

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	(\$1,750,000)	(\$1,750,000)	(\$1,800,000)	(\$1,850,000)	(\$1,900,000)
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	(1,750,000)	(1,750,000)	(1,800,000)	(1,850,000)	(1,900,000)
# ADDITIONAL FTE	_____	_____	_____	_____	_____
POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes X No _____
 Budget Account No: Fund 4100 Department 120 Unit 8430 Object 4461
 Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

The attached Amendment will provide revenues to the County of an estimated \$1,750,000 annually. Escalation may occur based upon increased sales.

C. Departmental Fiscal Review: *[Signature]*

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

[Signature] 7/12/07
 OFMB *[initials]* 7/10/07
[Signature] 7/16/07
[Signature] 7/16/07
 Contract Dev. and Control

This amendment complies with our review requirements.

B. Legal Sufficiency:
[Signature] 7/17/07
 Assistant County Attorney

C. Other Department Review:

 Department Director

**SEVENTH AMENDMENT TO THE LEASE AND CONCESSION AGREEMENT
BETWEEN PALM BEACH COUNTY AND HOST INTERNATIONAL, INC.**

THIS SEVENTH AMENDMENT TO THE LEASE AND CONCESSION AGREEMENT (this "Amendment") is made and entered into this ____ day of _____, 2007, by and between Palm Beach County, a political subdivision of the State of Florida ("COUNTY"), and Host International, Inc., a corporation organized under the laws of the State of Delaware, authorized to do business in the State of Florida, and having its office and principal place of business at 6905 Rockledge Drive, Bethesda, MD 20817 ("CONCESSIONAIRE").

WHEREAS, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the Palm Beach International Airport, located in Palm Beach County, Florida (the "Airport"); and

WHEREAS, CONCESSIONAIRE, under that certain Lease and Concession Agreement between the parties dated August 18, 1998 (R98-1293D), as amended (the "Agreement"), operates the food and beverage concession at the Airport; and

WHEREAS, COUNTY is in the process of expanding Concourse C in the Airport and will require food and beverage concession services in the expanded Concourse C; and

WHEREAS, COUNTY has requested CONCESSIONAIRE to relocate a portion of its existing concession operations; and

WHEREAS, the parties hereto desire to further amend the Agreement in order to extend the expiration date of the Agreement and to provide for further capital investment by CONCESSIONAIRE; and

WHEREAS, the parties hereto desire to amend the Agreement in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:

1. The recitals set forth above are true and correct and incorporated herein by this reference. Terms not defined herein shall have the meaning ascribed to them in the Agreement.
2. Article 2.01 of the Agreement is hereby deleted in its entirety and replaced with the following:

2.01 Term. This Agreement shall become effective and binding upon execution by COUNTY and CONCESSIONAIRE. The Interim Term shall commence on August 18, 1998, and shall terminate on the commencement of the Primary Term. The Primary Term shall commence on October 18, 1999 and shall terminate on October 17, 2024.

3. Article 3.01 of the Agreement is hereby deleted in its entirety and replaced with the following:

3.01 Description of Assigned Premises. The Assigned Premises consists of those areas located within the Terminal more particularly identified in Exhibit "A," attached hereto and made a part hereof.

4. Exhibit "A" to the Agreement is hereby deleted in its entirety and replaced with Exhibit "A" to this Amendment, which shall be subject to the dates for the addition and deletion of certain spaces to the Assigned Premises as provided for below:

A. Effective October 1, 2008, Concession Areas B-4 and C-4, as more particularly identified on Exhibit "A", shall be added to the Assigned Premises. CONCESSIONAIRE shall complete construction of all improvements to relocate the existing Starbucks located on Concourses B and C to such Concession Areas within one hundred twenty (120) days of the delivery of possession of such Concession Areas by COUNTY to CONCESSIONAIRE, unless otherwise approved in writing by COUNTY. Notwithstanding the foregoing, CONCESSIONAIRE acknowledges that Concession Area B-4 is currently under lease to The Paradies Shops until October 1, 2008. No representation or warranty is being given by COUNTY that The Paradies Shops will vacate Concession Area B-4 on or before October 1, 2008, and COUNTY shall have no liability whatsoever to CONCESSIONAIRE for failure to deliver possession of Concession Area B-4 on October 1, 2008.

B. Upon the earlier of issuance of a certificate of occupancy for Concession Areas B-4 and C-4 or one hundred twenty (120) days from delivery of possession of Concession Areas B-4 and C-4 to CONCESSIONAIRE, Concession Areas B-1 and C-1, as more particularly identified on Exhibit "A", shall be deleted from the Assigned Premises, unless otherwise approved in writing by COUNTY. CONCESSIONAIRE shall promptly notify COUNTY in writing of the receipt of certificates of occupancy for Concession Areas B-4 and C-4. CONCESSIONAIRE shall remove all Leasehold Improvements from Concession Area C-1 and restore the area to substantially the same condition it was in upon delivery of possession to CONCESSIONAIRE by COUNTY, using materials of like kind and quality; provided, however, COUNTY will provide CONCESSIONAIRE with replacement carpeting for Concession Area C-1 for installation by CONCESSIONAIRE.

C. CONCESSIONAIRE acknowledges that Storage Area S-7, as identified on Exhibit "A", is under construction as of the effective date of this Amendment. CONCESSIONAIRE shall not use or occupy Storage Area S-7 until COUNTY provides CONCESSIONAIRE with written notification that Storage Area S-7 is available for use by CONCESSIONAIRE.

1. Article 4.01(B)(1) of the Agreement is hereby amended to add the following facilities:

<u>Facility Type</u>	<u>Facility Name</u>	<u>Percentage Payment</u>
Sit Down Restaurant	Chili's II	10.1%
Fast Food	Quiznos Subs	10.1%

