

**MASTER
PAYMENT IN LIEU OF TAXES
AGREEMENT**

Project Name: Carillon

This Master Payment in Lieu of Taxes Agreement (this “**Agreement**”), dated _____, 2022, by and between RPAI CAPITAL CENTRE II, L.L.C., a Delaware limited liability company, acting for itself and its Affiliates (as defined herein) (collectively, the “**Developer**”), and PRINCE GEORGE'S COUNTY, MARYLAND, a body corporate and politic (the “**County**”).

RECITALS

Section 7-516 of the Tax-Property Article of the Annotated Code of Maryland, as amended (the “**Act**”) provides that the County may exempt or partially exempt an Economic Development Project within the meaning of the Act from County real property taxes under certain conditions. The Act also provides that the County may enter into a payment in lieu of taxes agreement or multiple payment in lieu of taxes agreements for different phases of the Economic Development Project.

The Developer is proposing to develop approximately 38.7 acres of real property located in Prince George's County, Maryland as more particularly identified on Exhibits A-1, A-2, and A-3, all are attached hereto and incorporated herein by reference (collectively, the “**Property**”).

The Developer proposes to develop the Property into a mixed-use project consisting of approximately 407,000 square feet of office space, 300 hotel rooms, retail/restaurant space totaling approximately 169,750 gross square feet, approximately 1,736 multi-family units, and 3,819 spaces in structured parking (collectively, the “**Project**”) which is projected to add at least 100 full-time, permanent jobs upon its completion with 51% of such jobs expected to be held by County residents and is expected to have a combined capital investment of equity and debt of approximately \$832,000,000.

The Developer will develop the Project in eleven (11) separate phases. Each specific phase will consist of certain improvements as more specifically described in Exhibit A-3, subject to changes as permitted in this Agreement.

The Developer represents that the Project qualifies as an “economic development project” under the provisions of the Act.

Pursuant to Council Resolution No. _____ adopted on or about _____, 2022, the County Council approved the (i) exemption of the Property from County real property taxes; (ii) agreements for payments in lieu of taxes for the Phases of the Project; and (iii) authorized the County Executive to enter into such agreements.

The County is entering into this Agreement for the payment of negotiated amounts in lieu of County real property taxes for the parcels identified in each phase of the Project, provided that the Developer complies with the terms of this Agreement.

NOW THEREFORE, THIS AGREEMENT WITNESSETH:

In consideration of the mutual covenants, terms, and agreements hereof and pursuant to the power and authority of the Act, it is hereby agreed as follows:

Article I
General Provisions

Section 1.01. Definitions. Capitalized terms used in this Agreement shall have the meaning given in this Section or as defined elsewhere in this Agreement.

“**Affiliate**” means any entity owned or controlled by, or under common ownership or control with, Developer

“**Certificate of Substantial Completion**” means the AIA Document G704-2017, or, subject to the approval by the County, its equivalent that evidence Substantial Completion.

“**Conditions**” means the conditions precedent set forth in Article III of this Agreement.

“**Conceptual Site Plan**” means a plan for an area depicting the basic relationships among the proposed uses and illustrating approximate locations of structures, parking areas, site access, open space, and other major site features.

“**County Tax Year**” means the 12-month period commencing each year on July 1 and ending each year on June 30th, unless otherwise changed by law.

“**Detailed Site Plan**” means a plan for an area showing the exact location and design of all buildings and structures, streets, parking lots, open spaces, landscaping, grading, and other on-site physical features.

“**Effective Date**” means the date of this Agreement.

“**Employment Information**” shall have the meaning given it in Section 8.02 of this Agreement.

“**Escrow Agreement**” means an escrow agreement by and among the Parties and an escrow agent, in form and substance reasonably acceptable to Developer and the County, for the purposes of depositing and disbursing the Refunds that provides that, subject to Section 5.03 of this Agreement, (i) the escrow agent will disburse the Refunds for Phase 1 and Phase 2 to Developer as provided in Section 4.03(a) of this Agreement, and (ii) escrow agent will disburse to Developer the applicable portion of the Refund for Phase 3 through Phase 11 to Developer as provided in Section 4.03(b) of this Agreement.

“Extension Event Delay” means, with respect to Phase 3 through Phase 11, the time of delay associated with the following events:

- (a) any period of “Recession” which is defined as a period in which there have been at least two consecutive quarters of negative growth in Gross Domestic Product as measured by the Bureau of Economic Analysis and whose start and end date is confirmed by the National Bureau of Economic Research;
- (b) any period of Pandemic with an official start and end date confirmed by the World Health Organization. In no event will this section apply to Phase 1 & Phase 2 substantial completion dates;
- (c) the inability of Developer to obtain building permits due to transportation adequacy issues that have not been resolved by proposed interchange improvements at I-495 and Arena Drive; and
- (d) delays caused by the appropriate governmental authority in its issuance of approvals for any Detailed Site Plan.

Notwithstanding any extension in time granted for an Extension Event Delay, the additional time granted shall not extend any deadline beyond December 31, 2039.

“Incremental Taxes” means, with respect to a Phase, for each County Tax Year of a PILOT Term, twenty-five percent (25%) of the difference between (a) the Taxes for a Phase less (b) the Pre-Use and Occupancy Taxes for such Phase.

“Land Records” means the Land Records of Prince George’s County located in the Circuit Court Clerk’s Office, or such other designated location, that accepts documents for recordation and maintains records about real property in Prince George’s County.

“MBE Plan” means that Minority Business Enterprise Plan made by Developer and made a part hereof and incorporated herein by reference as Exhibit B of this Agreement.

“Parcel” means each separately subdivided lot or tract of land within the Property as shown on a plat that is lawfully recorded in Land Records and that is situated a Phase.

“Parties” mean, for the purposes of this Agreement, the Developer and the County, collectively.

“Phase” means, as more fully described in each Phase Commencement Notice, a phase of the Project as designated by the Developer pursuant to this Agreement. For the purpose of this Agreement, the Developer shall not designate more than eleven (11) Phases of the Project.

“Phase 1 and Phase 2” means the Phases designated by the Developer as Phase 1 and

Phase 2 which are more particularly described in Exhibit A-3, and which are comprised of Parcels 4 and 5 as identified in Exhibits A-2 and A-3.

“Phase 1 and Phase 2 Parcels” mean those Parcels that are situated in Phase 1 and Phase 2 as identified in Exhibit A-3.

“Phase 3 through Phase 11” means the Phases designated by the Developer as Phase 3 through Phase 11 as identified and described in Exhibit A-3 attached hereto which are comprised of Parcels 1 and Parcels 6-14 as identified in Exhibits A-2 and A-3, and any Phases resulting from any alterations to Phase 3 through Phase 11 pursuant to Section 3.10 of this Agreement. Notwithstanding any permitted alterations to Phase 3 through 11, the maximum number of Phases permitted for the Project is eleven (11).

“Phase 3 through Phase 11 Parcels” mean any of the Parcels that are situated in Phase 3 through Phase 11 as identified in Exhibit A-3. Such Phases and any Parcels situated in such Phases are subject to change pursuant to Section 3.10 of this Agreement.

“Phase Commencement Notice” means that notice referenced in Section 3.11 of this Agreement in form attached hereto as Exhibit D and incorporated herein by reference that confirms the application of this Agreement to a Phase.

“PILOT” means a payment in lieu of taxes as authorized by the Act.

“PILOT Amount” shall have the meaning given to it in Section 4.01 of this Agreement.

“PILOT Effective Date” means that date on which the last of following occurs: (a) execution by the Parties of a Phase Commencement Notice; and (b) the issuance of the first certificate of occupancy for a Phase subject to the terms of this Agreement.

“PILOT Term” means for each Phase for which the Parties have executed a Phase Commencement Notice, the period commencing on the PILOT Effective Date and continuing for fifteen (15) years thereafter.

“Plaza” means the Parcel that is improved as depicted on Exhibit C hereto.

“Pre-Use and Occupancy Taxes” means, with respect to a Phase, the real property taxes assessed on all of the Parcels in such Phase, as of the July 1, 2021. For the purposes of this Agreement, the Pre-Use and Occupancy Taxes for any Phase shall be calculated for such Phase by multiplying (a) the applicable rate of the “Base Assessment/Land per Square Foot” as specified in Exhibit A-3 by (b) the gross square footage of such Phase as of the date of a Phase Commencement Notice.

“Project” shall have the meaning given in the Recitals.

“Refund” means, with respect to a Phase, an amount equal to the Taxes collected by the County for such Phase less the PILOT Amount for such Phase.

“Retail Prospect Updates” means reports provided by the Developer to the County on a monthly basis to provide an update of the Developer’s retail tenant prospecting activity. At a minimum the information shall include the Tenant name, square footage, status, and probability.

“Site activation” means actions taken by the Developer that evidences its commencement of the development process for a Phase which actions are comparable to those that Kite Realty Group Trust provides to other developments located throughout the United States, which includes art exhibitions, fairs, carnivals, farmers markets, concerts or concert series and other similar community events.

“State” means the State of Maryland.

“Substantial Completion” shall have the meaning given to said term in the Certificate of Substantial Completion.

“Substantial Completion Deadline” means the date set forth in Exhibit A-3 and designated as the Substantial Completion Date for each Phase. For Phase 3 through Phase 11 only, the Substantial Completion Deadline may change in accordance with Section 3.10 of this Agreement.

“Substantial Deviations” means, with respect to a Phase, the variance or change by more than ten percent (10%) in the product types or square footages for the improvements constructed or to be constructed for a Phase in comparison to those set forth in Exhibit A-3, unless prior approval has been granted by the County in writing.

“Taxes” means an amount equal to 100% of the County real property taxes for the Phase that would otherwise be due on or before September 30th of each year based on the then assessed value of such Phase. For the purposes of this Agreement, Taxes do not include such amounts due from the Developer to the County as specified in Section 3.02 of this Agreement.

