

MASTER DEVELOPMENT AGREEMENT

This Master Development Agreement (this "Agreement") is hereby made this 30th day of December, 2010 by and between THE URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH, a public authority organized and existing under the Pennsylvania Redevelopment Authorities Act of May 24, 1945 (P.L. 991) (the "URA") and THE BUNCHER COMPANY, a corporation organized under the laws of the Commonwealth of Pennsylvania ("Redeveloper"). The URA and the Redeveloper may hereinafter be sometimes referred to individually as a "Party" and collectively as "Parties".

RECITALS

WHEREAS, the URA is committed to the redevelopment and revitalization of the Allegheny Riverfront and has identified the areas bounded by 11th Street to 21st Street between the Allegheny River and Smallman Street (the "Project Area") (Exhibit 1); a portion of the Project Area being the property between 16th and 21st Streets, known as the Produce Terminal which is owned by the URA ("Site 1") (Exhibit 2); land and building bounded by 43rd Street to 48th Street between the Allegheny River and the Allegheny Valley Railroad right of way which is owned by the Redeveloper ("Site 2") (Exhibit 3); and the area bounded by 62nd Street and Sunoco Fuel Storage Facility between the Allegheny River and Butler Street which is owned by the URA ("Site 3") (Exhibit 4); (hereinafter called the "Properties"), as the areas to be developed initially using as a guide The Allegheny Riverfront Vision Plan for the Allegheny Riverfront study that has recently been completed, which guidelines shall not be mandatory; and

WHEREAS, the portion of the Project Area owned by the URA (i.e. "Site 1"), as shown on Exhibit A attached hereto and made a part hereof, upon which is erected a building (hereinafter called "Produce Terminal") and the balance of the Project Area is owned or controlled by Redeveloper, as shown on Exhibit B attached hereto and made a part hereof, upon which is erected two buildings and land areas used for parking (the "Buncher Property"); and

WHEREAS, The parties have engaged various consultants (the "Consultants") to analyze commercially feasible adaptive re-use of the Produce Terminal as well as its historic significance;

WHEREAS, the Consultants will assist in the preparation and delivery of a presentation to the Historic and Museum Commission which would recommend certain modifications to the Produce Terminal to permit commercially feasible adaptive re-use thereof and request a Memorandum of Agreement (the "MOA") which would endorse such modifications and stipulate the steps to be taken to mitigate adverse effects, if any;

WHEREAS, should an acceptable MOA be obtained, the parties will prepare a master plan of the Project Area (the "Master Plan") for approval by all applicable governmental bodies and cause to be created a SP zoning district for the project area; and

WHEREAS, in order to address the development of the aforementioned Properties, the Parties will enter into various documents including URA leasing to Redeveloper with the option to purchase Site 1, the grant of an option to purchase Site 3 and the grant by Redeveloper to the URA of an option to purchase Site 2 (hereinafter collectively called the "Documents"); and

WHEREAS, recognizing Redeveloper's experience and reputation in developing high-quality developments and recognizing Redeveloper's ownership of the majority of the Project Area and Site 2, the URA desires to designate Redeveloper as the exclusive Redeveloper of Site 1 and Site 3 and Redeveloper accepts such designation; and

WHEREAS, Redeveloper, in accordance with the Documents, has created conceptual subdivision plans and conceptual site plans (the "Conceptual Drawings"), financing plans and MWBE plans setting forth suggested development for Site 3; and subject to the requirements of the MOA and then applicable zoning requirements will prepare Concept Drawings for the Project Area including specifically a residential building in the area bounded by the Allegheny River, the Veterans Bridge, 21st Street and the Produce Terminal for review and approval by the URA; and

WHEREAS, Redeveloper anticipates that the Master Plan will designate portions of the Buncher Property as proposed for development to include, among other uses, residential, commercial and compatible uses ; and

WHEREAS, The Buncher Company recognizes that the URA may be entering into contracts with various agencies to finance the development of infrastructure and to support development of Site 1 and Site 3 which may then require that The Buncher Company and/or its assigns as the redeveloper of these sites may be subsequently obliged to produce data related to the development impact on job retention, job creation and private capital leveraged to satisfy the public cost of the redevelopment.