6. Article 6.05 of the Agreement is hereby deleted in its entirety and replaced with the following:

6.05 Mid-term Refurbishments/Improvements.

A. First Additional Minimum Investment. CONCESSIONAIRE shall expend a minimum of Two Million Eight Hundred Fifty Thousand Dollars (\$2,850,000) ("First Additional Investment") on or before September 30, 2009, on the Refurbishment (as hereinafter defined) of the Assigned Premises, relocation of the existing Starbucks on Concourses B and C, and the construction and installation of the initial Leasehold Improvements to Concession Area C-3 ("Concession Area C-3 Improvements"). For purposes of this Article 6.05, "Refurbishment" shall mean all costs associated with Leasehold Improvements made for the purpose of introducing new concepts, updating, reconditioning and/or improving the Assigned Premises. For purposes of the First Additional Investment requirement, allowable costs shall include payments made by CONCESSIONAIRE to independent contractors for engineering, inspections, construction management services, and architectural design work; provided, however, that such costs shall be limited to twelve percent (12%) of the total First Additional Investment. CONCESSIONAIRE acknowledges and agrees that CONCESSIONAIRE shall not commence construction of the Concession Area C-3 Improvements or occupy Concession Area C-3 until COUNTY provides written notification to CONCESSIONAIRE that Concession Area C-3 is available for build out by CONCESSIONAIRE (the "Notice to Proceed"). CONCESSIONAIRE shall complete construction of the Concession Area C-3 Improvements on or before the later of: (i) one hundred twenty (120) days after the Notice to Proceed; or (ii) the opening of the expanded Concourse C to airline passengers, unless otherwise approved in writing by COUNTY. In the event CONCESSIONAIRE expends less than the required First Additional

Investment on or before September 30, 2009, CONCESSIONAIRE shall remit the difference to COUNTY by no later than December 31, 2009.

B. Second Additional Minimum Investment. CONCESSIONAIRE shall expend a minimum of Five Hundred Thousand Dollars (\$500,000) ("Second Additional Investment") on the Refurbishment of the Assigned Premises on or before September 30, 2012. For purposes of the Second Additional Investment requirement, allowable Refurbishment costs shall include payments made by CONCESSIONAIRE to independent contractors for engineering, inspections, construction management services and architectural design work; provided, however, that such costs shall be limited to twelve percent (12%) of the total Second Additional Investment. In the event CONCESSIONAIRE expends less than the Second Additional Investment on or before September 30, 2012, CONCESSIONAIRE shall remit the difference to COUNTY by no later than December 31, 2012.

C. Third Additional Minimum Investment. CONCESSIONAIRE shall expend a minimum of Five Hundred Thousand Dollars (\$500,000) ("Third Additional Investment") on the Refurbishment of the Assigned Premises on or before September 30, 2019. For purposes of the Third Additional Minimum Investment requirement, allowable Refurbishment costs shall include payments made by CONCESSIONAIRE to independent contractors for engineering, inspections, construction management services and architectural design work; provided, however, that such costs shall be limited to twelve percent (12%) of the total Third Additional Investment. In the event CONCESSIONAIRE expends less than the Third Additional Investment on or before September 30, 2019, CONCESSIONAIRE shall remit the difference to COUNTY by no later than December 31, 2019.

D. Approval of Improvements. COUNTY shall have final approval over all improvements made under this Agreement, including approval over architectural and aesthetic matters. Notwithstanding any provision of this Agreement to the contrary, all Refurbishments and Leasehold Improvements must be approved by COUNTY and be constructed pursuant to COUNTY-approved plans in order to be counted toward the satisfaction of the investment requirements set forth in this Article 6.05.

E. Additional Mid-Term Investment. In order to ensure the concession areas within Assigned Premises remain in first class condition throughout the Term of this Agreement, the parties acknowledge and agree that Refurbishment of concession areas within Assigned Premises may be necessary during the last ten (10) years of this Agreement, which will require an investment in the Assigned Premises in excess of the amounts provided for in this Article 6.05. COUNTY agrees to reimburse CONCESSIONAIRE, or cause CONCESSIONAIRE to be reimbursed, for any unamortized costs of Leasehold Improvements remaining after the expiration of the Primary Term, which are

constructed or installed within the concession areas of the Assigned Premises within the last ten (10) years of this Agreement at COUNTY's written request. Reimbursement shall be determined in accordance with Article 6.06(C) and shall be made within one hundred twenty (120) days after the expiration of the Primary Term. COUNTY shall have no obligation whatsoever to reimburse CONCESSIONAIRE, or cause CONCESSIONAIRE to be reimbursed under this Article 6.05(E), for: (i) any Leasehold Improvements that are not specifically constructed or installed at COUNTY's written request; or (ii) any Leasehold Improvements made by CONCESSIONAIRE to satisfy its investment requirements under this Article 6.05 whether or not such Leasehold Improvements are requested by COUNTY. Approval of plans, specifications, design, décor, construction or installation of Leasehold Improvements alone shall not be deemed to be a request by COUNTY for the construction or installation of Leasehold Improvements pursuant to this paragraph. For purposes of this paragraph, the term "Leasehold Improvements" shall not include Routine Refurbishment (as defined in Article 6.05(J)), maintenance or repair, removable furnishings and equipment, trade fixtures, supplies or Smallwares.

F. Certified Construction Costs.

1. On or before December 31, 2009, CONCESSIONAIRE shall submit a certified construction cost report executed by its Chief Financial Officer, in a form and detail reasonably satisfactory to COUNTY, which sets forth the Leasehold Improvement and Refurbishment costs incurred by CONCESSIONAIRE by location ("Certified Construction Cost Report"), to meet the First Additional Minimum Investment requirement outlined in Article 6.05(A).

2. On or before December 31, 2012, CONCESSIONAIRE shall submit a Certified Construction Cost Report executed by its Chief Financial Officer for the Second Additional Minimum Investment requirement outlined in Article 6.05(B).

3. On or before December 31, 2019, CONCESSIONAIRE shall submit a Certified Construction Cost Report executed by its Chief Financial Officer for the Third Additional Minimum Investment requirement outlined in Article 6.05(C).

4. Within (90) days after completion of any Leasehold Improvements or Refurbishment project other than those described above, CONCESSIONAIRE shall submit a Certified Construction Cost Report executed by its Chief Financial Officer, in a form and detail reasonably satisfactory to COUNTY, which sets forth the Leasehold Improvements and Refurbishment costs incurred by CONCESSIONAIRE by location to complete the project.

5. In addition to the Certified Construction Cost Reports required by this Article 6.05(F), CONCESSIONAIRE shall deliver a depreciation schedule for all Leasehold Improvements (as defined for purposes of Article 6.06) by location calculated in accordance with Article 6.06(C). The depreciation schedule shall be updated and delivered to COUNTY concurrent with the delivery of each Certified Construction Cost Report.

G. Design of Terminal. All Leasehold Improvements shall take into account the design and décor of the Terminal. The requirements of this Article 6.05 shall be in addition to the maintenance and repair requirements contained in Article 8.03 of this Agreement and the cost of such maintenance and repair shall not be counted toward satisfaction of the investment requirements set forth in this Article 6.05.