“Term” means, for this Agreement, the period commencing with date of this Agreement and expiring on the expiration of the latest PILOT Term under this Agreement. Notwithstanding the foregoing, the Developer’s right to secure a PILOT for a Phase is subject to Section 6.02 of this Agreement

“Vertical Construction” means vertical construction of substantive improvements on a building beyond the foundation work and basic site preparation such as work on framing, concrete columns, structural steel, or tilt-up panels.

“Use Ratio” means with respect to the Project, the ratio equal to approximately 500 multifamily units for each 100,000 square feet of commercial use.

Section 1.02. Rules of Construction. The words “hereof,” “herein,” “hereunder,” “hereto,” and other words of similar import refer to this Indenture in its entirety.

(a) The terms “agree” and “agreements” contained herein are intended to include and mean “covenant” and “covenants.”

(b) Unless otherwise specified or the context shall require otherwise, references to a particular Article, Section, the table of contents, and other subdivision are to the designated Article, Section, and other subdivision of this Agreement.

(c) The headings of this Indenture are for convenience only and shall not define or limit the provisions hereof.

(d) All references made (i) in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, and (ii) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well.

(e) Any reference to particular sections or subsections of the Act shall include any successor provisions of law, to the extent the same shall apply to this Agreement.

Section 1.03. Incorporation of Recitals. The Recitals are incorporated herein, including all Exhibits, referred to in the Recitals. In the event of inconsistency between the Recitals and the provisions of this Agreement, the provisions of this Agreement shall prevail.

Section 1.04. Parties. The Parties to this Agreement are the County and the Developer.

Section 1.05. Role of Agreement. This Agreement serves as a master agreement and, as such, contains the general terms and conditions applicable to each Phase. This Agreement consists of this Agreement, together with each Phase Commencement Notice, all referenced exhibits, attachments, addenda, exhibits to addenda, and other documents attached thereto and incorporated therein by reference. This Agreement and the Phase Commencement Notice are intended to supplement and complement each other and shall, where possible, be thus interpreted. If, however, any provision of this Agreement irreconcilably conflicts with a Phase Commencement Notice, this Agreement shall govern.

Section 1.06. Exhibits. The following exhibits attached hereto are an integral part of this Agreement and are incorporated herein by reference.

- Exhibit A-1: Property Description
- Exhibit A-2: Drawing of Property Boundaries
- Exhibit A-3: Description of Development Phases
- Exhibit B: MBE Plan
- Exhibit C: Plaza
- Exhibit D: Form of Phase Commencement Notice

Article II
Representations, Warranties, and Covenants of Developer

Section 2.01. Representations, Warranties, and Covenants of Developer. Developer represents, covenants, and warrants for the benefit of the County as follows and continues to represent, covenant, and warrant the following during the Term:

(a) It is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, and is duly qualified and authorized to conduct affairs or do or transact business in the State, with full power and legal right to enter into this Agreement and to perform its obligations hereunder.

(b) Developer has duly authorized the execution and delivery of this Agreement, and assuming the due authorization, execution, delivery, and enforceability of this Agreement on the part of the County, this Agreement is a valid and enforceable obligation of Developer, subject to applicable bankruptcy, insolvency or other laws and equitable principles affecting creditors' rights generally and the availability of equitable remedies.

(c) Developer is eligible in all aspects to the enter into this Agreement to make payments in lieu of taxes under the Act.

(d) The making and performance of this Agreement and all documents, agreements and instruments in connection herewith, on Developer's part, are not prohibited under and have been duly authorized in accordance with, and will not violate the terms and provisions of, Developer's articles of organization and limited liability company agreement, and are not prohibited by, and will not violate or conflict with or constitute a default under, any statute, order, governmental rule or regulation, agreement, instrument or document by which Developer or any of its properties are bound.

(e) The Project does not and will not involve any gambling activities in accordance with the Act.

Article III
General PILOT Terms and Conditions

Section 3.01. Application of Payments. The payments to be made to the County with respect to any Phase provided for herein shall be in lieu of all County real property taxes (except for the dedicated supplemental education property taxes) for such Phase under the Tax-Property Article of the Annotated Code of Maryland, as amended.

Section 3.02. Excluded Taxes Not Affected by PILOT. This Agreement shall not waive or defer the payment of other County taxes, assessments and fees, including but not limited to County personal property taxes, supplemental education taxes, sanitation taxes, County solid waste service charges, or other taxes assessed by entities or jurisdictions other than the County, including but not limited to State of Maryland taxes, municipal taxes, the Washington Suburban Sanitary

Commission, Washington Suburban Transit Commission and the Maryland-National Capital Park and Planning Commission paid by Developer.

Section 3.03. Exemption. Subject to the terms of this Agreement, the Parcels situated in a Phase shall be exempt from County real property taxes during the PILOT Term pursuant to the terms and conditions of this Agreement.

Section 3.04. Maximum Number of Phases; Maximum Term of Agreement for a Phase. Notwithstanding any alternations permitted to Phases 3 through Phase 11 pursuant to Section 3.10 of this Agreement, Developer covenants and agrees that the maximum number of Phases permitted for the Project is eleven (11). For each Phase for which the Parties have executed and delivered a Phase Commencement Notice, the right to make payments in lieu of Taxes under this Agreement shall not exceed the PILOT Term, which shall commence on the PILOT Effective Date.

Section 3.05. Minimum and Maximum Amount of PILOT. The PILOT payable for a Phase under the Agreement shall (a) at no time be less than the amount established under Section 7-516(b)(2)(i) of the Act; and (b) at no time exceed the amount of County taxes otherwise payable for a Phase based on the then-current assessment for County real property taxes.

Section 3.06. Multiple PILOT Agreements under the Act. For the purposes of the Act, (a) each Phase Commencement Notices executed and delivered by the Parties pursuant to this Agreement, in conjunction with this Agreement, shall constitute a PILOT agreement for the applicable Phase of the Project; and (b) all of the Phase Commencement Notices executed and delivered by the Parties pursuant to this Agreement, in conjunction with this Agreement, shall constitute multiple PILOT agreements for the different Phases of the Project.

Section 3.07. Conditions for PILOT for All Phases. Subject to the terms of this Agreement, a PILOT shall not take effect for a Phase unless, as a condition precedent to it taking effect, the following circumstances have occurred or exist (collectively, the “**Conditions Precedent for All Phases**”):

- (a) [intentionally omitted];
- (b) Satisfaction of any applicable requirements set forth in Act;
- (c) With respect to a Phase, prior to or no later than 18 months from the effective date of the Phase Commencement Notice, construction of such Phase has commenced and all conditions for the financing required for construction of such Phase have been satisfied or waived. For the purposes of this subparagraph, a sufficient amount of Developer’s own funds which are available and have been commitment to the applicable Phase shall constitute financing required for construction of such Phase.
- (d) Developer shall not be in default under this Agreement;

- (e) No portion of the Project involves gambling activities;
- (f) With respect to a Phase, the Parties have executed and delivered a Phase Commencement Notice for such Phase.

Section 3.08. Conditions for PILOT for Specific Phases.

(a) Conditions for PILOT for Phase 1 and Phase 2. Subject to the terms of this Agreement, a PILOT shall not take effect for Phase 1 or Phase 2 unless, as a condition precedent to it taking effect, the following circumstances have occurred or exist (the “**Conditions Precedent for a PILOT for Phase 1 and Phase 2**”).

- (i) the Conditions Precedent for All Phases have been satisfied
- (ii) the Developer has submitted to the County for execution a Phase Commencement Notice for the applicable Phase, and provided further with respect to Phase 2, such submission shall occur no later than the Developer’s application for a building permit for Phase 2, and
- (iii) the first certificate of occupancy for the applicable Phase must be issued.

(b) Conditions for PILOT for Phase 3 through Phase 11. Subject to the terms of this Agreement, a PILOT shall not take effect for Phase 3 through Phase 11 unless, as a condition precedent to it taking effect, the following circumstances have occurred or exist (collectively, “**Conditions Precedent for a PILOT for Phase 3 through Phase 11**”):

- (i) Conditions Precedent for All Phases have been satisfied;
- (ii) Developer has at least one (1) Site Activation per year from 2022 through 2033 on any of the Phases making up the Project. The Parties acknowledge that the current development for Phase 1 constitutes a Site Activation in 2022;
- (iii) Construction of the improvements for such Phase commences on or before December 31, 2034, subject to extension for an Extension Event Delay;
- (iv) With respect to such Phase, Developer has submitted a Conceptual Site Plan or, subject to approval by the County, its administrative equivalent, for review by the appropriate governmental authority prior to December 31, 2026;
- (v) the Developer has submitted to the County for execution a Phase Commencement Notice for the applicable Phase on or before December 31, 2034, subject to extension for an Extension Event Delay; and
- (vi) the first certificate of occupancy for the applicable Phase must be issued on or before the December 31, 2034, subject to extension for an Extension Event Delay.

Section 3.09. Conditions Precedent for Refunds.

(a) Refund for Phase 1 and Phase 2. A Refund for Phase 1 and Phase 2 shall not be issued by the County unless, as a condition precedent to issuing such Refund, the following circumstances have occurred or exist (collectively, “**Conditions Precedent for a Refund for Phase 1 and Phase 2**”).

(i) Conditions Precedent for a PILOT for Phase 1 and Phase 2 have been satisfied;

(ii) Vertical Construction has commenced for Phase 3;

(iii) Phase 1 and Phase 2 has achieved Substantial Completion prior to the applicable Substantial Completion Deadline and a Certificate of Substantial Completion for such Phases has been provided by the Developer to the County;

(iv) The Plaza has achieved Substantial Completion prior to the Substantial Completion Deadline for Phases 2 and a Certificate of Substantial Completion for the Plaza has been provided by the Developer to the County;

(v) Developer has provided confirmation, acceptable to the County, that at least 50% of the combined rentable square footage of the retail portions of Phase 1 and Phase 2 have been leased and occupied for retail use;

(vi) There are no Substantial Deviations with respect to the improvements planned or constructed for Phase 1 or Phase 2;

(vii) Developer has at least one (1) Site Activation per year from 2022 through 2033 for any of the Phases making up the Project;

(viii) Developer has provided the County Retail Prospecting Updates for Phases 1 and Phase 2; and

(ix) Developer has submitted to the County for execution the Phase Commencement Notice for Phase 3.