WHEREAS, to define the rights and obligations of the Parties hereto, the Parties desire to enter into this Master Development Agreement along with the Documents contemplated herein between the parties covering Site 1, Site 2 and Site 3.

NOW THEREFORE, in consideration of the foregoing premises and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE I DEFINITION OF TERMS

Section 1.1 Whenever used in this Agreement, the following terms have the following meanings:

- (i) "Affiliate" shall mean any Person in which Redeveloper maintains a Controlling Interest.

- (ii) "Agreement" shall mean this Master Development Agreement, as the same may be amended or supplemented in writing from time to time in accordance with its terms.
- (iii) "Applicable Laws" shall mean all applicable laws, ordinances, rules, regulations, orders and requirements of all federal, state and local governments, courts, departments, commissions, boards or agencies, and of any board of fire underwriters having jurisdiction over the Properties.
- (iv) "Approved Subdeveloper" shall have the meaning ascribed in Section 2.5 hereof.
- (v) "Approved Assignment" shall mean an assignment by Redeveloper which has been approved by the URA.
- (vi) "Concept Drawings" shall mean the plans, specifications and design criteria for Site 1 and Site 3.
- (vii) "Contractors" means collectively, the Redeveloper, the general contractor, any construction manager, the architect, engineer and any other person or entity with whom Redeveloper enters into a direct contract (other than this Agreement) or is otherwise engaged to perform design, construction, demolition, engineering or environmental services in connection with the Properties.
- (viii) "Controlling Interest" shall mean an interest which controls, either directly or indirectly, the decisions of a Person and shall include, without limitation, the managing partner or a general partner owning a majority of general partnership interest if the Person is a partnership or owns (or controls through a shareholders' agreement, proxy or proxies, or a voting trust) at least fifty-one percent (51%) of the issued and outstanding voting stock if the Person is a corporation.
- (ix) "Effective Date" shall mean the date of this Agreement.
- (x) "Person" shall mean a person in its ordinary meaning or a corporation, partnership, limited liability company, or other business association.

ARTICLE II
GRANT OF DEVELOPMENT RIGHT

Section 2.1 Grant of Development Right. Subject to the provisions set forth herein, including, without limitation, the satisfaction or waiver of all conditions precedent set forth in Article III, Redeveloper is hereby granted the exclusive right to act as the Master Redeveloper of Site 1 and Site 3. This right to develop Site 1 and Site 3 shall be revocable by the URA, in whole or in part, upon the expiration or sooner termination of this Agreement in accordance with the terms hereof and may not be assigned by Redeveloper except in strict accordance with the terms hereof.

Section 2.2 Term of Development Right. The rights granted Redeveloper hereunder shall commence on the date hereof and shall continue, unless sooner terminated pursuant to the terms hereof until (i) the agreements for the completed redevelopment of Site 1 and Site 3 are either terminated by either party or Certificate(s) of Completion have been issued for Site 1 and/or Site 3 or (ii) the URA has either executed its option to purchase Site 2 or the period to exercise such option has expired, whichever shall last occur. Notwithstanding the foregoing, Redeveloper shall not have the right to commence work on any portion of Site 1 or Site 3 until URA and Redeveloper have executed and delivered a Contract for Disposition by Lease of Land and Building For Private Development for Site 1, an Option Agreement for Site 2 and entered into a Contract for Disposition By Sale of Land For Private Development for Site 3.

Section 2.3 Development by URA. Notwithstanding the exclusivity of Redeveloper's rights as to Site 1 and Site 3 set forth in Section 2.1 hereof, URA shall be permitted to engage in construction activities, including but not limited to infrastructure, on properties adjacent to or in the vicinity of the Buncher Property and Sites 1, 2 and 3. The foregoing reservation of rights may be exercised by URA utilizing its own forces or, at URA's option, through contracts with Redeveloper or third parties.

