative and the election of one remedy shall not be deemed a waiver of any other.

20. Remedies Upon an SCA Rent Default Under Section 18(f).

(a) Upon the occurrence of a Default by SCA under Section 18(f) (an "**SCA Rent Default**"), the Town shall have the following rights and remedies:

(i) If within ten (10) days following the receipt of a written "Deactivation Notice" from the Town, SCA fails to cure the SCA Rent Default and bring all other rent payments of SCA current, the Town may deactivate all Parking Access Devices issued with respect to the parking spaces leased to SCA hereunder. whereupon the Town shall notify SCA of such deactivation.. SCA shall then have the right to cure such SCA Rent Default within thirty (30) days following receipt of a Deactivation Notice, and upon such cure within such thirty (30) day period and provided that all other Rent payments of SCA are then current, the Town shall reactivate such Parking Access Devices; and

(ii) If SCA fails to cure any SCA Rent Default within twenty (20) days following receipt of a Deactivation Notice and fails to bring all other rent payments of SCA current, the Town may reenter and attempt in a reasonably commercial manner to relet the parking spaces leased to SCA hereunder without thereby avoiding or terminating this Lease.

(iii) In the event SCA fails to cure any SCA Rent Default within thirty (30) days following a Default by SCA under Section 18(f), and fails to bring all other Rent payments of SCA current, the Town may, without prejudice to its other rights hereunder or at law or in equity, terminate this Lease in its entirety as to SCA and seek to recover possession of the parking spaces then leased to SCA in the manner prescribed by State of Connecticut law relating to summary process. Notwithstanding any such termination, SCA shall have the right to be reinstated to its former position within this Lease (and if this Lease Agreement is not still in place as to EDR or if such reinstatement is not available under applicable law, SCA shall be entitled to a new Lease on the same terms and conditions of this Lease), provided that SCA cures any outstanding SCA Rent Default and brings all other rent payments of SCA current, including all late charges and default rate interest owed by SCA, at any time prior to the issuance of a final, non-appealable order of eviction by a court having jurisdiction. In order to reinstate its former position in this Lease, or enter into a new Lease on the same terms and conditions as this Lease, SCA shall also be required to reimburse the Town for all reasonable out-of-pocket costs incurred by the Town in exercising its remedies hereunder, including all reasonable legal fees incurred by the Town.

SCA hereby acknowledges that the terms and provisions of this Lease relating to any deactivation of Parking Access Devices were included in this Lease at its specific request and SCA hereby waives, releases and indemnifies the Town against any and all claims of forcible entry and detainer related to any such deactivation or reentry.

(b) SCA covenants and agrees, notwithstanding any termination of this Lease as aforesaid or any entry or re-entry by the Town, whether by summary proceedings, termination, or otherwise, to pay and be liable for the payment of Rent and all amounts as they would become due under the terms hereof if this Lease had not been terminated or if the Town had not entered or re-entered, and whether such parking spaces be relet or remain vacant, in whole or in part, for a period less than the remainder of the Term, or for the whole thereof; provided, however, that the Town shall use commercially reasonable efforts to mitigate damages and in the event the Town relets such parking spaces, SCA shall be entitled to a credit in the net amount of rent received by the Town in reletting such parking spaces, after deduction of all expenses incurred by the Town in connection

with such reletting, including, without limitation, alterations, repairs, replacements, remodeling costs, brokerage fees and the like, and in collecting the rent in connection therewith. In connection with any reletting of such parking spaces, the Town shall be entitled to take into account all relevant factors, such as, but not limited to, the quality of the Public Garage, the financial responsibility of any replacement tenant and the nature and use of the Public Garage and such parking spaces. As long as the Town uses commercially reasonable efforts to mitigate damages, the failure of the Town to re-let such parking spaces or any part thereof shall not release or affect SCA's liability for continued Rent or damages hereunder nor shall the Town in any event be liable in any way whatsoever for failure to re-let such parking spaces or any of them.

(c) After any event of SCA Rent Default, the acceptance of Rent or any use and occupancy payment, or failure to reenter by the Town shall not be held to be a waiver of its right to terminate this Lease. Notwithstanding anything to the contrary set forth herein, upon the occurrence of any such event of SCA Rent Default , the Town shall have the right to seek an injunction. The Town shall also be entitled to recover all costs and expenses incurred by the Town in exercising its remedies under this Section 20, including reasonable attorneys' fees. All such remedies shall be deemed cumulative and the election of one remedy shall not be deemed a waiver of any other.

