

**STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES  
TED STEVENS ANCHORAGE INTERNATIONAL AIRPORT**

**SUPPLEMENT NO. 2**

**LAND/BUILDING LEASE ADA-31367**

WHEREAS, the State of Alaska, Department of Transportation and Public Facilities, Ted Stevens Anchorage International Airport ("**Lessor**"), whose address is P.O. Box 196960, Anchorage, AK 99519-6960, and Anchorage RAC Center, LLC, ("**Lessee**") whose address is 425 G Street, Suite 210, Anchorage, Alaska 99501, are parties to Lessor's Land/Building Lease ADA-31367 ("**Lease**"); and

WHEREAS, under the Lease, the Lessee is obligated to effect the design and construction of a consolidated rental car facility ("**Consolidated Facility**") to be used by the On-Airport Rental Car Concessionaires ("**RACs**") at Ted Stevens Anchorage International Airport ("**Airport**") during the term of the Lease; and

WHEREAS, under Lease Article IX (Improvements), Section A. (Compliance), improvements are required to "be completed in accordance with the provisions of the Lease;" and

WHEREAS, Lessor believes that under Lease Article IX (Improvements), Section E (Construction), paragraph (2) Lessee is obligated to construct the Consolidated Facility in "compliance with the Lessor's terminal area design standards," now known as Terminal Construction Standards ("**TCS**"), but Lessee believes that construction according to the TCS is not a Lease requirement based in part on the fact that Lease Article IX (Improvements), Section A (Compliance) requires improvements to be "completed in accordance with the provisions of this Lease and other applicable federal, state, and local laws and ordinances in effect at the time of permitting;" and

WHEREAS, Lessee has, with Lessor's consent, entered into a Development Agreement with Venture Development Group, LLC ("**VDG**"), for design and construction of the Consolidated Facility for a fixed sum ("**Total Construction Fund Costs**") in compliance with the Lease; and

WHEREAS, the Lease requires that under the terms of a conduit bond Trust Indenture entered into by the Alaska Industrial Development and Export Authority ("**AIDEA**") and a Use of Proceeds Agreement between AIDEA and Lessee to finance construction of the Consolidated Facility, a Renewal and Replacement Fund be created and funded to a variable required level ("**Renewal and Replacement Fund Required Level**") calculated to cover certain renewal and replacement work identified in the Maintenance Cost Estimate Schematic, attached to the Lease as Exhibit "E;" and

WHEREAS, Lessor, Lessee and VDG have worked out a compromise of their differences regarding Lessor's agreement not to require application of certain TCS standards that VDG disagreed with in exchange for an increase the Renewal and Replacement Fund Required Level, pre-funded by VDG from its fees to mitigate any risk of possible increases in future maintenance costs associated with the variances from the TCS;

NOW, THEREFORE, in consideration of the foregoing, the said lease is hereby extended, supplemented, amended or revised in the following particulars only, viz:

- I. The Long Term Premises description as stated in Article III, (PREMISES) B.1, is defined as follows:

Land: Lot 5, Block 2, consisting of approximately 226,421 square feet of land; and

Appurtenant Road Easement: An appurtenant Road Easement of approximately 13,380 square feet; and

Consolidated Facility: The four level parking garage, including associated car rental terminal, car wash, and fueling facilities with a foot print of approximately 174,363 square feet.

- II. ARTICLE VI (RENTS AND FEES), A.2, of the principal agreement is hereby amended as follows:

The total monthly rent of the principal agreement is hereby changed to \$16,337.79, calculated at the current land rent of \$0.868 per square foot per year ( $\$0.868 \times 226,421$  square feet =  $\$196,533.43/12 = \$16,377.79$ ) payable monthly in advance of the fifth (5<sup>th</sup>) day of each month for the term of the Lease as specified in ARTICLE V (TERM).

- III. Exhibit B, dated September 1, 2005, is replaced and superseded by Exhibit B, dated December 13, 2007, attached and made a part of this agreement.
- IV. The effective date of this supplement shall be October 1, 2007.

ALL OTHER TERMS, PROVISIONS, AND COVENANTS REMAIN UNCHANGED.

IN WITNESS WHEREOF, the parties have set their hands and day and year as stated in the acknowledgments below:

Lessee: Anchorage RAC Center, LLC.

By: [Signature]  
Title: member

STATE OF Alaska )  
 )ss  
Third )  
(Judicial District or County)

THIS IS TO CERTIFY that on this 2 day of January, 2007, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Mark Pfeffer, known to me to be an officer of Anchorage RAC Center, LLC., and who executed the same for and on behalf of said LLC, and who is fully authorized by said LLC to do so.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year written above.