(b) Conditions Precedent for Refunds for Phase 3 through Phase 11. A Refund for Phase 3 through Phase 11 shall not be issued unless, as a condition precedent to issuing such Refund, the following circumstances have occurred or exist (“**Conditions Precedent for a Refund for Phase 3 through Phase 11**”).

(i) Conditions Precedent for a PILOT for Phase 3 through Phase 11 have been satisfied;

(ii) Phase 1, Phase, 2, and the Plaza have all achieved Substantial Completion; and

(iii) With respect to a Refund for a multifamily Phase commenced after Phase 1 and Phase 2 have reached Substantial Completion, the following condition applies: Developer and the County anticipate that the overall mix of uses of the Project will result in approximately 500 multifamily units for each 100,000 square feet of commercial use (the “**Use Ratio**”). After Phase 1 and Phase 2 have reached Substantial Completion, if a multifamily Phase is commenced at a time when the Use Ratio is not being met, all PILOT funds that Developer would otherwise be entitled to with respect to such multifamily Phase shall be placed in escrow and not

released to Developer until the Phases that have been Substantially Completed by Developer (inclusive of Phase 1 and Phase 2) bring the Project into compliance with the Use Ratio, at which point Developer shall be entitled to receive all escrowed funds and future PILOT funds for such Phase.

Section 3.10. Alterations to Development Plan for Phase 3 through Phase 11. As market conditions may dictate, Developer may alter the composition, timing, and order of the development plan for Phase 3 through Phase 11 set forth in Exhibit A-3, subject to satisfaction of the Conditions Precedent for a Refund for Phase 3 through Phase 11.

Section 3.11. Phase Commencement Notice. When the Developer is ready to reach an agreement with the County regarding the applicability of a PILOT for a Phase, the Developer shall submit a completed Phase Commencement Notice to the County for its review. The County shall have ninety (90) days to review the Phase Commencement Notice for the purpose of determining the accuracy of the information set forth therein and to determine the PILOT Amount for the Phase. Upon reaching an agreement with Developer with respect to the information set forth in the Phase Commencement Notice, the Parties shall execute the Phase Commencement Notice. The execution and delivery of the Phase Commencement Notice will constitute the Parties agreement that a PILOT will take effect for the Phase on the terms set forth in this Agreement and the Phase Commencement Notice upon satisfaction of the following conditions applicable to such Phase:

- (a) for all Phases, the condition set forth in Section 3.07(c);
- (b) for Phase 1 and Phase 2, the condition set forth in Section 3.08(a)(iii); and
- (c) for Phase 3 through Phase 11, the condition set forth in Section 3.08(b)(vi).

Article IV

PILOT Amount, Payments & Refund

Section 4.01. PILOT Amount. The Parties agree that, pursuant to the Act and subject to Section 3.05 of this Agreement and other terms of this Agreement, the amount of the Payment in Lieu of Taxes (the “**PILOT Amount**”) under this Agreement during the PILOT Term due to the County with respect to a Phase shall be equal to the sum of the Pre-Use and Occupancy Taxes plus the Incremental Tax for said Phase.

Section 4.02. Full Payment. Notwithstanding the PILOT Amount, the Developer shall be obligated to pay the Taxes each and every tax year during the PILOT Term.

Section 4.03. PILOT Refund. In addition to the terms of this Agreement, any Refund shall be subject to the following:

- (a) For Phase 1 and Phase 2. For each County Tax Year during the PILOT Term for the Phase 1 and Phase 2 and subject to Section 3.09(a), the County shall deposit into an

escrow account, pursuant to the Escrow Agreement, the Refund for Phase 1 and Phase 2. The applicable Refund for Phase 1 and Phase 2 shall be deposited into the escrow account by the County no later than sixty (60) days after receipt of real property taxes for the Property. The Parties agree that the Escrow Agreement shall provide that (i) the escrow agent shall release the applicable Refund for Phase 1 and Phase 2 to the Developer promptly upon satisfaction of the Conditions Precedent for Issuance of a Refund for Phase 1 and Phase 2, and (ii) subject to making any final disbursement to Developer following expiration of the PILOT Term for Phase 1 and Phase 2, as applicable, any remaining funds held in escrow pursuant to the Escrow Agreement as of the date of expiration of the applicable PILOT Term shall be released to, and become the property of, the County.

(b) For Phase 3 through Phase 11. For each County Tax Year during the PILOT Term for Phase 3 through Phase 11 and subject to Section 3.09(b), the County shall deposit into an escrow account, pursuant to the Escrow Agreement, the Refund for each of Phase 3 through Phase 11. The applicable Refund for Phase 3 through Phase 11 shall be deposited into the escrow account by the County no later than sixty (60) days after receipt of real property taxes for the Property. The Parties agree that the Escrow Agreement shall provide that (i) the escrow agent shall release the applicable Refund for Phase 3 through Phase 11 to the Developer promptly upon satisfaction of the Conditions Precedent for a Refund for Phase 3 through Phase 11, and (ii) subject to making any final disbursement to Developer following expiration of the PILOT Term for Phase 3 through Phase 11, as applicable, any remaining funds held in escrow pursuant to the Escrow Agreement as of the date of expiration of the PILOT Term for the applicable Phase shall be released to, and become the property of, the County.

Section 4.04. PILOT Payments Treated as Taxes. All payments due under this Agreement shall be subject to the same interest rate, collection, and tax sale provisions of the applicable Maryland Annotated Code and the applicable Prince George's County Code as for the collection of County real property taxes, except as otherwise expressly set forth in this Agreement.

Section 4.05. Re-institution of Full Payment of Taxes. Each year after the expiration of the PILOT Term for a Phase, the Developer shall, to the extent the Developer or its Affiliates is an owner of any Parcel in such Phase, pay all County real property taxes based on the then current assessed value of such Parcel when due. Upon the expiration of the PILOT Term for a Phase, the County's obligations hereunder with respect to the applicable Refund for such Phase shall terminate (except for any final disbursement to Developer following expiration of the PILOT Term as set forth in the Escrow Agreement).

Article V Defaults & Remedies

Section 5.01. Developer Default under this Agreement. The occurrence of one or more of the following events shall constitute a default (“**Default**”) under this Agreement:

(a) the Developer or its Affiliates fail to make any payment of Taxes required pursuant to this Agreement and such failure continues for at least 60 days following notice thereof from the County pursuant to this Agreement; or

(b) the Developer or its Affiliates fail to provide the County access to the employment data collected by Developer within sixty (60) days of notice by the County as required pursuant to the provisions of Article VIII of this Agreement; or

(c) the Developer shall breach this Agreement in any respect not described in the foregoing clauses (a) and (b) or Section 5.03 of this Agreement, and such failure continues for at least thirty (30) days following notice thereof from the County pursuant to this Agreement, provided that if (a) such default is not reasonably capable of being cured within such 30-day period, and (b) Developer promptly shall have commenced curative procedures and thereafter diligently shall prosecute the same to a timely completion, then such cure period shall be extended for such additional period of time as reasonably necessary to cure the same. The provisions of this Section 5.01(c) shall not apply to any failure to satisfy the Conditions (excluding Section 3.09(a)(viii)).

Section 5.02. Remedies for Developer Default. If any Default occurs and continues beyond any applicable notice and cure periods, the County may declare a default under this Agreement by providing written notice of such Default to the Developer. Except for Defaults under Section 5.01(a) and Section 5.01(b), if within 30 days of such notice, the Default has not been cured, then the County may terminate this Agreement. If (a) such default is not reasonably capable of being cured within such 30-day period, and (b) Developer promptly shall have commenced curative procedures and thereafter diligently shall prosecute the same to a timely completion, then such cure period shall be extended for such additional period of time as reasonably necessary to cure the same. Upon any termination of this Agreement as provided in this Section, all Refund amounts then held by the escrow agent pursuant to the Escrow Agreement shall be released and returned to the County subject to escrow agent making any disbursement to Developer required thereunder arising out of the satisfaction of applicable Conditions prior to the occurrence of such Default. All payments past due under this Agreement shall be considered a lien against the Property. For the purposes of clarity, the failure of the Developer to satisfy the Conditions (excluding Section 3.09(a)(viii)) shall not constitute a Default hereunder.

Section 5.03. Developer Default under MBE Plan.

(a) If as of the final completion date of any Phase of the Project the minimum CBB, CBSB, MBE and CMBE participation requirements expressly set forth in the MBE Plan for eligible construction costs of such Phase of the Project (as may be modified as set forth therein) have not been achieved for such Phase, then, notwithstanding anything to the contrary set forth in the Escrow Agreement, following such failure Developer shall not be entitled to receive any disbursement of Refund amounts pertaining to such completed Phase pursuant to the Escrow Agreement until the subsequent date on which the MBE Compliance Condition (hereafter defined) is achieved. If, following any such failure, the Developer demonstrates to the reasonable satisfaction of the County's MBE Compliance

Manager in connection with the quarterly reporting submitted by the Developer that the MBE Compliance Condition has been satisfied as of the end of the applicable calendar quarter, Developer's right to receive disbursements of Refund amounts pertaining to such completed Phase pursuant to the Escrow Agreement shall be reinstated for the remainder of the PILOT Term.

(b) Without limiting the foregoing, if at any time during the PILOT Term the quarterly reporting submitted by Developer to the County's MBE Compliance Manager indicates that as of the end of the applicable calendar quarter the Project is not in compliance with the minimum CBB, CBSB, MBE and CMBE participation requirements expressly set forth in the MBE Plan measured in the aggregate on total eligible construction costs of the Project to date (as may be modified as set forth in the MBE Plan), then, notwithstanding anything to the contrary set forth in the Escrow Agreement, Developer shall not be entitled to receive any disbursement of Refund amounts pertaining to the new building(s) completed as part of the then-current Phase of the Project (but not limiting Refund disbursements pertaining to any prior completed Phase of the Project) pursuant to the Escrow Agreement until the subsequent date on which the MBE Compliance Condition is achieved. If, following any such failure, the Developer demonstrates to the reasonable satisfaction of the County's MBE Compliance Manager in connection with the quarterly reporting submitted by the Developer that the MBE Compliance Condition has been satisfied as of the end of the applicable calendar quarter, Developer's right to receive disbursements of Refund amounts pertaining to the new building(s) completed as part of the then-current Phase of the Project pursuant to the Escrow Agreement shall be reinstated.

