COMMUNICATIONS SITE LEASE AGREEMENT

THIS COMMUNICATIONS SITE LEASE AGREEMENT ("Lease") dated as of	, 20 ,
is between Royal Street Communications California, LLC, a Delaware limited liability company ("Lessee")	whose
address is 2913 El Camino Real # 561, Tustin, CA 92782, and THE CITY OF LANCASTER, a Mui	
Corporation, Corporate and Politic ("Lessor") whose address is 44933 Fern Ave., Lancaster, CA 93534	•

The parties hereto agree as follows:

- 1. <u>Premises</u>. Lessor represents that Lessor owns the real property legally described in Exhibit "A" commonly known as 45045 5th Street East, Lancaster, CA 93535 (Assessor's Parcel Number 3142-010-905). Subject to the following terms and conditions, Lessor leases to Lessee that portion of Lessor's property ("Lessor's Property") depicted in Exhibit "B", including any applicable easements for access and utilities (the "Premises").
- 2. <u>Use.</u> The Premises may be used by Lessee for any lawful activity in connection with the provisions of mobile/wireless communications services, including without limitation, the transmission and the reception of radio communication signals on various frequencies and the construction, maintenance and operation of related communications facilities. Lessor agrees, at no expense to Lessor, to cooperate with Lessee, in making application for and obtaining all licenses, permits and any and all other necessary approvals that may be required for Lessee's intended use of the Premises.
- 3. <u>Condition Precedent.</u> This Lease is conditioned upon Lessee, or Lessee's assigns, obtaining all governmental licenses, permits and approvals enabling Lessee, or its assigns, to construct and operate mobile/wireless communications facilities on the Premises.
- 4. <u>Term.</u> The term of this Lease ("Term") shall be five (5) years commencing fifteen days after both parties have signed this Lease. Lessee shall have the right to extend the Term of this Lease for five (5) additional Terms ("Renewal Term") of five (5) years each. Each Renewal Term shall be on the same terms and conditions as set forth herein. This Lease shall automatically be extended for each successive five (5) year Renewal Term unless Lessee notifies Lessor in writing of Lessee's intention not to extend this Lease at least thirty (30) days prior to the expiration of the first five year Term or any Renewal Term.
- 5. Rent. Within fifteen (15) days after the Commencement Date (so long as Lessor has provided Lessee with a signed and completed Substitute W-9 Form and payment direction form), Lessee shall pay Lessor, as rent, the sum of Two Thousand and No/100 Dollars (\$2,000.00) ("Rent") per month. Rent shall be payable on the 1st day of each month thereafter, in advance, to Lessor at Lessor's address specified at the beginning of this Lease. Rent shall be increased on each anniversary of the Commencement Date by an amount equal to three percent (3%) of the Rent paid during the previous year.

If the Commencement Date is other than the first day of a calendar month, Lessee may pay the prorated Rent for the remainder of the first calendar month in which the Term commences, and thereafter, Lessee shall pay a full month's Rent on the first day of each calendar month, except that payment shall be prorated for the final fractional month of this Lease, or if this Lease is terminated before the expiration of any month.

Lessee may expand the Premises for its equipment beyond the square footage of the Premises with Lessor's prior written consent. Prior written consent must be applied for from Lessor twelve (12) months prior to applying for a building permit, and Rent shall be increased in proportion to the extra square footage included in the revised Premises.

6. Improvements; Access.

- (a) Lessee shall have the right (but not the obligation) at any time following the full execution of this Lease and prior to the Commencement Date, to enter the Premises for the purpose of making necessary inspections and engineering surveys (and soil tests where applicable) and other reasonably necessary tests (collectively "Tests") to determine the suitability of the Premises for Lessee's Facilities (as defined herein) and for the purpose of preparing for the construction of Lessee's Facilities. During any Tests or pre-construction work, Lessee will have insurance as set forth in Section 12, <u>Insurance</u>. Lessee will notify Lessor of any proposed Tests or pre-construction work and will coordinate the scheduling of same with Lessor. If Lessee determines that the Premises are unsuitable for Lessee's contemplated use, then Lessee will notify Lessor and this Lease will terminate.
- (b) Lessee has the right to construct, maintain, install, repair and operate on the Premises radio communications facilities, including but not limited to, radio frequency transmitting and receiving equipment,