21. General Remedies. In addition to any remedies provided for elsewhere in this Lease, the Parties may (a) pursue an action in a court of competent jurisdiction for specific performance of the defaulting Party's obligations under this Lease; or (b) act in accordance with the dispute resolution procedure set forth in Section 32. In no event shall SCA or EDR be unjustly enriched by any recovery under this Lease, at law or in equity resulting from a Town Default by virtue of having more than two Parties to this Lease. After the expiration of any applicable cure periods, the non-defaulting Party may, but shall not be obligated to cure, at any time, following ten (10) days' prior written notice to the defaulting Party, except in cases of emergency when no notice shall be required, any default by the defaulting Party under this Lease; and whenever the non-defaulting Party so elects, all reasonable costs and expenses expended or incurred by the non-defaulting Party exercising such rights, including reasonable attorneys' fees, together with interest at the Default Rate (hereinafter defined), shall be paid by the defaulting Party on demand. Notwithstanding anything to the contrary contained herein, termination of this Lease as to SCA resulting from a Default by SCA shall not constitute termination of this Lease as to EDR. Furthermore, termination of this Lease as to EDR resulting from a Default by EDR shall not constitute termination of this Lease as to SCA; provided, however, that upon the request of the Town following any such termination as to EDR, SCA and the Town shall amend this Lease in such a manner as to reduce the costs to the Town of operating and maintaining the Public Garage, or to utilize replacement surface parking provided by the Town in lieu of the Public Garage, while still serving the reasonable parking needs of non-residential tenants of Storrs Center.

22. Waiver of Consequential Damages. Notwithstanding anything to the contrary contained herein, the Parties hereby waive consequential damages, punitive damages, treble or other multiple damages, and damages for lost opportunity or lost profits for claims, disputes, or other matters arising out of or relating to this Lease.

23. Default Rate. Notwithstanding anything to the contrary contained herein, if any Party fails to make any payment due under this Lease in full when due that portion of the payment that remains unpaid shall bear interest at the interest rate per annum (the "**Default Rate**") equal to the greater of (a) the prime rate published by the *Wall Street Journal* plus four percent per annum, and (b) twelve percent per annum from the date due until paid in full; provided, however, that such interest shall not accrue on any payment of Rent unless EDR or SCA, as applicable, fails to pay such Rent payment in full within ten (10) days after written notice thereof by the Town under Section 18(a) or (f), as applicable, but in the event of such failure, interest shall accrue at the Default Rate from the date such payment was originally due.

24. Town's Access. The Town, its representatives, agents, employees, and contractors shall have the right to enter any parking spaces demised hereunder at any time for the purpose of inspecting the same and making repairs thereto and to the Public Garage and the Shared Facilities, for the purpose of performing the services to be performed by the Town pursuant to the terms hereof and for the purpose of curing any violations of Rules and Regulations or defaults under this Lease which have not been cured within any applicable notice and cure period. The Town may also enter the such parking spaces for the purpose of showing the same to any Public Transferee and any prospective tenant.

25. EDR and SCA Agreements Regarding Dog Lane Lot. Notwithstanding anything to the contrary contained herein, the Town shall have no liability with respect to any dispute between EDR and SCA, their respective successors and assigns, with respect to the Dog Lane Lot, whether regarding the failure to make available or the failure to separate the parking spaces therein for use with the Residential Component, or otherwise, and any such dispute shall not (i) entitle EDR, its successors and assigns, to increase the number of parking spaces to be provided in the Public Garage without the consent of the Town, which may be withheld in its sole discretion, or (ii) affect the payment and performance obligations of EDR, its successors and assigns, under this Lease with respect to the Residential Component Parking Spaces provided in the Public Garage.

26. No Third Party Beneficiaries. Nothing in this Lease is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this Lease. In no event shall the Town be obligated to recognize the parking arrangement specified herein as an agreement between the Town and any individual parking space user.

27. Force Majeure. Each Party shall be excused for the period of any delay in the performance of any obligations hereunder, when prevented from so doing by cause or causes beyond such Party's reasonable control which shall include, without limitation, all labor disputes, civil commotion, terrorism, war, war-like operations, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations or controls, fire or other casualty, inability to obtain any material, services or financing or through acts of God, provided:

(a) nothing contained in this Section or elsewhere in this Lease shall be deemed to excuse or permit any delay in the payment of any sums of money required hereunder, or any delay in the cure of any default which may be cured by the payment of money; and

(b) No Party shall be entitled to rely upon this Section 27 unless it shall advise the other party in writing, of the existence of any force majeure preventing the performance of an obligation within ten (10) days after the commencement of the force majeure.

28. Environmental Matters.

(a) EDR shall, at EDR's expense, with respect to the use of the Residential Component Parking Spaces, comply with all local, state and Federal environmental laws, ordinances and regulations, including without limitation §§ 22a-448 through 22a-457 of the Connecticut General Statutes, 42 U.S.C. §9601 et seq., 42 U.S.C. §6901 et seq., 49 U.S.C. §1801 et seq., 15 U.S.C. §2601 et seq., and the regulations promulgated thereunder, (all of the foregoing, as amended from time to time, being referred to collectively as the "**Environmental Laws**"). During the Term, EDR shall not cause any spills, discharges, or releases of any hazardous, radioactive or polluting substances, including without limitation any oil or petroleum products or any chemical liquids or solids (all of the foregoing being referred to collectively as "**Hazardous Materials**").