H. Construction Requirements. CONCESSIONAIRE shall complete all Leasehold Improvements to the Assigned Premises at its sole cost and expense. All Leasehold Improvements shall be of attractive construction and first-class design; shall comply with any and all applicable governmental laws, regulations, rules and orders; shall follow standard construction methods; and shall be constructed in accordance with the plans and specifications approved by the Department. Full and complete plans and specifications for all Leasehold Improvements shall be submitted to and subject to the written approval of the Department prior to commencement of construction in accordance with the following procedures:

1. CONCESSIONAIRE shall prepare detailed preliminary construction plans and specifications for all Leasehold Improvements in accordance with the standards furnished by the Department and deliver the same to the Department for review, comment and adjustment. The Department shall review any plans and specifications submitted by CONCESSIONAIRE and provide a response to CONCESSIONAIRE within thirty (30) days of receipt. In the event the preliminary plans and specifications are disapproved by the Department, CONCESSIONAIRE will be notified in writing and the notice shall specify in detail the reasons for the disapproval and the necessary modifications and/or alterations. CONCESSIONAIRE shall resubmit modified plans and specifications to the Department within thirty (30) days of the Department's written notice of disapproval. Within thirty (30) days of approval of any preliminary plans and specifications, CONCESSIONAIRE shall cause final working plans and specifications to be prepared and submit the same to the Department and other appropriate governmental agencies for approval. The Department's review of the final working plans and specifications shall be completed within fifteen (15) days of receipt. Upon approval by the Department, CONCESSIONAIRE shall obtain all necessary permits required for commencement of construction. Prior to commencement of construction, CONCESSIONAIRE shall deliver to the Department one (1) complete set of final

working plans and specifications as approved by the governmental agencies exercising jurisdiction thereover.

2. Except as otherwise provided for herein, CONCESSIONAIRE shall complete all Leasehold Improvements approved pursuant to the approved plans and specifications within two hundred forty (240) days of CONCESSIONAIRE's receipt of all necessary governmental permits and approvals, unless otherwise approved in writing by the Department. During construction, CONCESSIONAIRE shall hire a professional special inspector to conduct inspections as requested by the Department or COUNTY building officials.

3. Upon completion of approved construction pursuant to this Article 6.05(H) and within sixty (60) days of CONCESSIONAIRE's receipt of a certificate of occupancy, CONCESSIONAIRE shall deliver one (1) complete set of as-built mylar drawings and one (1) set of Auto CADD files in the latest version acceptable to the Department, together with documentation satisfactory to the Department that CONCESSIONAIRE has made a good faith effort to award twenty five percent (25%) of the construction contract(s) to Disadvantaged Business Enterprise(s).

4. The requirements of Articles 6.02 and 6.03 shall apply to all Leasehold Improvements constructed within the Assigned Premises, including Leasehold Improvements constructed pursuant to this Article 6.05.

I. No Liens. CONCESSIONAIRE covenants and agrees that nothing contained in this Agreement shall be construed as consent by COUNTY to subject the estate of COUNTY to liability under the Construction Lien Law of the State of Florida. CONCESSIONAIRE shall notify any and all parties or entities performing work or providing materials relating to any improvements made by CONCESSIONAIRE of this provision of this Agreement. If so requested by the COUNTY, CONCESSIONAIRE shall file a notice satisfactory to COUNTY in the Public Records of Palm Beach County, Florida, stating that COUNTY's interest shall not be subject to liens for improvements made by CONCESSIONAIRE. In the event that a construction lien is filed against the Assigned Premises or other COUNTY property in connection with any work performed by or on behalf of CONCESSIONAIRE, CONCESSIONAIRE shall satisfy such claim, or transfer same to security within ten (10) days, COUNTY may do so and thereafter charge CONCESSIONAIRE, and CONCESSIONAIRE shall promptly pay to the COUNTY upon demand all costs incurred by COUNTY in connection with the satisfaction or transfer of such claim, including, but not limited to, attorney's fees.

J. Routine Refurbishment. On or about the commencement of each calendar year, representatives of COUNTY and CONCESSIONAIRE shall tour

the Assigned Premises and jointly agree upon what, if any, Routine Refurbishment is required to maintain the Assigned Premises in first-class condition, and CONCESSIONAIRE shall promptly undertake such Routine Refurbishment at its sole cost and expense. For purposes of this Agreement, "Routine Refurbishment" shall mean the routine repainting or redecoration of the Assigned Premises, including the repair of worn carpet, tile, furnishings, fixtures, finishes or equipment.

7. Articles 4.01(D) and 8.05(M) of the Agreement are hereby deleted in their entirety and replaced with the following new Article 8.05(M):

M. CONCESSIONAIRE shall provide a daily snack allowance of Thirteen Dollars (\$13.00) (the "Snack Allowance") per day to each Airport Ambassador volunteer on duty in the Terminal. The Snack Allowance may be increased annually by the Department by a maximum of two percent (2%) of the preceding year's Snack Allowance upon thirty (30) days prior written notice to CONCESSIONAIRE. COUNTY shall reimburse CONCESSIONAIRE for fifty percent (50%) of the Snack Allowance through monthly credits against the fees payable hereunder to COUNTY. CONCESSIONAIRE shall submit a monthly report to the Department, in a form and substance satisfactory to the Department, which indicates the total Snack Allowance provided to each Airport Ambassador volunteer for the preceding month and the total monthly credit being requested by CONCESSIONAIRE. The Department may elect, in its sole discretion, to discontinue funding the Snack Allowance at any time upon thirty (30) days prior written notice to CONCESSIONAIRE. If the Department elects to discontinue the funding of the Snack Allowance, CONCESSIONAIRE shall have the right to reduce its funding of the Snack Allowance by fifty percent (50%).

8. Article VI of the Agreement is hereby amended by the addition of the following new Article 6.06:

6.06 COUNTY's Right to Reclaim Concession Areas. During the Primary Term of this Agreement, COUNTY shall have the right to terminate CONCESSIONAIRE's right to use and occupy any concession areas leased hereunder, in whole or in part, in accordance with the provisions of this Article 6.06 prior to the expiration of the Primary Term ("Recaptured Premises"). Notwithstanding the foregoing, COUNTY agrees that it shall not exercise its termination rights under this Article 6.06 for the sole purpose of leasing the Recaptured Premises to another food and beverage concessionaire, unless COUNTY is required by law or the United States Department of Transportation or any of its agencies, including the Federal Aviation Administration, to grant another food and beverage concessionaire the right to provide services at the Airport. Nothing in this Article 6.06 shall be construed as giving CONCESSIONAIRE an exclusive right to operate food and beverage concessions at the Airport or as precluding COUNTY from leasing the

Recaptured Premises to another concessionaire who offers food and beverages for sale to the public as an incidental part of its overall concession operation.