(c) As used herein, the "**MBE Compliance Condition**" shall mean that the Developer has caused at least 25% of the aggregate eligible construction costs of the Project as described in the MBE Plan (as may be modified as set forth therein), inclusive of the construction costs incurred to date for the then-current Phase of the Project and all prior Phases of the Project, to be directed to contracts with CBBs, CMBEs, CBSBs, and MBEs, and at least 20% of such construction costs to be expressly directed to contracts with CMBEs.

Section 5.04. County Default. If the County is in default with respect to any payment required under this Agreement, the Developer may declare a default by providing written notice of such default to the County. If within 30 days of such notice the Refund due and owing to Developer is not paid, then the Developer may (i) seek all available remedies in law and equity including, but not limited to, specific performance, and (ii) if so litigated, be entitled to all reasonable attorneys' fees, litigation costs and expenses if so awarded by the Court after a determination that the County had no reasonable basis to withhold any portion or all of the Refund. Any Refund to which the Developer is entitled to receive shall be released to the Developer pursuant to the terms and conditions set forth in the Escrow Agreement.

Article VI Limitations

Section 6.01. No Change in Project. During the Term of this Agreement, the Developer covenants and agrees that it shall not take any action with respect to the Project or a Phase which would change its use as an Economic Development Project within the meaning of the Act, except as expressly permitted in writing by the County.

Section 6.02. Deadlines for PILOT to Take Effect.

(a) Notwithstanding anything in the Act or this Agreement to the contrary, the Developer shall not have any right to secure a PILOT for Phase 3 through Phase 11 if the PILOT Term for such Phase does not commence on or before December 31, 2034, subject to extension for an Extension Event Delay.

(b) Notwithstanding any extensions provided pursuant to this Agreement, the Developer shall not have any right to secure a PILOT for Phase 3 through Phase 11 if the PILOT Term for such Phase does not commence on or before December 31, 2039.

Article VII
MBE Plan

The Developer has submitted the MBE Plan, which includes a goal of thirty-five percent (35%) for County-based business enterprises (CBBs), County-based small business enterprise (CBSBs), minority business enterprise (MBEs) and County-based minority business enterprise (CMBEs), with a minimum CBE, CBSB, MBE and CMBE participation of twenty-five percent (25%) of the total building costs, site work costs, and related construction services, as depicted in the project pro forma for the Project. The Parties agree that no less than twenty percent (20%) of the total building costs, site work costs, and related construction services must be allocated to CMBEs. The goals and minimums set forth in the MBE Plan shall be subject to exclusions agreed to by the County's MBE Compliance Manager. The MBE Plan has also been approved by the County's MBE Compliance Manager.

Article VIII
PILOT Reporting and Employment Data

Section 8.01. Reporting Requirements. On or before December 1st of each year, commencing in the year 2022, the Developer agrees to supply such information as may be reasonably required by the County in order to comply with its reporting requirements under the Act.

Section 8.02. Employment Data and Other Information. The Developer agrees to provide the County with the right to access and inspect the Employment Information with respect to the Project collected by the Developer during the Term of this Agreement, subject to any applicable confidentiality or privacy restrictions, within sixty (60) days of notice by the County. A failure to do so by the Developer will be deemed a default under Section 5.01 of this Agreement. In an effort to further the purposes of the Act, the Developer shall request Employment Information from the employers located in the Project; provided that failure of any employer in the Project to comply

with any such request or of Developer to obtain any such Employment Information shall not constitute a default hereunder. As used herein, “**Employment Information**” shall mean the total number of employees employed at the Project by a particular employer and identifying the number of such employees that are full and part-time, but shall not include any personal or identifying information regarding such employees or other information that is restricted by applicable privacy laws or regulations or contractual confidentiality arrangements to which Developer or any employer is bound.

Article IX

INTENTIONALLY OMITTED

Article X
Additional Provisions

Section 10.01. Successors & Assigns. Until the earlier of the end of the Term or the PILOT Term for a Phase, or ratification of any foreclosure sale, this Agreement shall be binding upon and shall inure to the benefit of the parties and their successors and assigns; provided that Developer shall remain entitled to receive and collect any Refund pursuant to the terms of this Agreement and the Escrow Agreement for the duration of the PILOT Term of each Phase, and such rights of Developer shall not run with the Property.

Section 10.02. Notices. All notices or other communication required to be given or authorized to be given pursuant to this Agreement shall be in writing and shall be delivered or sent by registered or certified mail, postage prepaid, or by hand delivery to:

County: Office of the County Executive
1301 McCormick Drive, Suite 4000
Largo, Maryland 20774
Attention: Angie Rodgers, Deputy Chief
Administrative Officer for Economic
Development

With a copy to: Prince George's County Office of Law
1301 McCormick Drive, Suite 4100
Largo, Maryland 20774
Attention: County Attorney

Developer:

With a copy to:

or at such other address with respect to either party as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

Section 10.03. Further Assurances. Each party agrees to do such things, perform such acts, and make, execute, acknowledge, and deliver such documents as may be reasonably necessary and customary to carry out the intent and purposes of this Contract, so long as any of the foregoing do not materially increase any party's obligations hereunder or materially decrease any party's rights hereunder.

Section 10.04. Estoppel. The County shall, from time to time, within ten (10) business days after receipt of written request from Developer, execute, acknowledge, and deliver to the Developer or to any existing or prospective transferee or mortgagee designated by the requesting Developer, a statement ("**Estoppel Certificate**") confirming:

- (a) a true, correct, and complete copy of this Agreement, all amendments thereto and, with respect to any Phase(s), the applicable Phase Commencement Notice(s);
- (b) that the terms and provisions of this Agreement are unmodified and are in full force and effect;
- (c) to the County's knowledge, whether there is any existing default hereunder by the Developer and, if so, specifying the nature and extent thereof.

Section 10.05. Governing Law, Consent to Jurisdiction and Waiver of Jury Trial.

(a) This Agreement shall be governed by, construed, and enforced in accordance with, the laws of the State of Maryland, and Prince George's County, Maryland, without regard or giving effect to the principles of conflicts of laws thereof.

(b) Each party hereto irrevocably and unconditionally (i) agrees that any suit, action or other legal proceeding arising out of or related to this Agreement shall be brought in the Circuit Court of Prince George's County, Maryland, (ii) consents to the jurisdiction of such court in any such suit, action or proceeding, (iii) waives any objection which it may have to the venue of any such suit, action or proceeding in such court and (iv) waives and relinquishes any rights it might otherwise have (A) to move to dismiss on grounds of forum non conveniens, (B) to remove to any other court, and (C) to move for a change of venue to a Maryland state court outside Prince George's County.

(c) EACH PARTY HERETO HEREBY EXPRESSLY WAIVES ALL RIGHTS TO A TRIAL BY JURY ON ANY CAUSE OF ACTION DIRECTLY OR INDIRECTLY INVOLVING THE TERMS, COVENANTS OR CONDITIONS OF THIS AGREEMENT OR ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT. THE PROVISIONS OF THIS AGREEMENT RELATING TO WAIVER OF TRIAL BY JURY SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

(d) The waivers made pursuant to this Section 9.03 are irrevocable and unmodifiable, whether in writing or orally, and are applicable to any subsequent amendments, renewals, supplements, or modifications of this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by a court of competent jurisdiction.

Section 10.06. Severability. If any clause, covenant, paragraph, or provision herein shall be declared fully or partially invalid or unenforceable, the remaining clauses, covenants, paragraphs, and provisions shall remain enforceable and valid to the fullest extent permitted by law.

Section 10.07. Entire Agreement; Amendments. This Agreement constitutes the full and complete agreement between the parties, and no amendments thereto shall be valid, except if such amendments are in writing and duly approved and executed by both parties hereto.

Section 10.08. Execution in Counterparts. This Agreement may each be signed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Signatures to this Agreement may be delivered by facsimile, pdf, or other electronic means, and each such signature shall be considered an original for all purposes of this Agreement.

Section 10.09. Electronic Execution. The parties acknowledge and agree that this Agreement may be executed by electronic or digital signature. The words “execution,” “signed,” “signature,” and words of similar import in this Agreement shall be deemed to include electronic or digital signatures or the keeping of records in electronic form, each of which shall be of the same effect, validity and enforceability as manually executed signatures or a paper-based recordkeeping system, as the case may be, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 USC § 7001 et seq.), the Maryland Uniform Electronic Transactions Act (§§21-106, 21-111 and 21-117, Commercial Law Article, Annotated Code of Maryland,) or any other similar state laws based on the Uniform Electronic Transactions Act.

[SIGNATURE PAGES FOLLOW]

DEVELOPER'S SIGNATURE PAGE
TO THE
MASTER PAYMENT IN LIEU OF TAXES AGREEMENT

Project Name: Carillon

The party below has executed and delivered this Agreement on the date first written above.

WITNESS:

RPAI CAPITAL CENTRE II, L.L.C.,
a Delaware limited liability company

By: Kite Realty Group Trust a Maryland corporation

By: _____
Name: _____
Title: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

COUNTY'S SIGNATURE PAGE
TO THE
MASTER PAYMENT IN LIEU OF TAXES AGREEMENT

Project Name: Carillon

The party below has executed and delivered this Agreement on the date first written above.