(b) EDR will indemnify, defend and hold harmless the Town, its successors and assigns from and against any claim, liability, cost, damage, expense, response or remedial action costs (including without limitation reasonable attorneys' fees, and costs of investigation or audit) relating to: (i)

the presence, use, or storage on or under the Residential Component Parking Spaces, or any spill, discharge or release from the Residential Component Parking Spaces, of any Hazardous Materials during the Lease term; or (ii) any failure of the use of the Residential Component Parking Spaces to comply with any applicable Environmental Law, unless such non-compliance results from the conduct of the Town and/or a prior occupant; or (iii) any loss of value of the Residential Component Parking Spaces, including without limitation any loss of value arising from the imposition of any lien against the Public Garage. The foregoing indemnity shall survive the expiration or termination of this Lease. Notwithstanding anything herein contained to the contrary, the obligations of EDR under this Section 28(b) shall only apply to events or conditions caused or created by EDR, its contractors, employees, affiliates, servants or agents.

29. Hold Over. Any holding over by EDR or SCA after the expiration of the term of this Lease shall be treated as a daily tenancy at sufferance and shall otherwise be on the terms and conditions set forth in this Lease as far as applicable.

30. EDR's Operation of Residential Component. EDR agrees for itself, its successors and assigns that: (i) it will provide on-site management of the Residential Component, during regular daytime business hours and on-call management, 24 hours/day, 7 days/week, (ii) it will market and offer to the general public the dwelling units located in the Residential Component for rent, lease or occupancy, (iii) it will not offer any dwelling unit located in the Residential Component for rent, lease or occupancy by individual bed or bedroom, but instead will offer each such dwelling unit for rent, lease or occupancy as an entire dwelling unit and only enter into leases, rental agreements or other use or occupancy agreements (oral or written) that cover an entire dwelling unit, (iv) the standard term for leases, rental agreements or other use or occupancy agreements (oral or written) for the dwelling units located in the Residential Component will be twelve (12) months, but reduced terms may be offered as needed to achieve full occupancy, and (v) with respect to the management and operation of the Residential Component, it will comply with best management practices for the operation of residential properties in first-class apartment projects, including implementation and enforcement of rental provisions, leasing guidelines and occupancy restrictions, rules and regulations designed to promote quality of life for residents of the Residential Component and neighborhoods in the vicinity of the Residential Component.

31. Notices. Any notice which may be or is required to be given hereunder must be in writing and must be: (i) personally delivered, (ii) transmitted by United States mail, as registered or certified matter, return receipt requested, and postage prepaid, or (iii) transmitted by nationally recognized overnight courier service to the applicable Party at its address listed below. Except as otherwise specified herein, all notices and other communications shall be deemed to have been duly given and received, whether or not actually received, on (a) the date of receipt if delivered personally, (b) two (2) Business Days after the date of posting if transmitted by registered or certified mail, return receipt requested, postage prepaid, or (c) one (1) Business Day after pick-up if transmitted by a nationally recognized overnight courier service, whichever shall first occur. A notice or other communication not given as herein provided shall be deemed given if and when such notice or communication and any specified copies are actually received in writing by the Party and all other persons to whom they are required or permitted to be given. Any Party hereto may change its address for purposes hereof by notice given to the other Parties in accordance with the provisions of this Section, but such notice shall not be deemed to have been duly given unless and until it is actually received by the other Parties. Telephone numbers, facsimile numbers and e-mail addresses are for informational purposes only. Notice to a Party's counsel shall not constitute notice to the Party unless notice is also given to the Party as hereinafter set forth.

Notices hereunder shall be directed as follows:

To the Town:

The Town of Mansfield

Audrey P. Beck Building
Four South Eagleville Road
Mansfield, CT 06268
Attn: Town Manager
Telephone: (860) 429-3337
Facsimile: (860) 429-6863
E-mail: townmgr@mansfieldct.org

With copies at the same time to:

Dennis O'Brien, Esq.
Attorneys O'Brien & Johnson
120 Bolivia Street
Willimantic, CT 06226
Telephone: (860) 423-2860
Facsimile: (860) 423-1533
E-mail: dennis.o.brien@snet.net

Day Pitney LLP
242 Trumbull Street
Hartford, Connecticut 06103
Attention: Rosemary G. Ayers, Esq.
Telephone: (860) 275-0185
Facsimile: (860) 881-2525
E-mail: rgayers@daypitney.com

To EDR:

c/o Education Realty Trust, Inc.
530 Oak Court Drive, Suite 300
Memphis, Tennessee 38117
Attn: Thomas Trubiana
Executive VP and Chief Investment Officer
Telephone: (901) 259-2540
Facsimile: (512) 413-2356
E-mail: ttrubiana@edrtrust.com

With a copy at the same time to:

Martin Tate Morrow & Marston, P.-C.
6410 Poplar Avenue, Suite 1000
Memphis, TN 38119
Attn: Elizabeth L. Keough
Telephone: (901) 259-2524
Facsimile: (901) 259-2594
E-mail: lwelch@edrtrust.com

To SCA:

Storrs Center Alliance LLC
c/o LeylandAlliance LLC
PO Box 878 – 233 Route 17
Tuxedo Park, New York 10987
Attn: Howard Kaufman, General Counsel
Telephone: (845) 351-2900
Facsimile: (845) 351-2922
E-mail: hkaufman@leylandalliance.com

With copies at the same time to:

Robinson & Cole LLP
280 Trumbull Street
Hartford, Connecticut 06103
Attn: Thomas P. Cody, Esq.
Telephone: (860) 275-8264
Facsimile: (860) 275-8299
E-mail: tcody@rc.com

32. Dispute Resolution. This Section 32 shall apply to any claim, controversy or dispute arising under this Lease except those matters that are best resolved by suit for specific performance and except for an EDR Rent Default or SCA Rent Default with respect to which the Town elects to proceed under Section 19 or Section 20, respectively (a "Dispute").

(a) Negotiation. The Parties shall attempt in good faith to resolve such Dispute promptly by negotiation between executives who have authority to settle the controversy. Any Party may give the other Party written notice of any Dispute not resolved in the ordinary course of business. Within ten (10) Business Days after delivery of the notice, the receiving Party shall submit to the initiating Party a written response. The notice and response shall include (a) a statement of that Party's position and a summary of arguments supporting that position, and (b) the name and title of the executive who will represent that Party and of any other person who will accompany the executive. Within ten (10) Business Days after delivery of the initial notice, the executives of both Parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the Dispute. All negotiations and materials provided pursuant to this Section 32(a) are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and the Freedom of Information Act, Sections 1-200 *et. seq.* of the Connecticut General Statutes (the "Freedom of Information Act") and statements made by any Party during negotiation may not be used against it in later proceedings if the Parties fail to resolve the Dispute during negotiation.

(b) Mediation. If a Dispute described in Section 32(a) has not been resolved by negotiation as provided in Section 32(a) within fifteen (15) Business Days, or the Parties failed to meet within ten (10) Business Days as provided in Section 32(a) after delivery of the initial notice of negotiation, the Parties shall endeavor to resolve the Dispute by mediation in Mansfield, Connecticut, in accordance with the Commercial Mediation Rules of the American Arbitration Association currently in effect or as otherwise agreed by the Parties. Request for mediation by a Party shall be filed in writing with the other Party and with the American Arbitration Association. The request may be made concurrently with the filing of a demand for arbitration, but in such

event, the mediation shall proceed in advance of such arbitration, which shall be stayed pending mediation for the period set forth above, unless otherwise agreed to by the Parties. Both Parties shall each have a representative present at the mediation who has authority to bind it to a written settlement agreement, subject to the requirements and limitations of the charter and ordinances of the Town of Mansfield, and the approval of the Boards of Directors of each private Party. All negotiations and materials provided pursuant to this Section 32(b) are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and the Freedom of Information Act. Positions and statements made by any Party during mediation may not be used against it in later proceedings if the Parties fail to reach a settlement agreement during mediation. Each Party shall bear its own expenses; the Town, on the one hand, and SCA and EDR on the other hand, shall pay an equal share of the expenses of the mediator and the fees of AAA. The initial mediation session shall be held promptly (but not more than thirty (30) days following appointment of the mediator). Agreements reached in any mediation proceeding shall be enforceable as settlement agreements in any court having jurisdiction thereof.

(c) Arbitration.

(i) In the event that the Parties involved in the Dispute do not agree to or cannot resolve such Dispute through mediation as provided in Section 32(b) within thirty (30) days after the initial mediation conference or if a Party has waived in writing its right to mediate the issues in Dispute, such Dispute shall be settled by arbitration in Hartford, Connecticut, which arbitration, unless the applicable Parties mutually agree otherwise or except as expressly provided herein, shall be in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the "AAA") currently in effect (the "Rules") (including the Expedited Procedures thereunder). Any Party may serve upon any other Party a written notice demanding that the Dispute be resolved pursuant to this Section 32(c) (an "Arbitration Notice"). In no event shall any mediator be permitted to serve as an arbitrator for that or any other Dispute that is not resolved pursuant to mediation pursuant to Section 32(b), unless agreed to by the Parties involved in such Dispute. Furthermore, each arbitrator must comply with all disclosure and disqualification procedures applicable to neutral arbitrators under the applicable AAA rules before being sworn to serve or act on the panel. The Parties involved in the Dispute shall use a single arbitrator appointed in accordance with the AAA rules for any claim or counterclaim involving less than $1,000,000, and, unless they agree otherwise, three arbitrators for a claim or counterclaim equal to or exceeding $1,000,000; the sole arbitrator (or if a panel of 3 arbitrators, at least one of the 3 arbitrators) shall be an attorney licensed to practice law in the State of Connecticut who has at least fifteen (15) years of real estate development legal experience, including advising developers and municipal parties on public-private real estate projects. Each arbitrator must be within two (2) hours commuting distance from the hearing venue, and must be able to commit to contemporaneous blocks of hearing days for completion of arbitration hearings and render an award within no more than four (4) months of delivery of the Arbitration Notice. Any depositions must be completed no later than one month prior to commencement of the arbitration hearing.