A. In the event COUNTY terminates CONCESSIONAIRE's right to use and occupy any concession area leased hereunder, COUNTY shall reimburse, or cause CONCESSIONAIRE to be reimbursed for the unamortized cost of the Leasehold Improvements located within the Recaptured Premises. Reimbursements made pursuant to this Article 6.06 shall be payable within ninety (90) days of the date of CONCESSIONAIRE's surrender of the Recaptured Premises to COUNTY. Unamortized costs for Leasehold Improvements shall be determined in accordance with the provisions of Article 6.06(C) below.

B. COUNTY shall give CONCESSIONAIRE at least six (6) months prior written notice of COUNTY's decision to terminate CONCESSIONAIRE's right to use and occupy any concession area leased hereunder.

C. The unamortized costs of Leasehold Improvements shall be determined by their Net Book Value. For purposes of this Agreement, "Net Book Value" means the value of all Leasehold Improvements, including associated design, architectural, engineering and construction management fees (not to exceed 12% of the total improvement cost); less any accumulated depreciation. For purposes of this Article 6.06, accumulated depreciation shall be calculated on a straight line basis over the number of years from the asset in-service date to the end of the Primary Term. For purposes of Article 6.05(E), accumulated depreciation shall be calculated on a straight line basis over a ten (10) year period from the asset in-service date. Accumulated depreciation shall also include any pro rata annual depreciation for any periods less than a year calculated on a monthly basis, rounded up to the nearest whole monthly period.

D. The Minimum Annual Guarantee shall be reduced as hereinafter provided, unless the parties negotiate an amendment to this Agreement for the relocation of CONCESSIONAIRE's operations from the Recaptured Premises to another location within the Terminal. The Minimum Annual Guarantee reduction shall become effective on the date of surrender of the Recaptured Premises by CONCESSIONAIRE and shall be calculated as follows:

Minimum Annual Guarantee X $\frac{\text{Percentage Payment Attributable to Affected Premises for Prior Year}}{\text{Prior Year's Total Percentage Payment}}$
(as of the date of surrender)

Example of Minimum Annual Guarantee reduction calculation:

Minimum Annual Guarantee is \$3,000,000 as of the date the Recaptured Premises are surrendered to COUNTY. The prior year's total Percentage

Payment was \$2,000,000. The portion of the total Percentage Payment attributable to the Recaptured Premises was \$200,000 or 10% of the total Percentage Payment. The Minimum Annual Guarantee would be reduced by 10% or \$300,000; therefore, the Minimum Annual Guarantee would be \$2,700,000. (Stated numerically: $\$3,000,000 \times \$200,000/\$2,000,000 = \$2,700,000$).

Notwithstanding the foregoing, the Minimum Annual Guarantee shall continue to be adjusted in accordance with Article IV, subject to the reduction provided for in this Article 6.06.

E. Upon receipt of reimbursement for any unamortized costs, CONCESSIONAIRE shall provide COUNTY with a bill of sale or other evidence of the transfer of ownership of the Leasehold Improvements to COUNTY, together with evidence satisfactory to COUNTY that Leasehold Improvements are free from liens, mortgages and other encumbrances.

F. The provisions of this Article 6.06 shall not apply to early termination of CONCESSIONAIRE's right to use and occupy any part(s) of the Assigned Premises due to CONCESSIONAIRE's default or noncompliance with this Agreement or to any voluntary relocation or return of concession area by CONCESSIONAIRE. Notwithstanding any provision of this Agreement to the contrary, the provisions of this Article 6.06 shall only apply to the termination of CONCESSIONAIRE's right to use and occupy permanent concession areas included in the Assigned Premises prior to the expiration of the Primary Term and shall not apply to office, storage or temporary concession areas.

G. For purposes of this Article 6.06, the term "Leasehold Improvements" shall not include Routine Refurbishment (as defined in Article 6.05(J)), maintenance or repair, removable furnishings and equipment, trade fixtures, supplies or Smallwares.

H. On or before October 1, 2007, CONCESSIONAIRE shall provide COUNTY with an inventory of the Leasehold Improvements for each concession area located within the Assigned Premises and a depreciation schedule for such Leasehold Improvements prepared in accordance with Article 6.06(C), which shall be subject to review and approval by COUNTY.

9. Article XXV is hereby amended to add the following:

25.20 **Consent or Action.** In the event this Agreement is silent as to the standard for any consent, approval, determination, or similar discretionary action, the standard shall be at the sole and absolute discretion of COUNTY or the Department. Wherever this Agreement requires COUNTY or the Department's consent or approval or permits COUNTY or the Department to act,

such consent, approval or action may be given or performed by the Director of the Department.

10. The Third Amendment to the Agreement dated September 9, 2003 (R-2003-1336) is hereby terminated in its entirety.

11. Article XXVI is hereby added to the Agreement as follows:

ARTICLE XXVI
OFFICE, STORAGE AND TEMPORARY AREAS

26.01 Rental for Office Areas. In addition to any other fees, charges and rentals payable hereunder, CONCESSIONAIRE shall pay rent in the amount of Sixty Eight Dollars and 56/100 (\$68.56) per square foot per year for the office area identified in Exhibit "A" as O-2. Rent shall be payable at the offices of the Department in equal monthly installments, in advance, without demand or any deduction, holdback or setoff whatsoever, by the first day of each and every month throughout the Primary Term. Any rental payment due hereunder for a fractional month shall be calculated and paid on a per diem basis (calculated on the basis of a thirty (30) day month). CONCESSIONAIRE shall not be obligated to pay rental for its use and occupancy of the office area identified in Exhibit "A" as O-1.

25.02 Adjustment of Rental for Office Area. Each October 1st, the rental rate applicable to office area shall be adjusted in accordance with the Airline Use and Lease Agreement adopted by COUNTY's Board of County Commissioners ("Board") pursuant to Resolution No. 2006-1906, as such agreement may be amended from time to time or any successor resolution or agreement adopted by the Board establishing rental rates for similar space within the Terminal ("Airline Agreement"). Office areas shall be considered Type two (2) space (as defined in the Airline Agreement). Notwithstanding any provision of this Agreement to the contrary, CONCESSIONAIRE acknowledges and agrees that COUNTY shall have the right to establish and maintain rental rates under this Agreement to ensure compliance with the provisions of Section 710 of the Bond Resolution.