PRINCE GEORGE'S COUNTY, MARYLAND

By: _____
Angie Rodgers
Deputy Administrative Officer for Economic
Development

[EXHIBITS FOLLOW]

EXHIBIT A-1

PROPERTY DESCRIPTION

Address: 801 Capital Centre Blvd

Tax ID: 13-3438892, 13-5658824, 13-5658846, 13-5658835, 13-5658881, 13-5658857

Property Land Area: 38.7 acres (approximately)

Proposed Structures: mixed-use project consisting of approximately 407,000 square feet of office space, 300 hotel rooms, retail/restaurant space totaling approximately 169,750 gross square feet, approximately 1,736 multi-family units, and 3,819 spaces in structured parking

Assessed Value – Base: \$37,752,600 as of July 1, 2021

EXHIBIT A-2

DRAWING OF PROPERTY BOUNDARIES

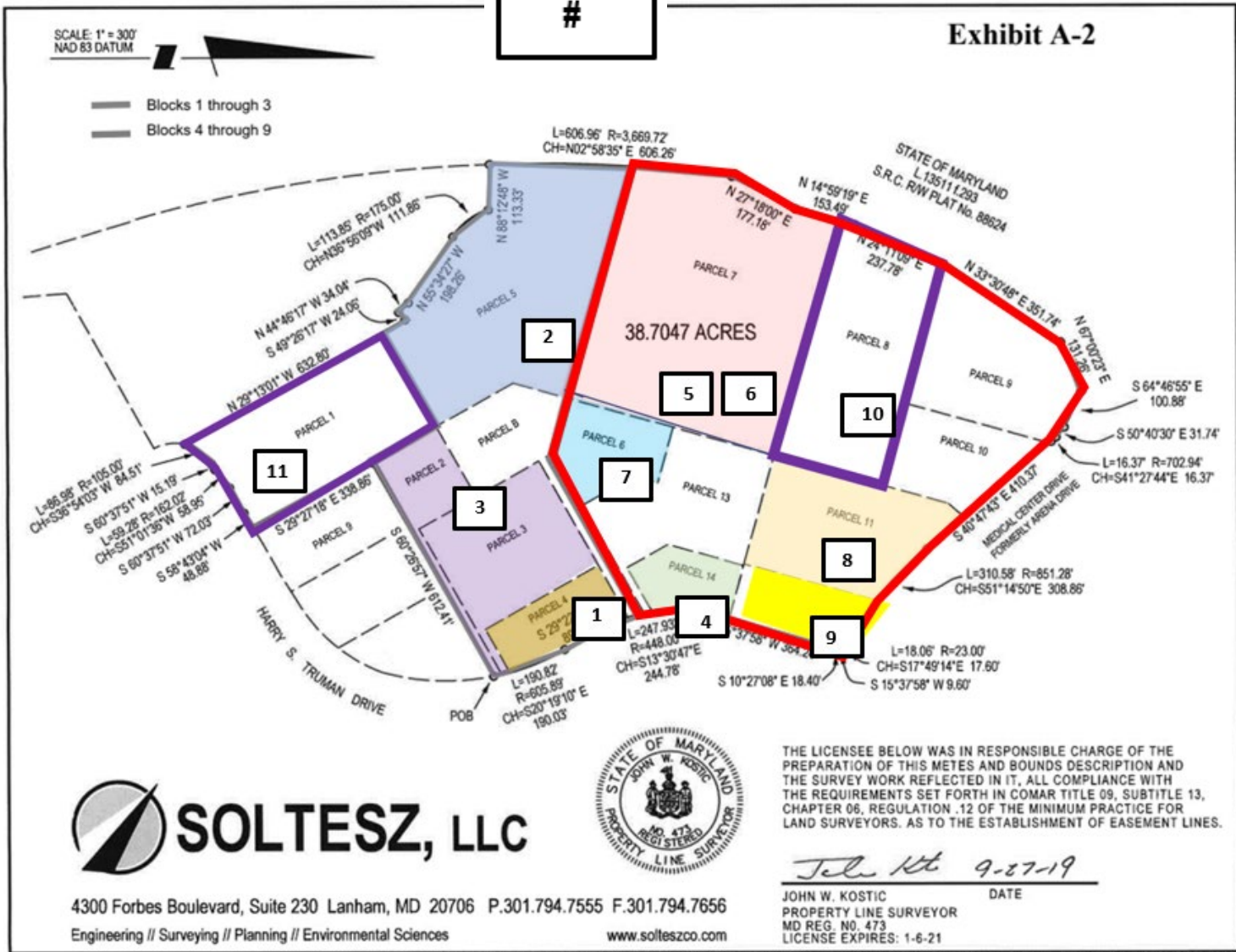
PHASE
#

Exhibit A-2

SCALE: 1" = 300'
NAD 83 DATUM



- Blocks 1 through 3
- Blocks 4 through 9



4300 Forbes Boulevard, Suite 230 Lanham, MD 20706 P.301.794.7555 F.301.794.7656
Engineering // Surveying // Planning // Environmental Sciences www.solteszco.com



THE LICENSEE BELOW WAS IN RESPONSIBLE CHARGE OF THE PREPARATION OF THIS METES AND BOUNDS DESCRIPTION AND THE SURVEY WORK REFLECTED IN IT, ALL COMPLIANCE WITH THE REQUIREMENTS SET FORTH IN COMAR TITLE 09, SUBTITLE 13, CHAPTER 06, REGULATION .12 OF THE MINIMUM PRACTICE FOR LAND SURVEYORS. AS TO THE ESTABLISHMENT OF EASEMENT LINES.

John W. Kostic 9-27-19

JOHN W. KOSTIC DATE
PROPERTY LINE SURVEYOR
MD REG. NO. 473
LICENSE EXPIRES: 1-6-21

S:\26160300_RPAIN\SURVEY\Sketches\RPAl Area.dgn Scale= 300.0000 1/1 in. User= jkostic PLTdrv= Black-White plotd= TEXT_SUB.tbl 9/27/2019 7:44:07 AM

EXHIBIT A-3

DESCRIPTION OF DEVELOPMENT PHASES

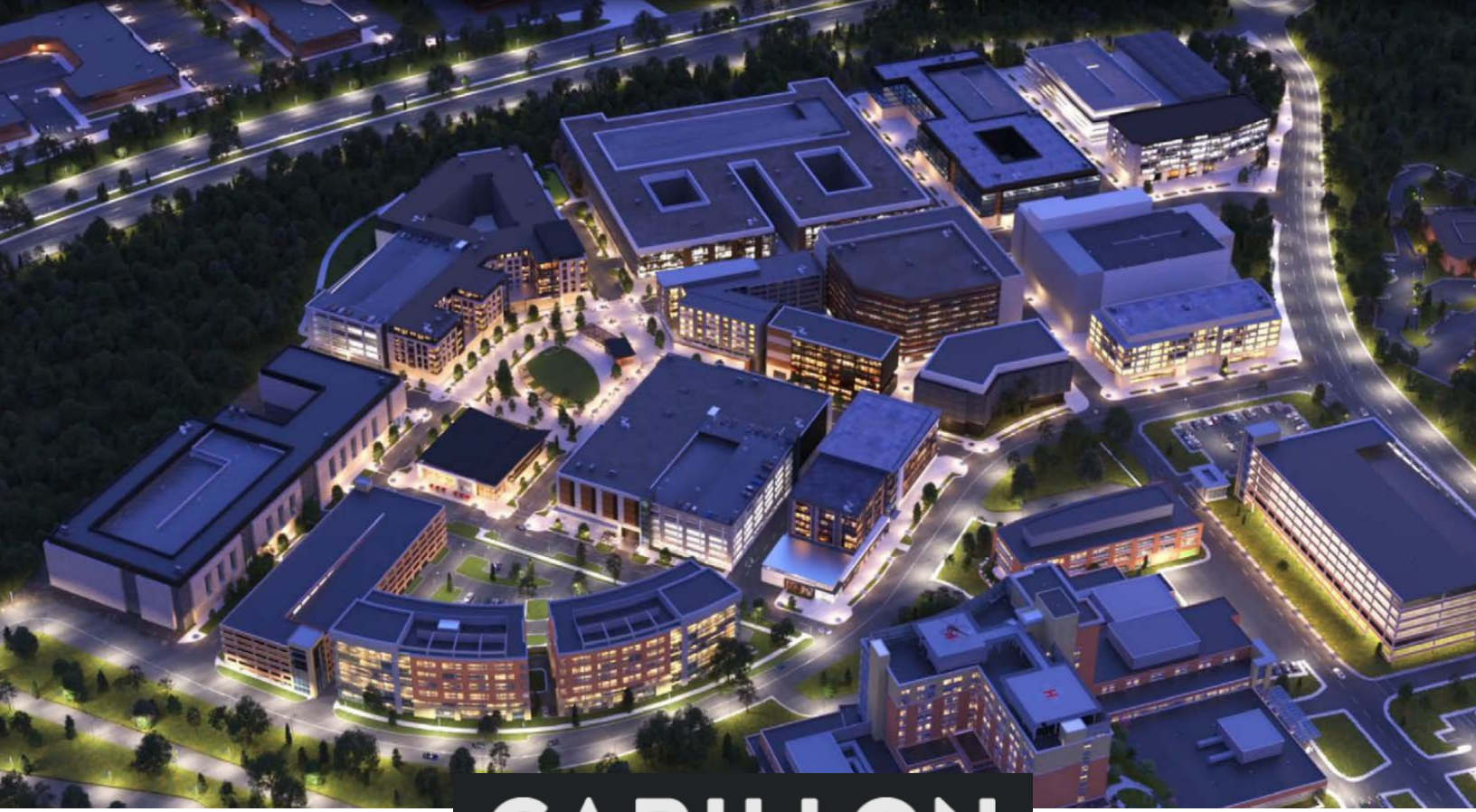
(see attached)