(ii) The prevailing Party, as determined by the arbitrator(s), shall be entitled to an award of reasonable attorneys' fees. Except as may be required by law, no Party to a proceeding nor any arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of such Parties. The agreement to arbitrate set forth herein shall be specifically enforceable under applicable law in any court of competent jurisdiction and judgment on the award rendered by the arbitrator(s) may be entered in any

such court. Neither the arbitrators nor the AAA shall have any jurisdiction, power, or right to vary from the terms of this Lease without the express written agreement of the Parties involved in such proceeding. Hearings on the merits shall be in accordance with the Rules of Evidence as utilized in the Superior Courts for the State of Connecticut.

(iii) Notwithstanding anything to the contrary set forth in this Lease, in the event that any claim or Dispute involves an insurable loss, upon the request of the insurance company providing such coverage, the insured Party shall have the option to litigate the matter in a court of competent jurisdiction instead of having the matter resolved by arbitration.

(iv) In any arbitration proceeding, all parties necessary for a complete determination or settlement of any question involved (including any applicable Guarantor) shall be joined and each and every necessary party agrees that it will not object to such joinder. In addition, upon the request of the party and at the discretion of the arbitrator(s), a party demonstrating that it has or claims an interest in the controversy, or any part thereof, may be joined. If more than one arbitration is begun under this Lease or any Guaranty and any Party or Guarantor contends that two or more arbitrations are substantially related and that the issues should be heard in one proceeding, the arbitrator(s) selected in the first filed of such proceedings shall determine whether, in the interests of justice and efficiency, the proceedings should be consolidated before such arbitrator(s).

(d) Overriding Principle Regarding Proceedings. Notwithstanding anything to the contrary contained in this Lease, in no event shall the Town be made a party to any arbitration or mediation proceeding which involves a Dispute solely among any of SCA, EDR or the Developer Entity that does not involve any claim, controversy or Dispute with the Town relating to the Town's obligations hereunder; provided, however, that the Town shall be entitled to participate in any such proceeding at its election if the Town reasonably determines that the claim, Dispute or resolution thereof could affect the Town's rights or obligations under this Lease.

33. Subordination. This Lease is subject and subordinate to the terms of that certain Restrictive Covenant and Negative Pledge Agreement (the "**Negative Pledge**") now or hereafter entered into by the Town with respect to the Public Garage pursuant to the terms of the DECD Grant Agreement (as defined in the Town Development Agreement), and to all matters of record affecting the Public Garage or the Shared Facilities when title to the real property thereunder was or is acquired by the Town, and to all other matters affecting title to the Public Garage or the Shared Facilities to the extent approved by SCA and EDR, such approval not to be unreasonably withheld, conditioned or delayed. This Lease shall also be subject and subordinate to the terms of any mortgage hereafter affecting the Town's title to the Public Garage or the Shared Facilities, so long as such mortgagee agrees not to disturb EDR's rights of possession hereunder if EDR is not in Default under this Lease or to disturb SCA's rights hereunder if SCA is not in Default under this Lease. EDR and SCA agree to enter into a subordination agreement with any such mortgagee provided that it is on reasonable terms and provides such non-disturbance.

34. Interpretation. Unless otherwise specified herein: (a) the singular includes the plural and the plural the singular; (b) words importing any gender include the other genders; (c) references to persons include their permitted successors and assigns; and (d) the headings of articles and sections contained in this Lease are inserted as a matter of convenience and shall not affect the construction of this Lease. The Parties have jointly, with the advice and assistance of their respective legal counsel, participated in the negotiation and drafting of all of the terms and provisions of this Lease, and, accordingly, it is agreed that no term or provision of this Lease shall be construed in favor of or against any Party by virtue of the authorship or purported authorship thereof by any Party.

35. Applicable Law. This Lease shall in all respects be governed by, and construed in accordance with, the substantive federal laws of the United States and the laws of the State of Connecticut. Venue for purposes of any actions brought under this Lease, or under any agreement or other document executed in conjunction herewith, shall be the state or federal courts located within and having jurisdiction over the State of Connecticut.

36. Amendment and Waiver; Approvals; Termination. This Lease may be amended or changed only by written instrument duly executed by all Parties against whom such amendment is sought to be enforced and any alleged amendment or change which is not so documented shall not be effective as to any Party. Provisions of this Lease may be waived by the Party hereto which is entitled to the benefit thereof solely by written waiver executed by such Party. The failure of any Party to insist in any one or more instances upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, but the same shall continue and remain in full force and effect with respect to the same or any subsequent breach, act or omission.