Section 2.4 Assignment of Development Rights. Redeveloper shall have the right, in accordance with the terms set forth herein, to assign in whole or part, its right to develop portions of Site 1 and Site 3 to Approved Subdevelopers that shall undertake Redeveloper's responsibilities to perform the portion of Redeveloper's obligations hereunder that are assigned by Redeveloper in connection with such assignment. Such assignment shall be done strictly in accordance with the terms and conditions set forth in this Agreement and in subsequent agreements referenced in Section 2.2. Any purported assignment that is not done strictly in the manner set forth herein shall be void and of no force or effect.

Section 2.5 Approved Subdeveloper. In the event Redeveloper desires to assign its rights to develop a portion of Site 1 or Site 3, Redeveloper shall provide written notice to URA which notice shall describe the nature and extent of the proposed assignment, together with and such other information as URA may reasonably request to enable URA to adequately evaluate the financial condition and quality of the proposed assignee. URA shall, within forty-five (45) days of receipt of the information required by this Section 2.5, notify Redeveloper of the approval or disapproval of the proposed assignee and cite any conditions to such approval. Upon receipt of such approval, the proposed assignee shall be deemed an "Approved Subdeveloper" hereunder. Thereafter, Redeveloper may, subject to the remaining

terms hereof, assign Redeveloper's right to develop the portion of Site 1 or Site 3 not covered by the assignment request. In no event shall Redeveloper be permitted to assign any development rights hereunder to any party that is not an Approved Subdeveloper. The decision to grant or withhold approval of any proposed assignment of development rights by Redeveloper shall be granted or withheld at URA's sole reasonable discretion, provided; however, URA shall not unreasonably withhold or condition any consent to a proposed assignee that is an Affiliate of Redeveloper.

Section 2.6 Redeveloper's Right to Cure. In the event of an Approved Subdeveloper default under an Approved Subdeveloper Agreement, URA shall provide Redeveloper with contemporaneous notice of the default and shall afford Redeveloper with the same right to cure available to Approved Subdeveloper. Redeveloper shall have the right, but not the obligation, to cure the Approved Subdeveloper's default and URA shall accept the cure from Redeveloper.

ARTICLE III CONDITIONS PRECEDENT

Section 3.1 General. As a condition precedent to the obligations of URA to sell any portion of Site 1 and Site 3 to Redeveloper, and the obligation of Redeveloper to commence construction on the Buncher Property and Site 1 and Site 3, the parties hereto shall have executed and delivered to each other (i) a Contract for Disposition of Lease of Land and Building for Private Development for Site 1, (ii) Option Agreement to Purchase Site 2, and (iii) Contract for Disposition by Sale of Land for Private Development for Site 3. If the parties hereto have not executed and delivered to each other within ninety (90) days from the date hereof (i) a Contract for Disposition of Lease of Land and Building for Private Development for Site 1, (ii) Option Agreement to Purchase Site 2, and (iii) Contract for Disposition by Sale of Land for Private Development for Site 3 as aforesaid, this Agreement shall be null and void.

ARTICLE IV NOTICES

Section 4.1 Notice. All notices and other communications which may be or are required to be given by either party under this Agreement (except as specifically set forth to the contrary herein) shall be properly given if made in writing and sent by (a) hand delivery, or (b) certified mail, return receipt requested, or (c) nationally recognized overnight delivery service for next business day delivery (such as Express Mail or Federal Express), with all postage, delivery and other charges paid by the sender and addressed to Redeveloper or URA, as applicable, as follows, or at such other address as each may request in advance in writing. Such notices delivered (i) by hand shall be deemed received upon actual delivery, (ii) by overnight delivery service shall be deemed received on the next business day or (iii) if mailed, shall be deemed received upon the earlier of actual receipt or three (3) business days after mailing. Refusal of delivery shall be deemed effective delivery on the date said delivery was attempted. Each party may designate one (1) additional or different party to receive copies of each notice, consent, approval and communication. Said notice addresses are as follows:

If to Redeveloper:

The Buncher Company
1300 Penn Avenue, Suite 300
Pittsburgh, PA 15222
Attention: Thomas J. Balestrieri, President/CEO

with a copy to:

Joseph Jackovic, Esq.
The Buncher Company
1300 Penn Avenue, Suite 300
Pittsburgh, PA 15222

If to the Urban Redevelopment Authority:
Executive Director
The Urban Redevelopment Authority of Pittsburgh
200 Ross Street, 12th Floor
Pittsburgh, PA 15219-2016

with a copy to:

General Counsel
The Urban Redevelopment Authority of Pittsburgh
200 Ross Street, 12th Floor
Pittsburgh, PA 15219-2016

ARTICLE V VENUE/JURISDICTION

Section 5.1 Venue. Venue with respect to any disputes hereunder shall be with the Court of Common Pleas of Allegheny County which shall have jurisdiction over any matter to be subjected to suit or as may be applicable in the U.S. District Court for the Western District of Pennsylvania.

Section 5.2 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania or as maybe applicable in the U.S. District Court for the Western District of Pennsylvania.

ARTICLE VI MISCELLANEOUS

Section 6.1 Headings. The Table of Contents and the titles of the Articles and Sections are for convenience only, are not a part of this Agreement, and do not in any way define, limit or describe the scope, intent or terms of this Agreement.

Section 6.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law principles and or the laws and regulations of the federal government of the United States, as may be applicable.

Section 6.3 Successors and Assigns. The terms, covenants and conditions contained in this Agreement shall extend to and be binding upon the parties hereto and their respective successors and assigns.

Section 6.4 No Third Party Rights. Subject to the exceptions set forth herein, nothing in this Agreement shall be construed to constitute or create rights in any Person not a party hereto (as third party beneficiary or otherwise), or to create obligations or responsibilities of the parties to such Persons, or to permit any Person other than the parties hereto and their respective successors and approved assigns to rely upon the covenants, conditions and agreements contained herein.

Section 6.5 Redeveloper Is An Independent Contractor. Redeveloper is an independent contractor and is neither the servant, agent, employee, partner nor joint venturer of URA.

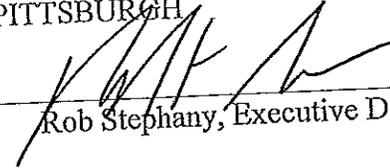
Section 6.6 Severability. If any term or covenant of this Agreement or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remaining terms and covenants of this Agreement, or the application of such term or covenant to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and covenant of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 6.7 Further Assurances. URA and Redeveloper hereby agree to execute and deliver any further instruments and to perform any acts that may be reasonably necessary or reasonably requested in order to give full effect to terms, conditions and intent of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date and year first set forth above.

THE URBAN REDEVELOPMENT AUTHORITY
OF PITTSBURGH

By


Rob Stephany, Executive Director

THE BUNCHER COMPANY

By

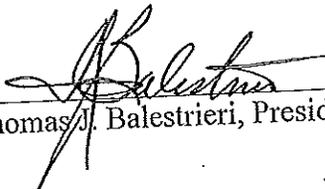
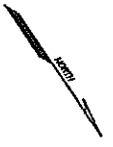