25.03 COUNTY's Right to Reclaim Office Areas. COUNTY may terminate CONCESSIONAIRE's right to use and occupy any office area leased hereunder, except for the office area identified in Exhibit "A" as O-1, upon ninety (90) days prior written notice to CONCESSIONAIRE. COUNTY shall offer CONCESSIONAIRE alternative office area within the Terminal upon termination of the existing office area; provided that alternative office area is available. COUNTY shall have no obligation to reimburse CONCESSIONAIRE for any investment made in any office area or for any relocation costs. The parties shall

enter into an amendment to this Agreement to provide for rental of any alternative office area to CONCESSIONAIRE.

25.04 Rent for Additional Storage Areas. In the event CONCESSIONAIRE desires to lease storage area within the Terminal in addition to the storage area identified in Exhibit "A", CONCESSIONAIRE acknowledges that it shall be required to pay rental for the use of such area in addition to the rental provided for herein. The parties shall enter into an amendment to this Agreement to provide for the rental of any additional storage area to CONCESSIONAIRE.

25.05 COUNTY's Right to Reclaim Storage Areas. COUNTY may require CONCESSIONAIRE to relocate from any storage area leased hereunder to alternative storage area upon ninety (90) days prior written notice. COUNTY shall have no obligation to reimburse CONCESSIONAIRE for any investment made in the storage area, but shall reimburse CONCESSIONAIRE for any reasonable and necessary relocation costs. CONCESSIONAIRE shall provide documentation satisfactory to COUNTY to establish the relocation costs incurred by CONCESSIONAIRE, which shall include original invoices and receipts.

26.06 Temporary Concession Area. COUNTY may authorize CONCESSIONAIRE to operate its food and beverage concession from temporary locations within the Terminal upon CONCESSIONAIRE's prior written request. CONCESSIONAIRE acknowledges and agrees that COUNTY shall have no obligation whatsoever to approve use of temporary locations or mobile food service stations. COUNTY may require CONCESSIONAIRE to cease operating at any temporary location upon sixty (60) days prior written notice. COUNTY shall have no obligation to reimburse CONCESSIONAIRE for any costs or expenses related to the closure of a temporary location, including, but not limited to, moving costs. CONCESSIONAIRE shall pay rental for use of temporary locations in accordance with Article IV.

12. Except as specifically modified herein, all terms and conditions of the Agreement, including all amendments thereto, shall remain unchanged and in full force and effect.

13. In the event of a conflict between any provision of this Amendment and the provisions of the Agreement, or any other amendment thereto, the provisions of this Amendment shall control.

14. This Amendment shall be considered effective when signed by all parties and approved by the Palm Beach County Board of County Commissioners.

(Remainder of page left blank intentionally)

IN WITNESS WHEREOF, COUNTY has caused this Seventh Amendment to be signed by the Chair of the Board of County Commissioners and the seal of the Board to be affixed hereto by the Clerk of the Board, pursuant to the authority granted by the Board and CONCESSIONAIRE has caused these presents to be signed in its lawful name by its duly authorized officer, the _____, acting on behalf of CONCESSIONAIRE and the seal of CONCESSIONAIRE to be affixed hereto and attested by the Secretary of CONCESSIONAIRE the day and year first written above.

ATTEST:

Sharon R. Bock, Clerk and Controller

By: _____
Deputy Clerk

PALM BEACH COUNTY, a political subdivision of the State of Florida, by its Board of County Commissioners

By: _____
Addie L. Greene, Chairperson

(SEAL)

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: _____
County Attorney

APPROVED AS TO TERMS AND CONDITIONS

By: _____
Director - Department of Airports

ATTEST:

Signed, sealed and delivered in the presence of two witnesses for CONCESSIONAIRE

Signature
AUDREY DAWSON
Name (type or print)

Signature
Lois A. Sprinkle
Name (type or print) **Lois A. Sprinkle**
Sr. Contract Administrator

CONCESSIONAIRE:

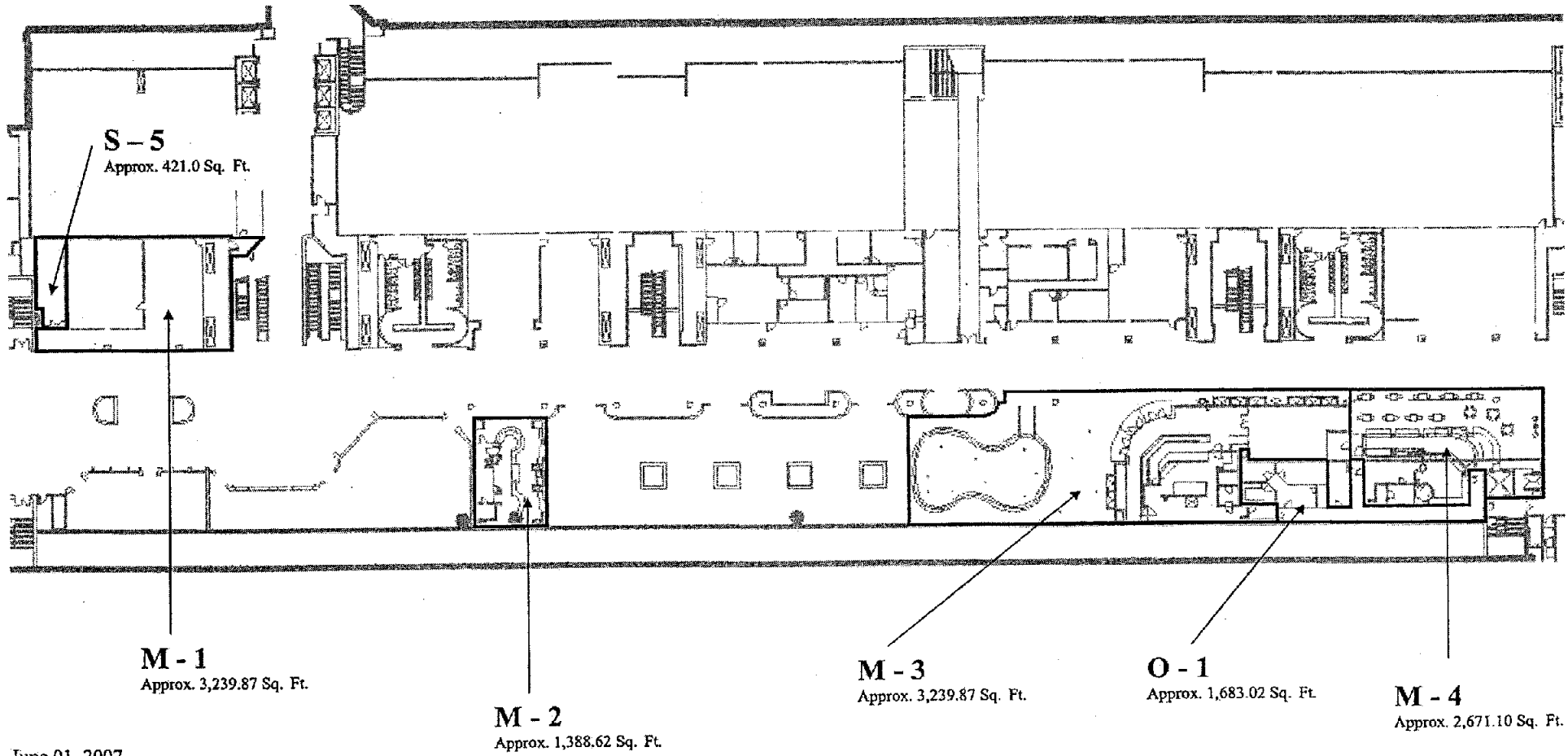
Host International, Inc., a Delaware Corporation