37. Severability. If any provision of this Lease or the application thereof to any Person or circumstance shall, for any reason and to any extent, be invalid or unenforceable but the extent of the invalidity or unenforceability does not destroy the basis of the bargain between the Parties hereto as contained herein, the remainder of this Lease and the application of such provision to other Persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by applicable law.

38. Confidentiality of Information. To the extent permitted by law (including, without limitation, the Freedom of Information Act), all information obtained by any Party from any other Party pursuant to this Lease shall be and remain confidential; provided, however, that the foregoing restrictions shall not apply to the extent such information (a) is now, or hereafter becomes, through no act or failure to act on the part of the Party disclosing such information, generally known or available to the public, (b) was acquired by the disclosing Party before receiving such information from the Party in interest and without restriction as to use or disclosure, (c) is hereafter rightfully furnished to the disclosing Party by a third party, without restriction as to use or disclosure, or (d) is information the disclosing Party can document was independently developed by such Party; provided, however, that the foregoing restrictions shall not prevent any Party from disclosing such information, if any, (i) as may reasonably be required to carry out its obligations hereunder (including without limitation disclosure to its lenders, attorneys, accountants or consultants retained for the purposes of this transaction) or as reasonably requested by potential or current investors or as reasonably requested by a prospective construction lender or permanent lender or rating agency or as may be required in connection with any litigation or alternative dispute resolution proceedings between the Parties to this Lease, or (ii) as required by applicable law, court order or any rule, regulation or order of any governmental authority or agency having jurisdiction over the Parties or the Project; prior to disclosing any such information pursuant to clause (ii), the disclosing Party shall notify the other Parties within such time as necessary, so that the other Parties may seek a protective order or other appropriate remedy.

39. Entire Agreement. This Lease and the exhibits hereto set forth all the covenants, promises, agreements, conditions, and understandings between the Town, EDR and SCA with respect to the matters covered hereby, and there are no covenants promises, agreements, conditions, or understandings, either oral or written between them other than as are set forth herein with respect to such matters. The exhibits and schedules attached hereto or referred to herein are hereby made a part hereof.

40. Estoppels. Each Party shall, without charge, at any time and from time to time but not more often than quarterly, unless a reasonable need for same is shown, within ten (10) days after written request by another Party or by any mortgagee, execute and deliver a certificate or certificates evidencing: (a) whether this Lease is in force and effect; (b) whether this Lease has been modified or amended in any respect and, if so, submitting copies of or otherwise specifically identifying such modifications or amendments; (c) whether, to the best knowledge of such

Party, the other Parties have complied with all of its covenants contained herein and, if another Party has not so complied, identifying with reasonable specificity the nature of such non-compliance; and (d) stating whether or not any notice of default has been given to another Party which has not been cured and, if so, including a copy of such notice.

41. Multiple Counterparts. This Lease may be executed in one or more counterparts, each of which shall be an original, but all of which shall constitute but one instrument.

42. No Joint Venture. This Lease shall not be deemed or construed to create or establish any partnership or joint venture or similar relationship or arrangement among the Parties.

43. Mutual Representation. Each of the Parties hereto represents to the other that it has had no dealings, negotiations, or consultations with any broker, representative, employee, agent or other intermediary in connection with this Lease. Each Party agrees that it will indemnify, defend and hold the other Parties free and harmless from the claims of any broker(s), representative(s), employee(s), agent(s) or other intermediary(ies) claiming to have represented such Party, or otherwise to be entitled to compensation in connection with this Lease.

44. Successors and Assigns. This Lease shall be binding on, and shall inure to the benefit of, the Parties hereto and, subject to the terms of Section 16, the Parties' respective heirs, personal representatives, successors and permitted assigns; provided, however, that if title to the Commercial Component is acquired by more than one Person, unless otherwise approved by the Town in writing, the provisions of Section 16(a)(v) shall apply as to exercise of SCA's rights hereunder and notices of SCA Defaults and rights.

45. Recording. This Lease shall not be recorded in the Mansfield Land Records, but the Parties shall execute a Memorandum of Lease in the form attached hereto as Exhibit C and made a part hereof, which shall be recorded in the Mansfield Land Records following acquisition of title by the Town to the real property on which the Public Garage is to be constructed and recordation of the Negative Pledge.

46. Effect on Town Development Agreement. In the event of any conflict between the provisions of this Lease and the provisions of the Town Development Agreement, the provisions of this Lease shall govern. This Lease is not intended to diminish any rights that the Town, EDR or SCA may have under the Town Development Agreement.

47. WAIVER OF TRIAL BY JURY. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT THAT PARTY MAY HAVE TO TRIAL BY JURY, IN ANY LITIGATION ARISING IN ANY WAY OUT OF THIS LEASE.