Thomas J. Balestrieri, President/CEO 

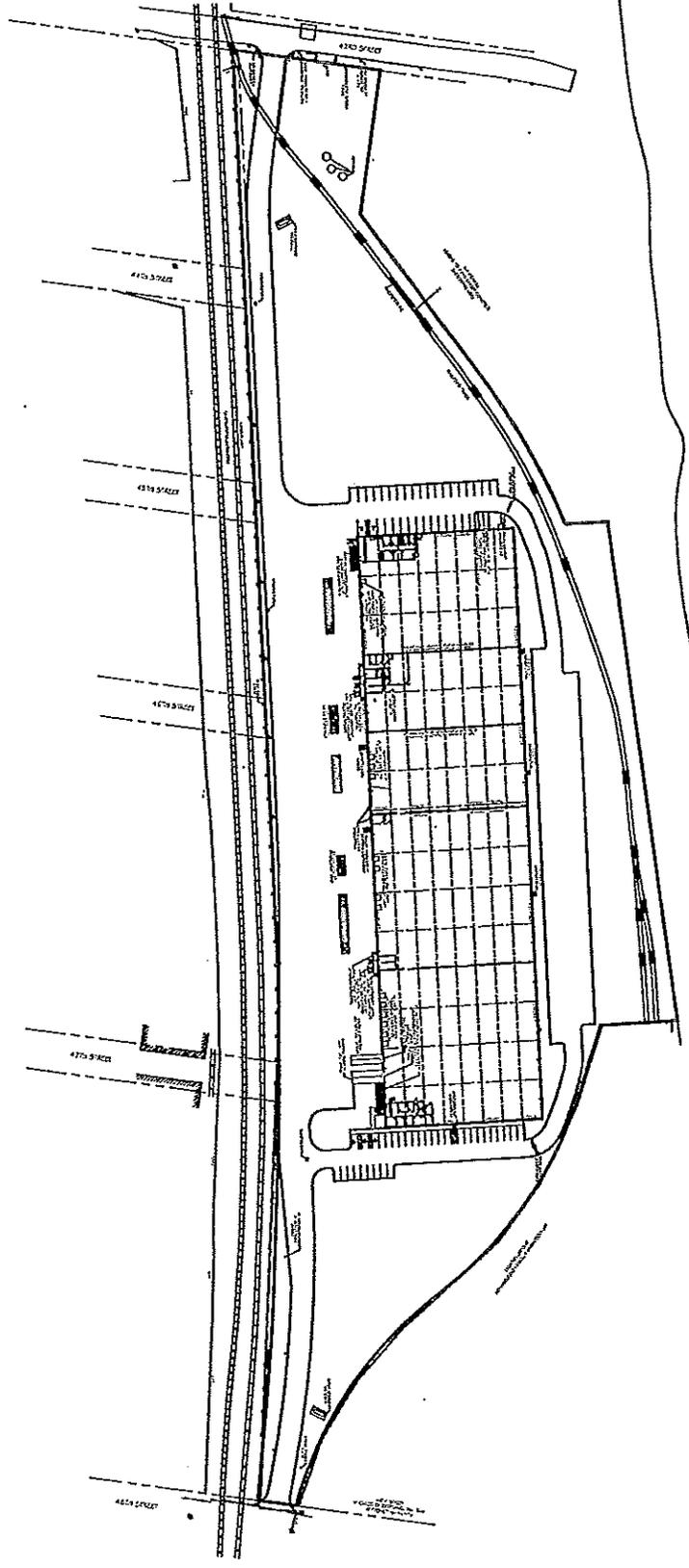
EXHIBIT 1
PROJECT AREA

EXHIBIT 2
SITE 1

EXHIBIT 3
SITE 2



Alsbury River Flow



REV.	DESCRIPTION	MADE	CHKD.	DATE	SCALE	DRAWN	CHKD.	DRAWING NUMBER	REV.
E									
D									
C									
B									
A									

		Brunner <small>INCORPORATED</small> <small>1000 BRUNNERS AVENUE</small> <small>ALBANY, NEW YORK</small>	
PROJECT: 250-070 40TH STREET - NORTH WARD CONT'D OF PH.			
LOCATION: 40TH STREET - NORTH WARD CONT'D OF PH.			
DRAWN BY: [Name]			
CHECKED BY: [Name]			
DATE: [Date]			
SCALE: [Scale]			
DRAWING NUMBER: [Number]			
REV.: [Revision]			

SITE PLAN

EXHIBIT 'S'