07/01/2021 ASSESSMENTS
Pre-Use and Occupancy Tax Calculation

PHASE	PARCEL (s)	ADDRESS (Upper Marlboro, MD 20774)	SUBSTANTIAL COMPLETION DEADLINE	TOTAL GLA (SF)	TOTAL GROSS (SF)	GROSS SQUARE FOOTAGE ALLOCATION			# MULTI-FAMILY UNITS	TAX ID NUMBER	PROPERTY ID	PHASE-IN ASSESSMENT	ACREAGE	LAND (SF)	BASE ASSESSMENT/ LAND (SF)
						OFFICE	RETAIL	MULTI-FAMILY				TOTAL			LAND (SF)
1	4	950 N Harry S Truman Dr	4/30/2023	126,073	131,000	107,000	24,000			13-5658857	373700	\$ 31,500	1.0348	45,084.60	\$ 0.70
2	5	900 Shoppers Way	12/31/2024	317,525	409,950		22,600	387,350	351	13-5658881	5658881	\$ 167,400	5.4913	239,187.96	\$ 0.70
3	3	800 Capital Centre Blvd	1/1/2025	9,000	10,000		10,000			13-5658835	5658835	\$ 31,800	1.0458	45,563.76	\$ 0.70
3	3	900 Capital Centre Blvd	1/1/2025	76,500	77,700	64,000	13,700			13-5658846	5658846	\$ 74,000	2.4271	105,720.12	\$ 0.70
4	14		7/1/2026	109,350	112,650	110,350	2,300								
5-6	7		3/1/2028	423,665	483,250		24,750	458,500	475						
7	6		1/1/2030	194,135	217,100		34,600	182,500	190						
8	11		8/1/2031	109,152	123,250		13,000	110,250	115						
9	12		5/1/2032	124,000	127,450	125,650	1,800								
10	8		11/1/2033	223,880	254,250		14,500	239,750	250						
4-10	PL LT 1 CAP ARENA 1000 Shoppers Way									13-3438892	3438892	\$ 23,945,633	23.7948	1,036,510.20	\$ 23.10
11	1	800 Shoppers Way	12/1/2034	289,710	331,450		8,500	322,950	355	13-5658824	5658824	\$ 13,502,267	3.3019	143,835.12	\$ 93.87
	B	845 Shoppers Way								13-5658870	5658870	\$ -	1.4440	62,900.64	\$ -
				2,002,990	2,278,050	407,000	169,750	1,701,300	1,736			\$ 37,752,600	38.5397	1,678,802.40	\$ 22.49

EXHIBIT B

MBE PLAN



CARILLON
PRINCE GEORGE'S COUNTY

Minority Business Enterprise Plan
Prince George's County, Maryland

MARCH 23, 2022

I. EXECUTIVE SUMMARY

Carillon (the “Project”) will consist of the redevelopment of a prior ageing retail venue into a mix of retail, residential, hospitality, and office space adjacent to the Largo Town Center Metro Station, which is designated by Prince George’s County (the “County”) as one of its three “Downtowns”. RPAI Capital Centre II, L.L.C. (the “Developer”) is the owner and Developer of the Project. As the Developer of the Project, Developer is committed to the principle that County-Based Businesses (“CBBs”), County-Based Small Businesses (“CBSBs”), Minority Business Enterprises (“MBEs”), and County-Based Minority Business Enterprises (“CMBEs”) must be afforded the opportunity to participate in the economic transformation of the County created by the Project.

The Developer intends to institute projects designed to achieve contracting participation by CBBs, CMBEs, CBSBs, MBEs with the goal of:

- ❖ Providing opportunities for CBBs, CMBEs, CBSBs, and MBEs to participate in the economic grow and development in the County.
- ❖ The Developer will present contractual opportunities for CBBs, CMBEs, CBSBs, and MBEs to provide professional and non-professional services and goods though the competitive bid process.
- ❖ Achieving or exceeding agreed upon contractual spend percentages for CBBs, CMBEs, CBSBs, and MBEs.

II. Payment In Lieu of Taxes (“PILOT”) (See CR-___2019)

III. PROJECT DESCRIPTION (OVERVIEW)

The Project is a multi-phased mixed use large-scale economic and community development project in the County’s central Downtown, per the Prince George’s County Master Plan 2035, that will provide significant redevelopment resulting in retail, residential, hospitality, and office space. The Project will assist in the creation of downtown Largo with direct access to I-95/I-495, the Largo Town Center Metro station and integrated with the new University of Maryland Capital Region Medical Center. The Project is anticipated to be developed over several phases spanning a 12-year time frame.

It is anticipated that at the completion of the Project it will consist of up to:

- 3.0 million square feet of retail, residential, hospitality and office use
- A four-season open space, which will feature a variety of community activities and events
- 300,000 square feet of retail space
- 900,000 square feet of additional commercial space

- 3,000 multi-family residential units
- 300 hotel rooms

The Prince George's County 2035 Master Plan designated the areas around the Largo Town Center, New Carrollton and Prince George's Plaza metro stations as Downtown development areas. The Project will become an important part of the fabric of the County and reflect the social and economic strengths of the entire region while delivering on the vision of so many who were part of the master plan process. The Project development cost, prior to any exclusions, that will be subject to the CBB, CMBE, CBSB, and MBE requirements is estimated to be approximately \$973,569,695.00 million as set forth in Exhibit 2 and discussed in greater detail in Section V below.

IV. CBB, CMBE, CBSB, AND MBE GOALS AND OBJECTIVES

The Developer plans to implement programs that will be designed to achieve contracting participation by CBBs, CMBEs, CBSBs, and MBEs. The Developer acknowledges that the following information relates to certain portions of the Project and that it intends to supplement Exhibit 3 to this MBE Plan by providing information in substantively the same form as set forth in Exhibit 3 as a part of the County's review of each phase of the Project.

To the extent that Developer, directly or indirectly, incurs such costs, the Developer, will use Best Efforts (as defined in Part XI of this MBE Plan) to cause 35% or more of the costs of constructing Phase I of the Project and certain other costs incurred during the construction of Phase 1, including the total building costs, site work costs and soft costs, to be incurred pursuant to contracts with CBBs, CMBEs, CBSBs, and MBEs. At a minimum, the Developer will cause at least 25% of such incurred costs to be directed to contracts with CBBs, CMBEs, CBSBs, and MBEs and at least 20% of these CBBs, CMBEs, CBSBs, and MBEs -applicable costs to be expressly directed to contracts with CMBEs. These percentages apply to the total building cost, site work cost, and related construction services of the Project that are directly controlled and procured by Developer. The Developer will have the flexibility to meet the above-referenced goals on the Project on a contract-by-contract basis or as a whole. Further, the Developer will have the flexibility to exclude certain improvements and trade work from the applicable hard and soft construction costs should the bidding process conducted by the general contractor or the Developer reveal that CBBs, CMBEs, CBSBs, and MBEs -subcontractors are unavailable to perform the necessary work or their bids are greater than 5% of the average of the non- CBBs, CMBEs, CBSBs, and MBEs subcontractor bids. Opportunities for CBBs, CMBEs, CBSBs, and MBEs will include, but not be limited to: accounting, engineering and legal; permit expediting and construction management; site work, including excavating and hauling, concrete and foundations; welding, electrical, plumbing, door installation, drywall, painting, carpeting, tiling and interior design; asphalt and landscaping; property and program management; signage,

marketing, maintenance and cleaning. Exclusions of certain trades from the total CBBs, CMBEs, CBSBs, and MBEs -applicable construction costs (as defined in Part XI of this MBE Plan), which may be amended by the agreement of the County's Compliance Manager and the Developer from time to time. Certification of all CBBs, CMBEs, CBSBs, and MBEs is required, and the selection of qualified CBBs, CMBEs, CBSBs, and MBEs shall be made by the Developer in its sole discretion. Any CBBs, CMBEs, CBSBs, and MBEs certified by the County's Office of Central Services, Supplier Development and Diversity Division, the Maryland Department of Transportation, the Washington Metropolitan Area Transit Authority, the Capital Region Minority Supplier Development Council, the National Minority Supplier Development Council, the Department of Veterans Affairs, the Women Presidents Education Organization and the U.S. Pan Asian American Chamber of Commerce, or any federal agency shall be deemed certified for purposes of this MBE Plan. The Developer will also encourage local business opportunities at the Project.

The Developer represents that it will collaborate with the MBE Compliance Manager early on in the planning of the construction of future phases of the Project with a goal of increasing the percentage of the MBE Plan applicable budget available to MBEs and CBBs in all future phases of the Project. The Developer will work with the MBE Compliance Manager to establish outreach programs, including vendor events, with a particular focus on increasing opportunities for CBBs, CMBEs, CBSBs, and MBEs. Exhibit 2 list the procurement opportunities that will be presented to CBBs, CMBEs, CBSBs, and MBEs for them to response to in a competitive bidding process.

The Developer acknowledges that it will supplement this MBE Plan by providing information for future phases of the Project as a part of the County's review of each phase. The Developer will provide the required additional information 45 days before the beginning of the next phase.

The following estimates will be modified throughout the project development based on any approved exclusions from the baseline project total of \$973,569,695.00.

Best Efforts at 35%	\$ 340,749,393.25
CBB, CMBE, CBSB, and MBE at 25%	\$ 243,392,423.75
CMBE at 20%	\$ 194,713,939.00

V. ADMINISTRATION OF THE MBE PLAN

William "Nick" Over, Vice President Development, will serve as Program Manager and supervise efforts to meet the CBBs, CMBEs, CBSBs, and MBEs participation goals. The Program Manager will assist in identifying qualified contractors through the County and The

State of Maryland's Governor's Office of Small, Minority & Women Business Affairs, the Prince George's County Office of Central Services, Supplier Development and Diversity Division, the Prince George's Community College's Center for Entrepreneurial Development, Prince George's County Chamber of Commerce (and/or other County and non-County stakeholders involved in economic development), community briefings and contractor job fairs. The Program Manager will track the use of the selected qualified contractors, make available to the public information about possible subcontract opportunities and market contract opportunities for CBBs, CMBEs, CBSBs, and MBEs companies through the internet, social and traditional media, the Prince George's County Office of Central Services, Supplier Development and Diversity Division and the Prince George's County Community College's Center for Entrepreneurial Development, Prince George's County Chamber of Commerce (and/or other County and non-County stakeholders involved in economic development). In addition, the Program Manager will be responsible for communicating with and generating reports for the oversight board.