[Signature]  
Notary Public in and for: Alaska  
My Commission Expires: Feb. 23, 2011



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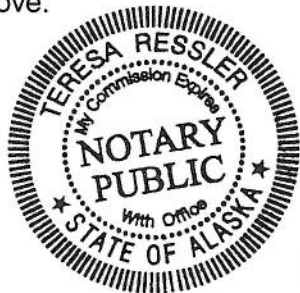
STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES

[Signature]  
Jeanette A. Luckey  
Land Leasing Manager

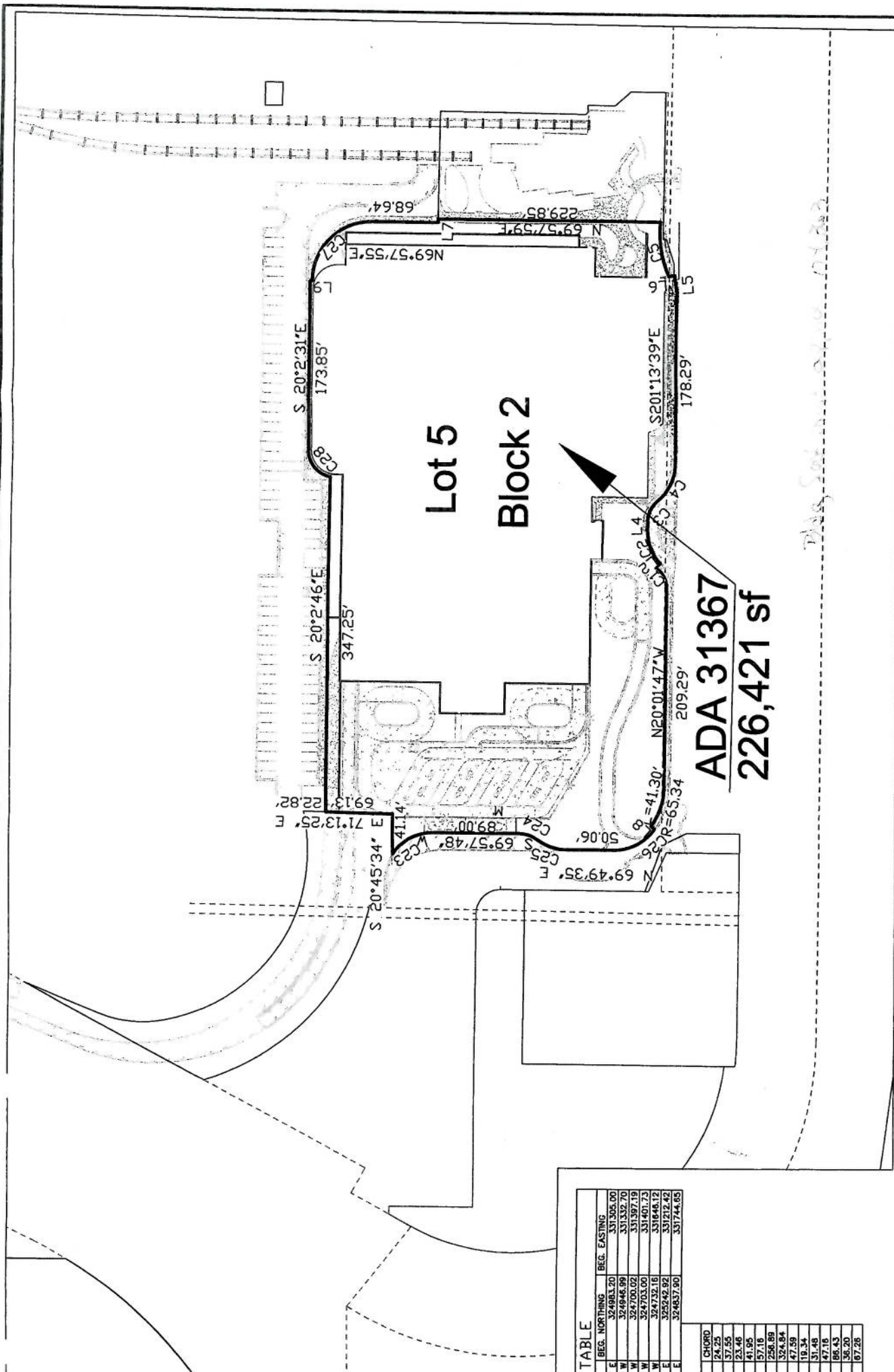
STATE OF ALASKA )  
 )ss  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this 3rd day of January, 2008, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Jeanette A. Luckey, known to me to be the Land Leasing Manager, Ted Stevens Anchorage International Airport, Department of Transportation and Public Facilities, State of Alaska, and who acknowledged to me that the foregoing instrument was executed freely and voluntarily on behalf of the State of Alaska, Department of Transportation and Public Facilities, for the uses and purposes therein set forth and who is authorized by said State of Alaska to do so.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year written above.



[Signature]  
Notary Public in and for Alaska  
My Commission Expires: With office



Lot 5  
Block 2

ADA 31367  
226,421 sf

TABLE

	BEG. NORTHING	BEG. EASTING
2' E	324983.20	331305.00
1' W	324946.99	331332.70
1' W	324700.02	331397.19
1' W	324703.00	331401.73
1' W	324732.16	331448.12
2' E	325542.92	331212.42
2' E	324837.90	331744.65

CHORD
24.25
37.55
23.46
41.95
57.16
256.89
324.84
47.59
19.34
31.48
47.16
86.43
36.20
67.26

SHEET 1 of 1

**EXHIBIT "B"**

ADA NO: 31367  
EXHIBIT DATE: 12/13/2007

DRAFTED: \_\_\_\_\_ CHECKED: \_\_\_\_\_ APPROVED: \_\_\_\_\_

STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES

Ted Stevens  
**Anchorage**  
International Airport

AIRPORT ENGINEERING