By: _____
CHRISTOPHER G. TOWNSEND
Vice President
Name (type or print)

Title

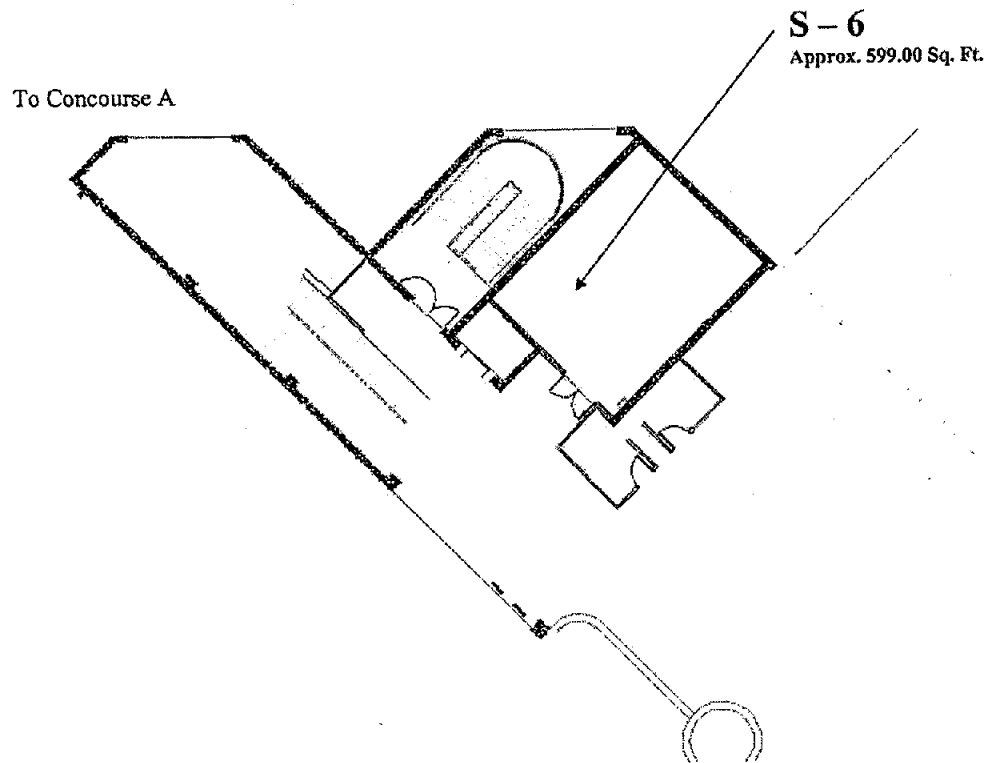
(Corporate Seal))

Host International, Inc.
Exhibit "A"
2nd Level - Palm Beach International Airport Terminal
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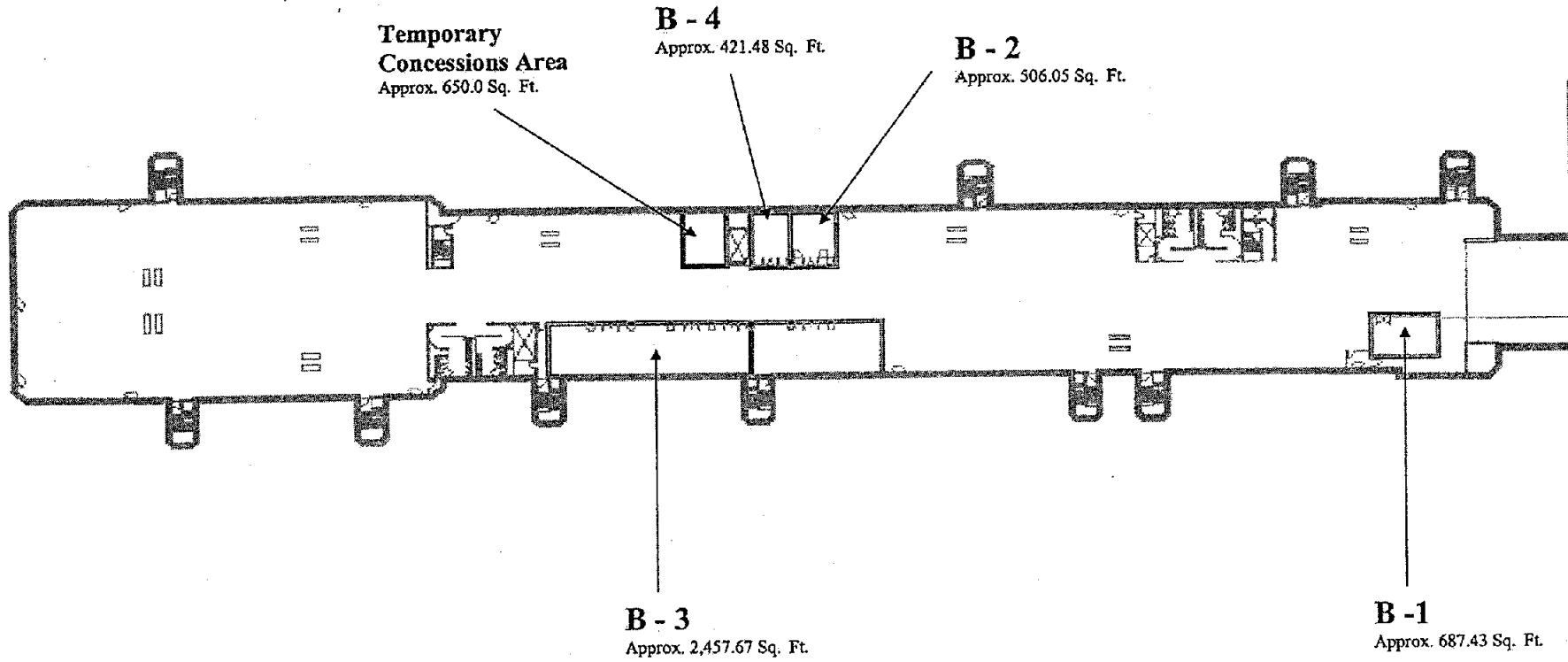
June 01, 2007