The Program Manager's contact information is as follows:

Name: William "Nick" Over
Title: VP Development
Address: 20365 Exchange Street Suite 211 Ashburn, VA 20147
E-Mail: nover@kiterealty.com
Telephones: 317-577-5600

VI. PAYMENT

Payments to CBBs, CMBEs, CBSBs, and MBEs will be made in accordance with the lawful terms of a fully negotiated and executed contract between the Developer (or, if appropriate, the contractor or general contractor), and the applicable CBB, CMBE, CBSB, or MBE firm, with payment due under said contract no more than sixty (60) days after satisfactory completion of the entire scope of work under the contract, unless other written special arrangements are made.

VII. RECORD KEEPING, REPORTING, AND COMPLIANCE

The Developer will establish and maintain records to prepare and submit a report to the County's Compliance Manager, which will identify and assess progress in achieving the goals of this MBE Plan. After the commencement of the construction of the Project and beginning on the first to occur of January 1, April 1, July 1 and October 1 and every January 1, April 1, July 1 and October 1 thereafter during construction of the Project, the Developer shall prepare a report detailing the utilization of CBBs, CMBEs, CBSBs, and MBEs (the "Report"). The Report shall include the dollar amount of all contracts awarded by the Developer and/or the Contractor to

CBBs, CMBEs, CBSBs, and MBEs on the Project and a description of the development team's plans to improve performance if necessary. The Report (attached Excel spreadsheet) shall also include (i) the name of each CBBs, CMBEs, CBSBs, and MBEs and its address, telephone number and individual contact; (ii) the amount of the subject contract; (iii) a description of the scope of work covered by the subject contract; (iv) the year-to-date amount paid to CBBs, CMBEs, CBSBs, and MBEs; and (v) such other information reasonably determined by the County's Compliance Manager as necessary to achieve the goals set forth herein. The initial report shall include all CBBs, CMBEs, CBSBs and MBEs whom have provided services allowing for the proposed construction since the initiation of the Project in September 2015.

The Developer will meet with the County's Compliance Manager at least quarterly to discuss the activities reported and identify future activities that will help achieve the objectives set forth in this MBE Plan. The Developer will establish and maintain the records pertaining to procedures which have been adopted to comply with the policies set forth in this MBE Plan, including the establishment of a source list of CBBs, CMBEs, CBSBs, and MBEs; awards to businesses in the various categories set forth in this MBE Plan; and specific efforts undertaken to identify and award contracts to CBBs, CMBEs, CBSBs, and MBEs. The Developer will make all records pertaining to this MBE Plan available to the County upon request.

Failure to submit the Report on a timely basis may, at the discretion of the County's Compliance Manager, result in a penalty not to exceed \$1,000 each day such Report is late. Prior to any assessment of fees, the County's Compliance Manager shall provide written notice of such failure to the Program Manager.

The Developer shall reasonably cooperate with the County in studies and surveys of the Developer's CBBs, CMBEs, CBSBs, and MBEs procedures and practices that the County may from time to time conduct.

VIII. EMPLOYMENT

The Project is anticipated to create significant employment opportunities and significant economic impact to the County both during construction and at full build out. The Developer will work with Employ Prince George's, use the Project website, social media outlets, local newspapers, and other venues to attempt to provide notice to Prince George's County residents of job opportunities for the Project. The Developer anticipates the creation of 5,255 temporary construction-related, direct and indirect jobs to develop and construct the Project resulting in annual earnings of approximately \$350M. In addition, the Developer anticipates the creation of

2,633 permanent jobs as a result of the Project at full build-out with aggregate annual compensation of approximately \$400M.

IX. DEFAULTS, FINES, AND APPEALS

The Developer shall use Best Efforts to meet the CBBs, CMBEs, CBSBs, and MBEs participation goal of 35% set forth herein. In the event the Developer fails to meet the minimum 25% CBBs, CMBEs, CBSBs, and MBEs or 20% CMBE participation requirements set forth in this Plan, as determined by the County's Compliance Manager in a written notice pursuant to the Compliance Manager's review of the Report, and such failure shall not be cured by the Developer within sixty (60) days after receipt of such notice from the County's Compliance Manager, then such failure shall be deemed an "Event of Default." To the extent that Developer is behind in meeting the minimum participation requirements, Developer may demonstrate its ability to meet such requirements upon completion of the Project.

From the Effective Date until one (1) year after the completion of the Project, upon the occurrence of an Event of Default, in which the Developer fails to meet the minimum requirements of this MBE Plan, the Developer shall be subject to a maximum aggregate fine or liquidated damages in the amount of \$200,000. Such amount represents compensation for the failure to meet a goal freely approved by the Developer, is a material consideration for the County in entering into the PILOT Agreement and providing the County CIP funding and is not to be construed as a penalty.

Notwithstanding the foregoing, in the event the Developer disputes a determination by the County's Compliance Manager of an Event of Default, the Developer shall have the right to appeal such determination to a panel of neutral mediators. The County shall appoint one member to the panel, and the Developer shall appoint one member of the panel. The third member of the panel shall be jointly agreed upon by the County and the Developer. No penalty may be assessed against the Developer until the Developer has exhausted such appeal. The Developer agrees to pay all reasonable expenses incurred by a panel of neutral mediators, but only if the Developer is found by the panel to be in default.

X. DEFINITIONS AND CERTIFICATIONS BEST EFFORTS

Best Efforts means actions taken by the Developer in a true and genuine attempt to achieve compliance with and to further the interest and purpose of its MBE Plan, without any design to deceive or defraud the County or intended beneficiaries of this MBE Plan or to otherwise undermine the interest of this MBE Plan.

Business means any association, corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity through which business is conducted.

Code means the County Code of Prince Georges County, Maryland.

County-Based Business means a County-based business in accordance with [Section 10A-163](#) of the Code.

County-Based Minority Business Enterprise means a business that is both:

- (A) a Minority Business Enterprise as certified by the Supplier Development and Diversity Division; and
- (B) a County-Based Business.

County-Based Small Business means a business that:

- (A) (i) meets the requirements of [Section 10A-163\(b\)](#) of the Code and
 - (ii) whose application for certification as a County-based small business is approved by the Purchasing Agent; or
- (B) is a County-Based Minority Business Enterprise that meets the requirements of [Section 10A-163\(g\)](#) of the Code.

Minority Business Enterprise means any business enterprise:

- (A) Which is at least fifty-one percent (51%) owned by one or more minority individuals, or, in the case of any publicly owned corporation, at least fifty-one percent (51%) of the stock of which is owned by one or more minority individuals; and
- (B) Whose general management and daily business affairs and essential productive operations are controlled by one or more minority individuals; and
- (C) Which has been certified by the Supplier Development and Diversity Division as a Minority Business Enterprise pursuant to Division 6 of the Code.

Minority individuals are those who have been subjected to prejudice or cultural bias because of their identity as a member of a group in terms of race, color, ethnic origin, or gender, without regard to their individual capabilities. Minority individuals are limited to members of the following groups:

- (A) African Americans (Black Americans), which includes persons having origins in any of the Black racial groups of Africa;
- (B) Asian-Pacific Americans, which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong;

- (C) Subcontinent Asian Americans, which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;
- (D) Hispanic Americans, which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
- (E) Native Americans, which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
- (F) Females, regardless of race, ethnicity or origin; and
- (G) Veterans and Service-Disabled Veterans.

XI. EXCLUSIONS

The following is a list of exclusions for the Carillon Prince George's Project. During period of performance of the Project there may be other exclusions that will need to be review by the County Compliance Manger and the Developer.

- Utilities
- Funds Expended in an emergency
- Structural steel
- Escalators
- Elevators
- Payments to government (including permits, taxes, and any incurred cost where the government is the sole provider of that good or service)
- Land
- Insurance Premiums use for the purpose of underwriting the project
- Rebar
- Concrete
- Pre-cast concrete
- Fire protection
- Fire proofing
- Interior and exterior signage
- Monies expended before the execution of this agreement.

[Signature on Following Page]

DELIVERED to Prince George's County, Maryland this day of March, 2022.

RPAI Capital Centre II, L.L.C.

By: _____

EXHIBIT 2

Phasing Schedule (WILL BE UPDATED TO MATCH PILOT)

PHASE	PARCEL (s)	ADDRESS (Upper Marlboro, MD 20774)	SUBSTANTIAL COMPLETION DEADLINE	TOTAL GLA (SF)	TOTAL GROSS (SF)	GROSS SQUARE FOOTAGE ALLOCATION			# MULTI-FAMILY UNITS	TAX ID NUMBER	PROPERTY ID	07/01/2021 ASSESSMENTS Pre-Use and Occupancy Tax Calculation			
						OFFICE	RETAIL	MULTI-FAMILY				PHASE-IN ASSESSMENT TOTAL	ACREAGE	LAND (SF)	BASE ASSESSMENT/LAND (SF)
1	4	950 N Harry S Truman Dr	8/1/2022	126,073	131,000	107,000	24,000			13-5658857	373700	\$ 31,500	1.0348	45,084.60	\$ 0.70
2	5	900 Shoppers Way	9/1/2024	317,525	409,950		22,600	387,350	351	13-5658881	5658881	\$ 167,400	5.4913	239,187.96	\$ 0.70
3	2	800 Capital Centre Blvd	1/1/2025	9,000	10,000		10,000			13-5658835	5658835	\$ 31,800	1.0458	45,563.76	\$ 0.70
3	3	900 Capital Centre Blvd	1/1/2025	76,500	77,700	64,000	13,700			13-5658846	5658846	\$ 74,000	2.4271	105,720.12	\$ 0.70
4	14		7/1/2026	109,350	112,650	110,350	2,300								
5-6	7		3/1/2028	423,665	483,250		24,750	458,500	475						
7	6		1/1/2030	194,135	217,100		34,600	182,500	190						
8	11		8/1/2031	109,152	123,250		13,000	110,250	115						
9	12		5/1/2032	124,000	127,450	125,650	1,800								
10	8		11/1/2033	223,880	254,250		14,500	239,750	250						
4-10	PL LT 1 CAP ARENA	1000 Shoppers Way								13-3438892	3438892	\$ 23,945,633	23.7948	1,036,510.20	\$ 23.10
11	1	800 Shoppers Way	12/1/2034	289,710	331,450		8,500	322,950	355	13-5658824	5658824	\$ 13,502,267	3.3019	143,835.12	\$ 93.87
	B	845 Shoppers Way								13-5658870	5658870	\$ -	1.4440	62,900.64	\$ -
				2,002,990	2,278,050	407,000	169,750	1,701,300	1,736			\$ 37,752,600	38.5397	1,678,802.40	\$ 22.49

