

DRAWN BY AND MAIL TO:

Parker Poe Adams & Bernstein LLP
Three Wachovia Center
401 S. Tryon Street, Suite 3000
Charlotte, NC 28202

NORTH CAROLINA)
)
FORSYTH COUNTY)

LEASE SUBORDINATION AGREEMENT

THIS LEASE SUBORDINATION AGREEMENT (“Agreement”), made and entered into this 21st day of September, 2009, by and among the CITY OF WINSTON-SALEM, NORTH CAROLINA, a municipal corporation of the State of North Carolina (the “City”), SPORTS MENAGERIE STADIUM LLC, a North Carolina limited liability company (“SMS”), and BROOKSTOWN DEVELOPMENT PARTNERS, LLC, a North Carolina limited liability company (“Brookstown”).

W I T N E S S E T H:

WHEREAS, SMS and Brookstown heretofore entered into that certain Lot 1 Prime Lease dated effective as of July 1, 2007 (the “Prime Lease”), wherein SMS, as Tenant, leased from Brookstown, as Landlord, certain real property owned by Brookstown consisting of approximately 8.561 acres of land, more or less, known as Revised Lot 1 as shown on the Plat of Subdivision at the site of the Downtown Winston-Salem Baseball Stadium recorded in Plat Book 54, Page 182, Forsyth County Registry, together with all improvements located thereon (the “Premises”), all as more particularly set forth in the Prime Lease; and

WHEREAS, as of the date of this Agreement, Brookstown has sold and conveyed all of its right, title, and interest in and to the Premises to the City by deed recorded in Deed Book _____, Page _____, Forsyth County Registry, and in conjunction with such conveyance, Brookstown and the City are entering into a Ground Lease for the land which is part of the Premises, Brookstown and SMS are entering into a Ground Sublease for the land which is part of the Premises, and the City and SMS are entering into a Stadium Lease for all the improvements which are part of the Premises (the Ground Lease, Ground Sublease, and Stadium Lease are

hereinafter referred to collectively as the “Replacement Leases”). The Replacement Leases shall amend, restate, and replace the Prime Lease; and

WHEREAS, the City has requested that the Prime Lease be subordinate to the Deed; and

WHEREAS, SMS and Brookstown have agreed to such subordination;

NOW THEREFORE, the City, SMS and Brookstown, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, do hereby contract and agree that the Prime Lease shall be and is hereby made subordinate and subject to the Deed, such that City shall not be bound to any provision of the Prime Lease.

Notwithstanding any provision herein to the contrary, the City, SMS and Brookstown acknowledge that: (i) upon the full execution of the Replacement Leases, the Prime Lease shall have been amended, restated and replaced by the Replacement Leases, and the rights and obligations of City, SMS and Brookstown shall be as provided in the Replacement Leases; and (ii) the execution of the Replacement Leases shall not affect the subordination of the Prime Lease to the Deed; and (iii) the Replacement Leases are subordinate to the Deed.

IN TESTIMONY WHEREOF, the parties have caused their authorized representatives to execute this Agreement as of the day and the year first above written.

[SIGNATURE PAGES FOLLOW]

SIGNATURE PAGE TO
LEASE SUBORDINATION AGREEMENT
BY AND BETWEEN
THE CITY OF WINSTON-SALEM, NORTH CAROLINA,
SPORTS MENAGERIE STADIUM LLC
AND
BROOKSTOWN DEVELOPMENT PARTNERS, LLC

**CITY OF WINSTON-SALEM, NORTH
CAROLINA**, a municipal corporation of the State
of North Carolina

Approved as to form and legality.

This 27th day of September 2009

By Augusta L. Lamm Attorney

By: *Lee D. Garrity*
Its: City Manager
Print Name: Lee D. Garrity
Date: 9/21/09

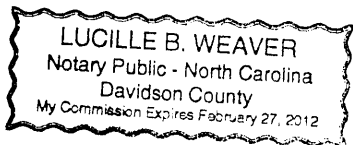
STATE OF NORTH CAROLINA – FORSYTH COUNTY

I certify that the following person(s) personally appeared before me this day, acknowledging to me that he/she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: City Lee D. Garrity

Date: September 18, 2009

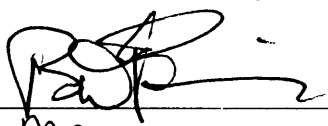
Lucille B. Weaver
Lucille B. Weaver Notary Public

My commission expires: February 27, 2012



SIGNATURE PAGE TO
LEASE SUBORDINATION AGREEMENT
BY AND BETWEEN
THE CITY OF WINSTON-SALEM, NORTH CAROLINA,
SPORTS MENAGERIE STADIUM LLC
AND
BROOKSTOWN DEVELOPMENT PARTNERS, LLC

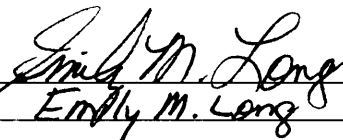
SPORTS MENAGERIE STADIUM LLC,
a North Carolina limited liability company

By: 
Its: Manager
Print Name: Billy D. Prim
Date: 9.21.09

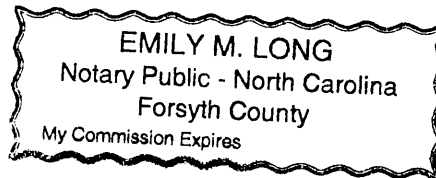
STATE OF NORTH CAROLINA – FORSYTH COUNTY

I certify that the following person(s) personally appeared before me this day, acknowledging to me that he/she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Billy D. Prim, Manager

Date: September 18, 2009

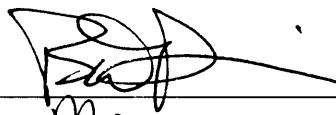

Emily M. Long Notary Public

My commission expires: October 7, 2013



SIGNATURE PAGE TO
LEASE SUBORDINATION AGREEMENT
BY AND BETWEEN
THE CITY OF WINSTON-SALEM, NORTH CAROLINA,
SPORTS MENAGERIE STADIUM LLC
AND
BROOKSTOWN DEVELOPMENT PARTNERS, LLC

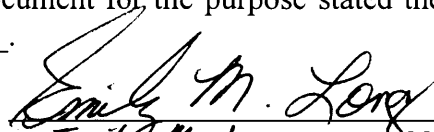
**BROOKSTOWN DEVELOPMENT
PARTNERS, LLC,**
a North Carolina limited liability company

By: 
Its: Manager
Print Name: Billy D. Prim
Date: 9.21.09

STATE OF NORTH CAROLINA – FORSYTH COUNTY

I certify that the following person(s) personally appeared before me this day, acknowledging to me that he/she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Billy D. Prim, Manager.

Date: September 18, 2009


Emily M. Long Notary Public

My commission expires: October 7, 2013