2nd Level West Storage Area

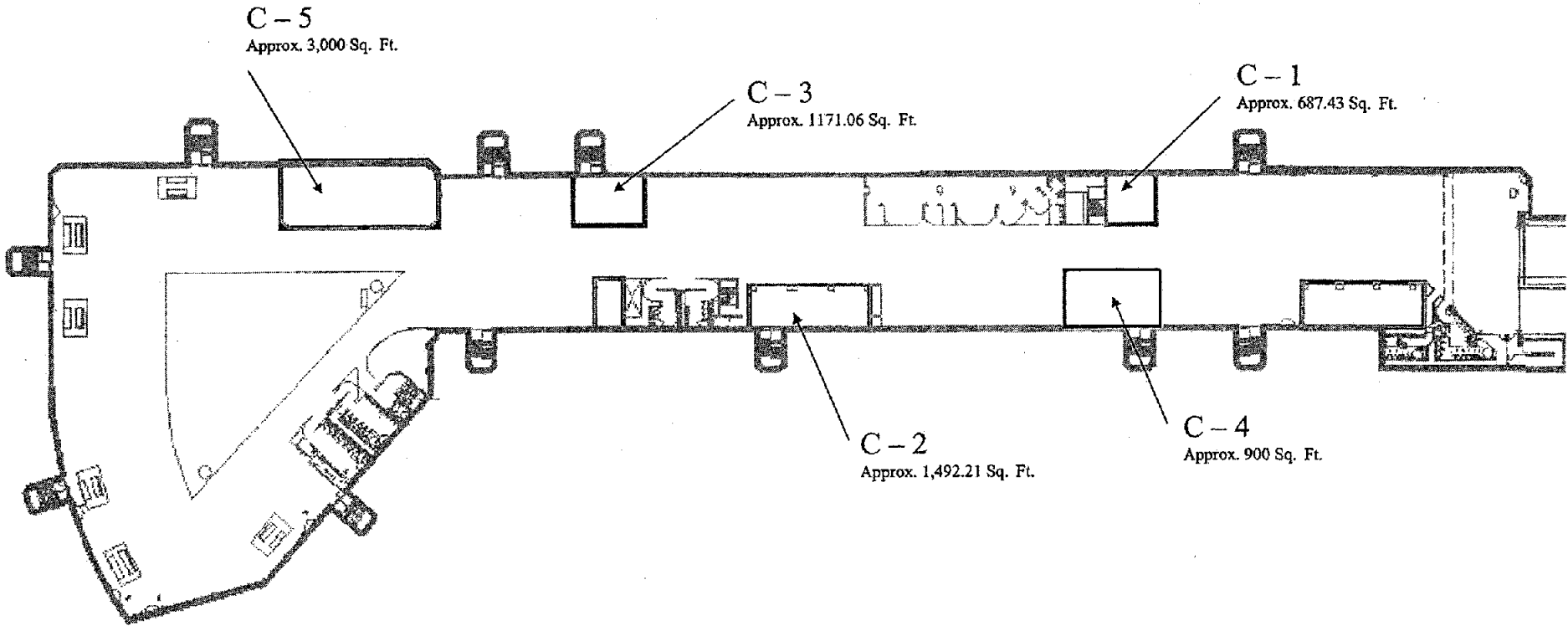


June 1, 2007

Host International, Inc.
Exhibit "A"
Concourse B - Palm Beach International Airport
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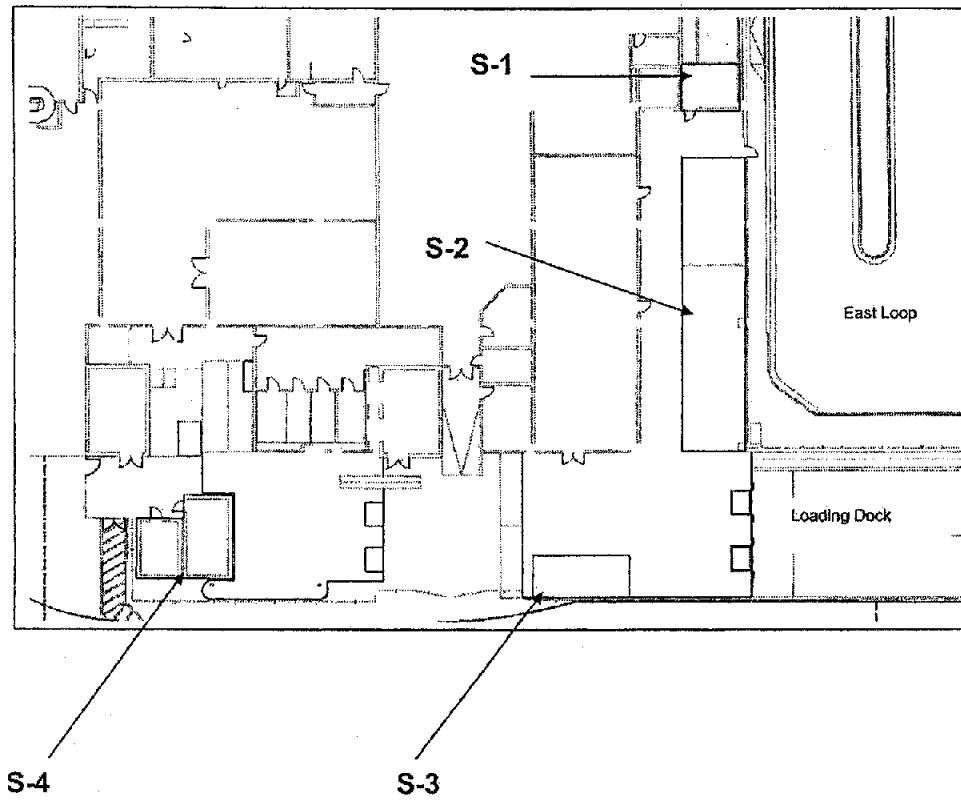