EXHIBIT 2

MBE Budget

See attached PDF file

EXHIBIT 3

Procurement Opportunities for CBBs, CMBEs, CBSBs, and MBEs

NAICS CODES	DESCRIPTION
236220	Commercial and Institutional Building Construction
237110	Water and Sewer Line and Related Structures Construction
237310	Highway, Street, and Bridge Construction
238110	Poured concrete Foundation and Structure Contractors
238120	Structural Steel and Precast Concrete Contractors
238130	Framing Contractors
238140	Masonry Contractors
238150	Glass and Glazing Contractors
238160	Roofing Contractors
238170	Sliding Contractors
238190	Other Foundation, Structure, and Building Exterior Contractors, Welding
238210	Electrical Contractors and Other Wiring Installation Contractors
238220	Plumbing, Heating, and Air-Conditioning Contractors
238290	Other Building Equipment Contractors
238310	Drywall and Insulation Contractors
238320	Painting and Wall Covering Contractors
238330	Flooring Contractors
238340	Title and Terrazzo Contractors
238350	Finish Carpentry Contractors
238390	Other Building Finishing Contractors
238910	Site Preparation Contractors
238990	All Other specialty Trade Contractors, Construction cleanup
323114	Quick Printing
324121	Asphalt
327320	Ready-Mix Concrete Manufacturing
339950	Sign Manufacturing

423210	Furniture Merchant Wholesalers
423420	Office Equipment Merchant Wholesalers
423430	Computer and Computer Peripheral Equipment and Software Merchant Wholesalers
423440	Other Commercial Equipment Merchant Wholesalers
423610	Electrical Apparatus and Equipment, Wiring suppliers, and Related Equipment Merchant
423690	Other Electronic Parts and Equipment Merchant Wholesalers
423850	Service Establishment Equipment and Suppliers Merchant Wholesalers
424120	Stationery and Office Suppliers Merchant Wholesalers
484121	General Freight Trucking, Long-Distance, Truckload
492110	Couriers and Express Delivery Services
517110	Wired Telecommunications Carriers
517210	Wireless Telecommunications Carriers (except Satellite)
531312	Property management
541110	Legal, Construction Management
541211	Accounting
541330	Engineering
541410	Interior design
541613	Marketing, Program Management
561730	Landscaping
811490	Maintenance
926150	Permit expediting

EXHIBIT C

PLAZA

Carillon Plaza

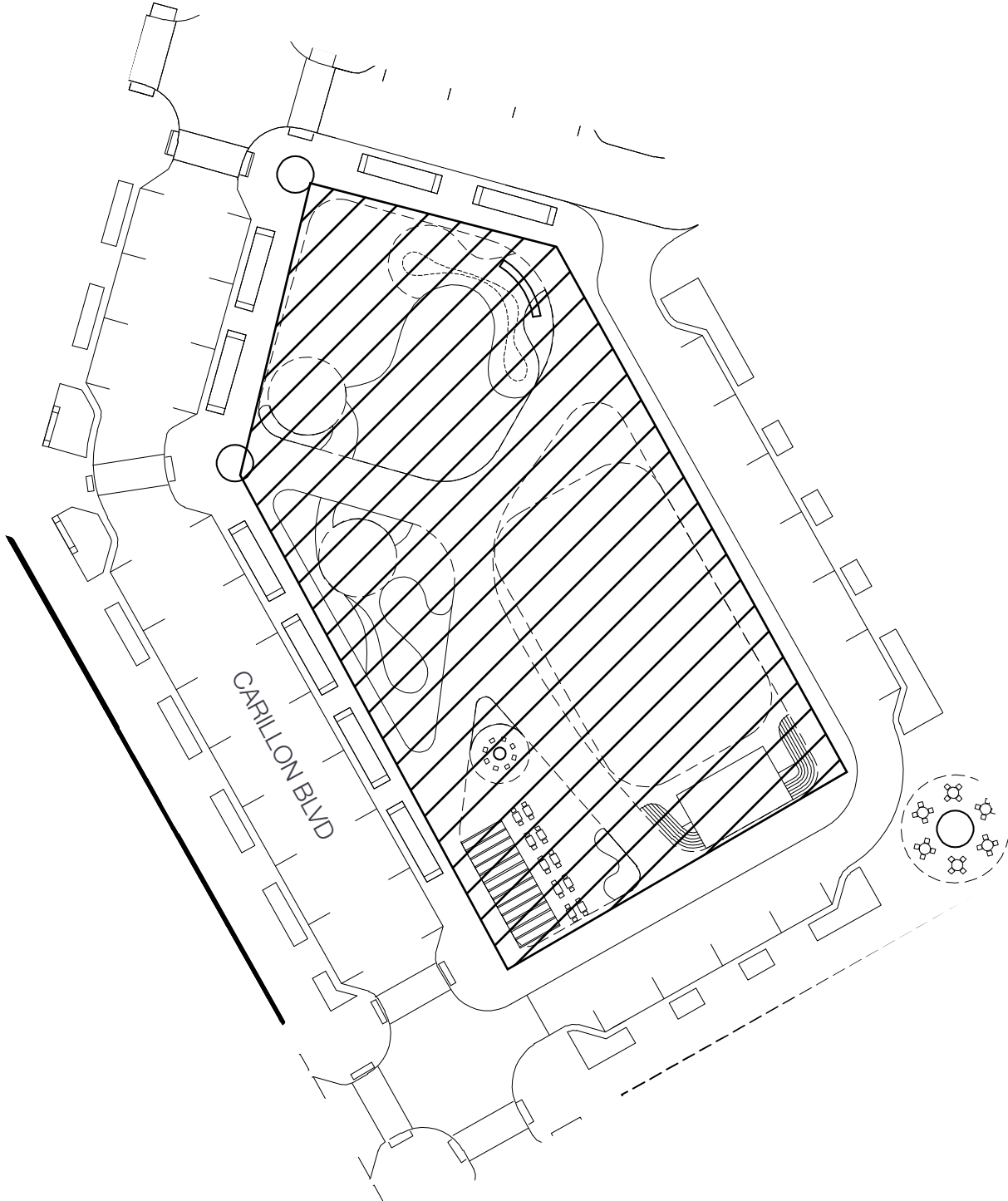


EXHIBIT D

FORM OF PHASE COMMENCEMENT NOTICE

This Phase Commencement Notice (this “Notice”) is effective this _____, 20__ by RPAI CAPITAL CENTRE II, L.L.C., a Delaware limited liability company (the “Developer”), to PRINCE GEORGE'S COUNTY, MARYLAND, a body corporate and politic (the “County”), pursuant to the provisions of Section 3.11 of that certain Master Payment In Lieu of Taxes Agreement (the “Master PILOT Agreement”) dated _____, 2022, by and between the Developer and the County. All terms used herein with their initial letter capitalized shall have the meaning assigned to such terms in the Master PILOT Agreement.

With respect to the Phase described below, Developer has satisfied the Conditions Precedent for a PILOT for [Phase 1 and Phase 2/Phase 3 through Phase 11]. The facts and terms applicable to such Phase are as follows:

Phase Number/Designation: _____.

Property Description. Property Description for the Phase will consist of the Parcels identified below and as shown in Attachment 1 to this Phase Commencement Notice, which is attached hereto and incorporated herein by reference:

Address:	Tax ID	Gross Square Footage:	Applicable Rate of Base Assessment	Pre-Use and Occ Tax
Total:				

Description of Development for Phase. The improvements to be constructed for this Phase shall consist of _____.

Pre-Use and Occupancy Taxes. The Pre-Use and Occupancy Taxes shall equal _____.

Construction Commencement. Construction of the improvements for this Phase commenced on _____ or is expected to commence _____.

Substantial Completion. Substantial Completion for this Phase is anticipated to occur by _____.

Representations, Warranties and Covenants of Developer. Developer hereby represents, warrants and covenants that (i) its representations, warranties and covenants set forth in the Master PILOT Agreement are true and correct as of the date of this Notice; (ii) the information set forth herein is true and accurate; (iii) no part of the Project, to date, involves any gambling activities nor does Developer plan to have such activities take place on any part of the Project; and (v) Developer shall provide the County a copy of the first Certificate of Occupancy issued for the Phase within ten (10) business days of issuance.

Execution in Counterparts. This Notice may each be signed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Signatures to this Notice may be delivered by facsimile, pdf, or other electronic means, and each such signature shall be considered an original for all purposes of this Agreement.

PILOT Effectiveness. The execution and delivery of this Notice shall constitute the Parties agreement that a PILOT will take effect for the Phase identified herein on the terms set forth in the Master PILOT Agreement and this Notice upon satisfaction of the following conditions applicable to such Phase:

- (a) for all Phases, the condition set forth in Section 3.07(c);
- (b) for Phase 1 and Phase 2, the condition set forth in Section 3.08(a)(iii); and
- (c) for Phase 3 through Phase 11, the condition set forth in Section 3.08(b)(vi).

WITNESS:

RPAI CAPITAL CENTRE II, L.L.C.,
a Delaware limited liability company

By: Kite Realty Group Trust a Maryland corporation

By: _____
Name: _____
Title: _____

PRINCE GEORGE'S COUNTY, MARYLAND

By: _____
Angie Rodgers
Deputy Administrative Officer for Economic
Development