



Lexington
Center
Corporation

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July 13, 2001

Mr. Larry Ivy
Director of Athletics
UK Athletic Association
University of Kentucky
Memorial Coliseum
Lexington, KY 40506

Re: Lease Term Extension - Rupp Arena

Dear Larry:

As we have discussed previously, extension of the current UKAA lease term is an essential development of the financing of the overall expansion and renovation to the Lexington Center facilities including Rupp Arena. Future state appropriation and, more significantly at this time, a bond financing anticipates the lease extension. Specifically, we will agree to modify our existing Lease Agreement dated May 21, 1998, as amended, (the "Lease") as follows:

1. The first literal paragraph of Section II shall be amended to read, in its entirety as follows:

This Lease shall remain in effect through the University of Kentucky 2017-2018 basketball seasons, unless this Agreement is terminated earlier by either party following a continuing material breach of the terms and conditions of this Agreement without cure following a written notice of at least thirty (30) days.

2. Section V of the Lease is hereby deleted in its entirety and Section VI is hereby renumbered "Section V".


As you know, we are executing our plans for renovation of the arena and expansion of the convention facilities. Several arena improvements are already completed including the giant video system, replacement of the sports lighting and installation of a new portable basketball floor. Other improvements planned include:

- X replacement of lower bowl fixed seating,
- X replacement of and modifications to the retractable end-risers,
- X upper arena concourse installation with additional bathrooms and concession stands,
- X enlargement of the arena lobby at High Street with entry door modifications and entrance pavilion,
- X relocation of press row to the upper arena fascia,
- X decorating enhancements in both the seating bowl and concourses.

Other improvements will no doubt be considered which will require your input. It is anticipated that the renovation to the arena will be substantially complete prior to the 2003-2004 season. In the event Lexington Center Corporation fails to substantially perform the improvements generally described above and/or is not diligently pursuing their completion by the conclusion of the 2003-2004 season, the term of the Lease will revert to the term of the initial Lease as set forth in Section II thereof.

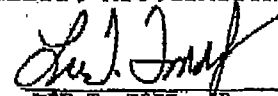
Please confirm your agreement with these changes by signing and returning a copy of this letter to me at the above address as soon as practical. If you have any questions regarding these matters, please give me a call.

Very truly yours,


 William E. Owen
 President

Agreed to:

UNIVERSITY OF KENTUCKY
 ATHLETIC ASSOCIATION

By: 
 LEE T. TODD, JR.
 President

Date: 8/13/01

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UNIVERSITY OF KENTUCKY

Athletics
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TO: Roger Newton FROM: Russ Pearson
Fax No.: _____ Date: 6-28-02
Phone: _____ Pages With Cover: 4
Re: _____ cc: _____

COMMENTS:

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