Host International, Inc.
Exhibit "A"
Concourse C - Palm Beach International Airport
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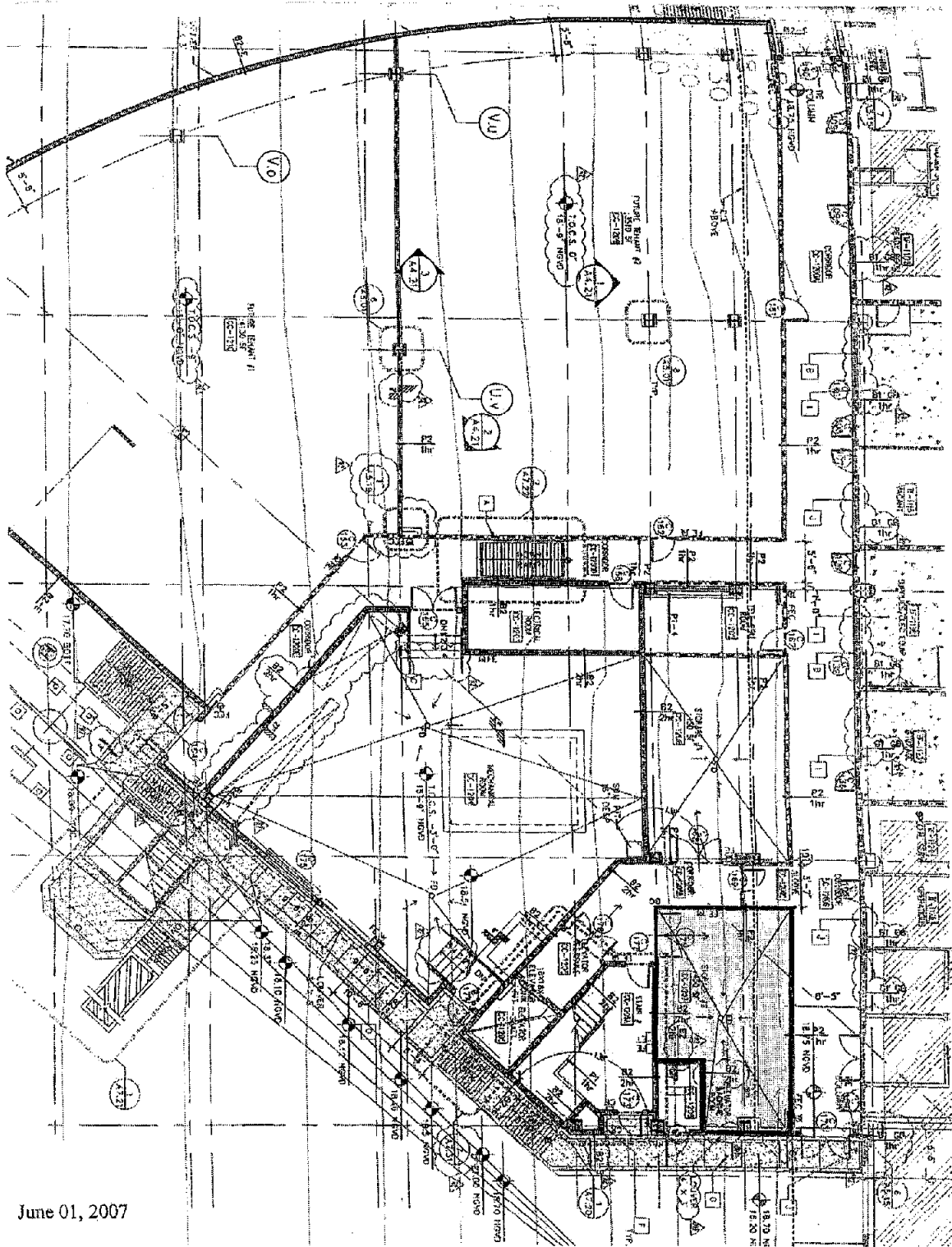
STORAGE AREAS

LOCATION	APPROX. SIZE (Sq. Ft.)
S-1	201.46
S-2	1388.46
S-3	288.0
S-4	417.0



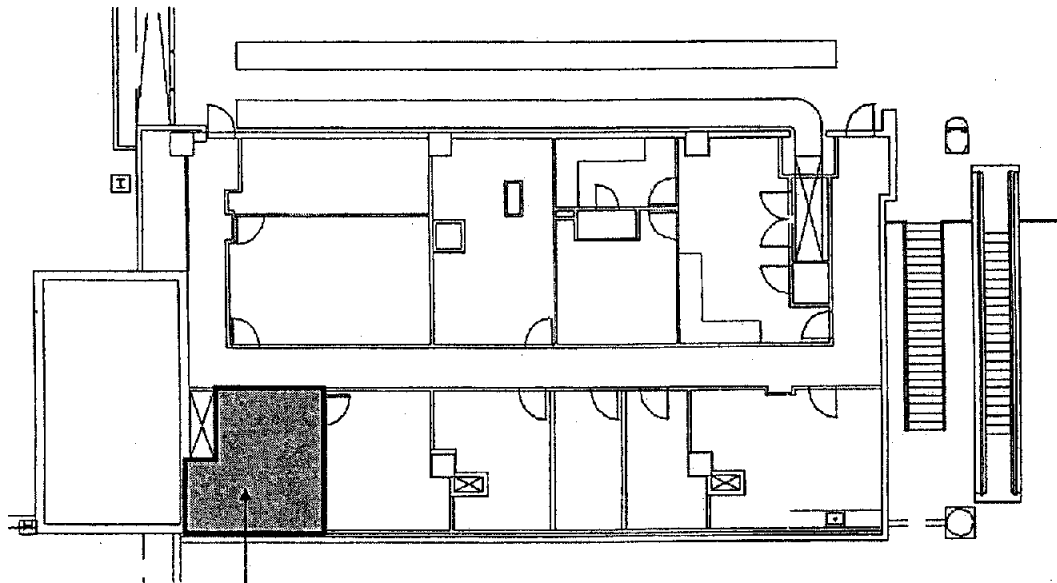
June 1, 2007

Storage Area (S - 7)
Level 1 - Concourse C



June 01, 2007

Host International, Inc.
Exhibit "B"
3rd Level - Palm Beach International Airport
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O - 2
215.67 Sq. Ft.
Type 2 Office Space

June 01, 2007