48. RIGHT OF EARLY TERMINATION. Notwithstanding anything to the contrary contained herein, but subject to extension for any Force Majeure Event, in the event that the Developer Parties have not commenced construction of the Phase 1A Private Improvements and the Developer Party Infrastructure, or the Town has not commenced construction of the Public Garage, on or before
February 15, 2013 (or, if such party(ies) to the Town Development Agreement has so commenced construction within such time period, but, unless and to the extent delayed by a Force Majeure Event, such Party(ies) is not diligently continuing such construction within such time period), which 24 month period shall be subject to extension for up to 24 additional months by approval of the Parties to the Town Development Agreement, then the Town (as to the non-performance of any of the Developer Party construction obligations) and the Developer Parties (acting jointly) as to the non-performance of the Town's construction obligations, shall be entitled to submit to any arbitration proceeding commenced under Section 19.05 of the Town Development Agreement a request for termination of this Lease. Initial capitalized terms utilized in this Section 48 but not defined in this Lease shall have the meanings ascribed thereto in the Town Development Agreement. In the event this Lease is so terminated, the Parties shall record a notice of termination on the Land Records.

Signature Pages to Follow

IN WITNESS WHEREOF, the Parties have executed this Lease as of the date first above written.

TOWN:

THE TOWN OF MANSFIELD

By: _____
Matthew W. Hart
Town Manager

EDR:

EDUCATION REALTY TRUST, INC.

By: _____
Thomas Trubiana
Executive Vice President and Chief
Investment Officer

SCA:

STORRS CENTER ALLIANCE, LLC

By: _____
Howard Kaufman
Manager

EXHIBIT C

FORM OF

NOTICE OF LEASE

This instrument is a Notice of Lease pursuant to Section 47-19 of the Connecticut General Statutes. The statutory information is as follows:

1. Parties to the Lease:

(a) The landlord is Town of Mansfield, Connecticut ("Landlord"), a municipal organization organized under the laws of the State of Connecticut, having an address of 4 South Eagleville Road, Mansfield, Connecticut 06268.

(b) The tenant is Education Realty Trust, Inc., a Maryland corporation having an address 530 Oak Court Drive, Suite 300, Memphis, Tennessee 38117

(c) Storrs Center Alliance, LLC, a Connecticut limited liability company, having an address at c/o LeylandAlliance LLC, P.O. Box 878, 233 Route 17, Tuxedo Park, New York 10987, is also a party to the Lease for certain purposes described therein.

2. Lease:

The aforementioned parties entered into a Lease Agreement dated as of _____, 2011 (the "Lease"). All initial capitalized terms not defined herein shall have the meanings ascribed thereto in the Lease.

3. Term of Lease:

Subject to the terms and conditions of the Lease, the term (the "Term") of the Lease commences on the Parking Availability Date and expires on the day immediately preceding the ninety-eighth (98th) anniversary of the Parking Availability Date. As defined in the Lease, "Parking Availability Date" means the date Phase 1A (as defined in the Development Agreement by and among the Parties dated as of February 15, 2011 recorded in Volume _____, Page _____ of the Mansfield Land Records (the "Town Development Agreement")) is first occupied by residential tenants and the Public Garage is first open for business.

4. Leased Premises:

The premises leased to EDR pursuant to the Lease are as follows:

(a) 184 parking spaces in the Public Garage in the location shown on Schedule 1 attached hereto and made a part hereof, for the period from the Parking Availability Date to and including the last day of the Term; and

(b) 184 parking spaces in the Public Garage in the location shown on Schedule 1 attached hereto and made a part hereof, for the period from the Phase 1B Spaces Occupancy Date to and including the last day of the Term. EDR shall have no rights of possession with respect to that portion of the

Residential Component Parking Spaces described in this Section 4(b) (the "**Phase 1B Spaces**") at any time prior to the Phase 1B Spaces Occupancy Date (as hereinafter defined), and prior to such date all or any portion of the Phase 1B Spaces may be utilized by the Town for other purposes consistent with the Rules and Regulations (as defined in the Lease) (and at such rates and terms as may be determined by the Town), and all revenues therefrom shall be the property of the Town. EDR shall give the Town prior written notice (which may be waived by the Town) at least one (1) calendar month (but not more than two (2) calendar months) prior to the expected issuance of a certificate of occupancy for any portion of the Residential Component to be constructed in Phase 1B so that the Town will be able to deliver possession of the Phase 1B Spaces. As used herein, the "**Phase 1B Spaces Occupancy Date**" shall mean the date a certificate of occupancy is issued for any portion of the Residential Component, provided that notice is given to or waived by the Town as aforesaid, or if no notice is given, the date following issuance of such certificate of occupancy on which the Town notifies EDR that the Phase 1B Spaces are available.

The Public Garage is located on (or will be constructed upon) the land described in Schedule 2 attached hereto and made a part hereof.

5. Right of Extension:

Tenant has no rights of extension or renewal.