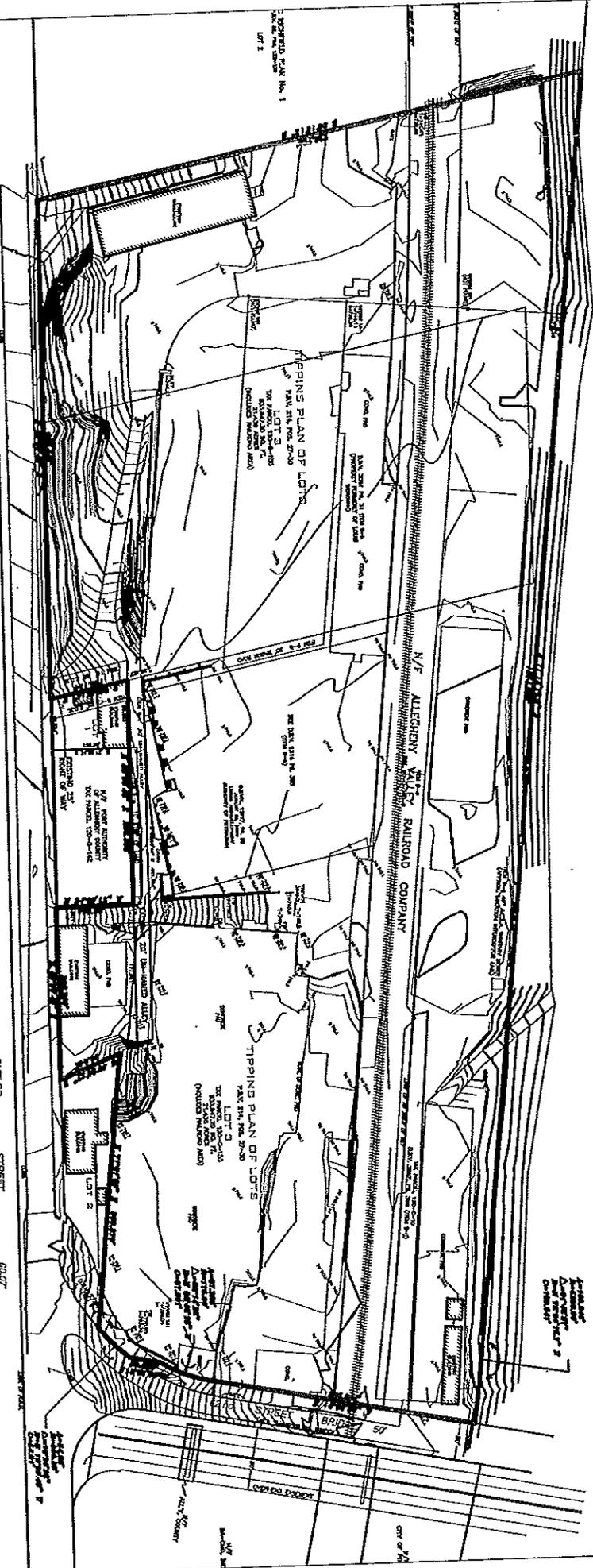
EXHIBIT 4
SITE 3

ALLEGHENY RIVER
 100' WIDE ZONE
 100' WIDE ZONE

ALLEGHENY RIVER
 100' WIDE ZONE
 100' WIDE ZONE

ALLEGHENY RIVER
 100' WIDE ZONE
 100' WIDE ZONE

BUTLER STREET 60.07
 BUTLER STREET 60.07
 BUTLER STREET 60.07
 BUTLER STREET 60.07



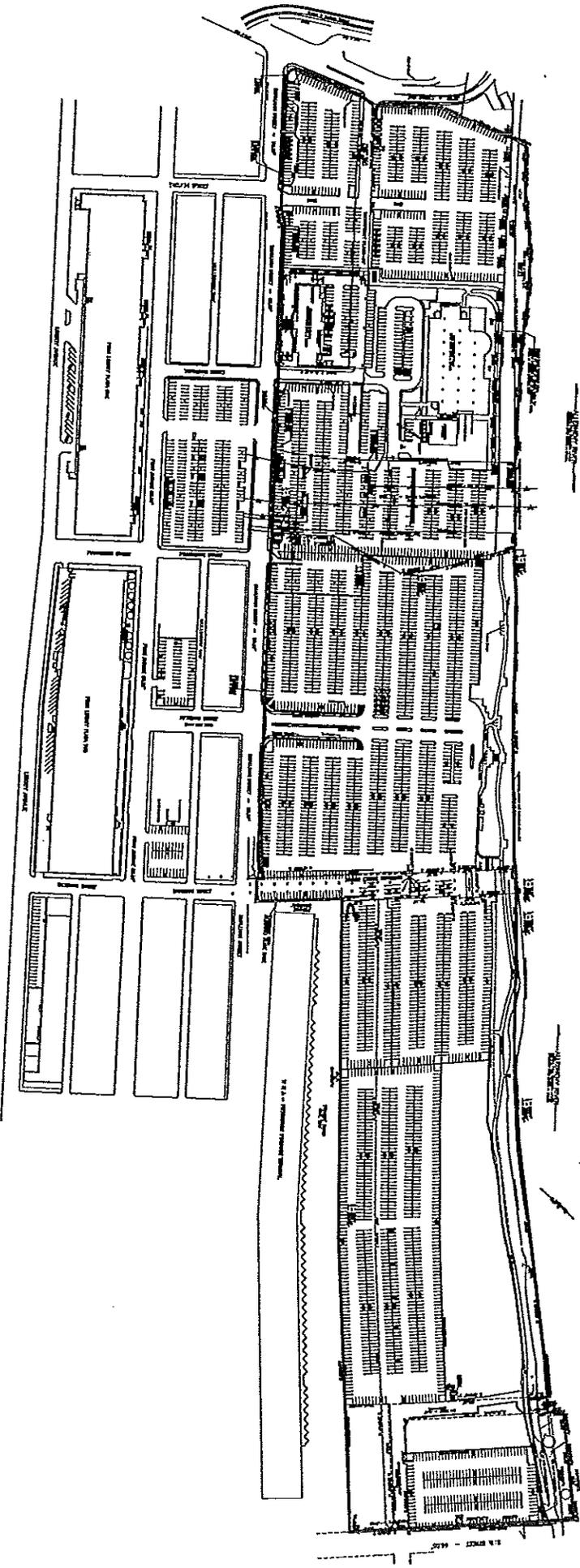
REV.	DESCRIPTION	MADE	CHKD.
C			
D			
E			

		TIPPING PROPERTY PROPOSED DYE-SALT SITE PLAN	
SCALE	DATE	DATE	DATE
DATE	DATE	DATE	DATE
DATE	DATE	DATE	DATE
DATE	DATE	DATE	DATE

LOCATION: 10TH WARD CITY OF PITTSBURGH ALLEGHENY COUNTY, PA	DRAWING NUMBER EXHIBIT 4 ^A
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EXHIBIT A

EXHIBIT B



NOTE:
 This drawing is a preliminary site plan. It is not intended to be used for construction purposes. It is intended to be used for planning purposes only. It is not intended to be used for zoning purposes. It is not intended to be used for any other purpose. It is not intended to be used for any other purpose. It is not intended to be used for any other purpose.

REV.	DESCRIPTION	MADE	CHKD.	DATE	SCALE	DRAWN	CHKD.	DRAWING NUMBER	REV.
E									
D									
C									
B									
A									



Büncher
 ARCHITECTS
 1000 BROADWAY
 PITTSBURGH, PA 15203
 TEL: 412-261-1000
 FAX: 412-261-1001
 WWW: www.buncher.com

LOCATION: SECOND WARD, CITY OF PITTSBURGH
 ALLEGHENY COUNTY, PENNSA.

Group District Parking Lots
 Overall Site Plan
 SCALE DRAWN: [] CHKD.: [] DRAWING NUMBER: [] REV.: []
 DATE: [] DATE: [] DATE: [] DATE: []
 DRAWN: [] CHKD.: [] DATE: [] DATE: []
 DATE: [] DATE: [] DATE: [] DATE: []