6. Option to Purchase:

SCA and EDR have an option to purchase (to be exercised jointly, or singly, if the other Party releases its rights in writing) the Public Garage and the land on which it is located during the Term and subject to the terms and conditions set forth in the Lease: (a) within one year following delivery by the Town of notice of termination of the Lease following the Town's determination after the 50th year of the Term that (i) a Capital Funds Deficit exists and neither SCA nor EDR elects to fund such Capital Funds Deficit and provide financial assurance thereof reasonably satisfactory to the Town within 30 days following delivery of the Deficit Notice, or (ii) the Public Garage needs to be rebuilt in order to continue parking operations therein in a safe manner, or (b) to be exercised within 90 days following delivery by the Town to EDR and SCA of a Termination Notice following an uninsured casualty.

7. Filing:

The Lease shall be on file at the offices of EDR and the Town set forth above.

8. Counterparts. This Notice of Lease may be executed in one or more counterparts, each of which shall be an original, but all of which shall constitute but one instrument.

SIGNATURE AND ACKNOWLEDGMENT PAGES FOLLOW

IN WITNESS WHEREOF, the Parties have executed this Notice of Lease as of the date first above written.

TOWN:

THE TOWN OF MANSFIELD

Witnesses:

By: _____
Matthew W. Hart
Town Manager

_____

_____

STATE OF CONNECTICUT)
) ss: Mansfield
COUNTY OF WINDHAM)

The foregoing instrument was acknowledged before me this _____ day of _____, 2011, by Matthew W. Hart, Town Manager of the Town of Mansfield, Connecticut, a municipal corporation organized under the laws of the State of Connecticut, on behalf of said municipal corporation.

_____ Commissioner
of Superior Court
Notary Public
My Commission expires:

EDR:

EDUCATION REALTY TRUST, INC.

Witnesses:

By: _____
Thomas Trubiana
Executive Vice President and Chief Investment Officer

_____

_____

STATE OF _____)
) ss: _____
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by Thomas Trubiana, Executive Vice President and Chief Investment Officer of Education Realty Trust, Inc., a Maryland corporation, on behalf of said corporation.

_____
Notary Public
My Commission expires:

SCA:
STORRS CENTER ALLIANCE, LLC

Witnesses:

By: _____
Howard Kaufman
Manager

_____

_____

STATE OF _____)
) ss: _____
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by Howard Kaufman, Manager of Storrs Center Alliance, LLC, a Connecticut limited liability company, on behalf of said limited liability company.

Commissioner of Superior Court
Notary Public
My Commission expires:

Schedule 1

Parking Plan

Schedule 2

Legal Description of Public Garage Property

Schedule 10

Insurance Requirements

EDR and SCA Insurance:

Commercial General Liability: $1,000,000 per occurrence; $2,000,000 general aggregate

Automobile Liability and Physical Damage Coverage: $ 1,000,000 combined single limit per occurrence

Umbrella Liability: $10,000,000 per occurrence.

Workers' Compensation: Workers' compensation Connecticut statutory limits.

Property Insurance: Builder's Risk and/or multi-peril hazard insurance for loss or damage by fire, lightning, explosion, earthquake, collapse, theft, terrorism, sprinkler leakage, wind, flood, vandalism and malicious mischief, and such other perils as are included in so-called "all-risks" or "extended coverage" and against such other insurable perils as, under good insurance practices, from time to time are insured against for properties of similar character and location at commercially reasonable rates, such insurance shall be not less than one hundred (100%) percent of the full replacement costs of the improvements that adjoin the Public Garage (excluding the Intermodal Facility), without deduction for depreciation, said policy to contain replacement cost and stipulated value endorsements. An additional limit for demolition and increased cost of construction and debris removal shall be endorsed for all coverage. Notwithstanding the foregoing, earthquake and terrorism coverage shall be required only if available at commercially reasonable rates.

Town Insurance:

Commercial General Liability: $1,000,000 per occurrence; $2,000,000 general aggregate

Automobile Liability and Physical Damage Coverage: $ 1,000,000 combined single limit per occurrence

Umbrella Liability: $10,000,000 per occurrence.

Workers' Compensation: Workers' compensation Connecticut statutory limits.

Property Insurance: Builder's Risk and/or multi-peril hazard insurance for loss or damage by fire, lightning, explosion, earthquake, collapse, theft, terrorism, sprinkler leakage, wind, flood, vandalism and malicious mischief, and such other perils as are included in so-called "all-risks" or "extended coverage" and against such other insurable perils as, under good insurance practices, from time to time are insured against for properties of similar character and location at commercially reasonable rates, such insurance shall be not less than one hundred (100%) percent of the full replacement costs of the Public Garage and the Shared Facilities without deduction for depreciation, said policy to contain replacement cost and stipulated value endorsements. An additional limit for demolition and increased cost of construction and debris removal shall be endorsed for all coverage. Notwithstanding the foregoing, earthquake and terrorism coverage shall be required only if available at commercially reasonable rates.