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batteries, utility lines, transmission lines, radio frequency transmitting and receiving antennae and supporting structures and improvements, including a building or structure to house Lessee's ground based equipment ("Shelter") (collectively, the "Lessee's Facilities"). Lessee shall install a new pole for area lighting with Lessee's antennas and microwave dish to be attached at or near the top of the pole and above all area lighting fixtures installed on the pole. as depicted in Exhibit B. The pole shall allow for the attachment of area sports lighting fixtures for use at Eastside Park, owned and operated by the City of Lancaster, as Lessor (the pole and area sports lighting fixtures are collectively referred to herein as the "Light Standard"). Lessee shall be responsible for the costs of said Light Standard and its respective installation, including all electrical and metering work necessary to operate the area sports lighting fixtures thereon. The exact quantity and costs for purchase and installation of said Light Standard, and electrical connections shall be determined and completed by Musco Sports Lighting. Upon completion of installation of the Light Standard, such Light Standard, and all supporting facilities and utilities therefore, shall be deemed the personal real property of Lessor (without the need of any additional documentation thereof), and Lessor shall be responsible for the on-going maintenance and repair costs as well as electrical costs to operate said Light Standard. Lessee shall construct the Shelter, at its sole cost, to match as best as possible the existing buildings at the Property, as depicted on Exhibit B, and said Shelter shall be treated with an anti-graffiti sealant as specified by Lessor. Lessee shall install landscaping as required as a condition of any necessary government permits, and as approved by the Lessor; however, after installation, Lessee shall have no responsibility for the ongoing maintenance of such landscaping, such landscape maintenance shall be the sole responsibility of Lessor.

With written consent from Lessee, Lessor shall have the right to attach antennas for Lessor's communications use only, to the Light Standard, as well as the right to install additional area lighting fixtures as practically necessary and security cameras.

As additional consideration for Lessor's execution of this Lease, Lessee will construct an additional 10' x 12' building/room on one end of Lessee's Shelter, including a separate door with Lessor approved lock and two (2) twenty (20) amp circuit breakers, which building/room shall be referred to herein as "Lessor's Building." Additionally, Lessee will install four (4) - 1" conduits in the base of the Light Standard and extending into the newly constructed Lessor's Building, and a pull rope shall be installed in each conduit. The Lessor's Building, conduit and rope set forth herein above (the "Improvements") are to be supplied at Lessee's sole cost. Upon completion of installation of the Improvements, such Improvements shall be deemed the personal real property of Lessor (without the need of any additional documentation thereof), and Lessor shall be solely responsible for the on-going maintenance and repair costs as well as electrical costs to use and operate such Improvements. In connection therewith, Lessee has the right to do all work necessary to prepare, add, maintain and alter the Premises for Lessee's communications operations and to install utility lines and transmission lines connecting antennas to transmitters and receivers. Lessee shall have the right to install any warning signs on or about the Premises required by federal, state or local law. All of Lessee's construction and installation work shall be performed at Lessee's sole cost and expense and in a good and workmanlike manner. Title to Lessee's Facilities and any equipment placed on the Premises by Lessee (excluding the Light Standard, Improvements and associated equipment) shall be held by Lessee or its equipment lessors or assigns. Lessee's Facilities shall not be considered fixtures. Lessee has the right to remove any or all of Lessee's Facilities at its sole expense on or before the expiration of this Lease or within sixty (60) days after an early termination of this Lease.

Lessee will attach a sub-meter to its electrical utilities for the purpose of calculating Lessor's Utility Charge for use of the two – twenty amp breakers being installed for Lessor as part of the Improvements. During the term of this Lease (not more frequently than four (4) times per year) Lessee may calculate Lessor's actual Utility Charge for the immediately preceding three (3) months based on the readings from the privately installed sub-meter at Lessor's property. Lessor shall reimburse Lessee for Lessor's Utility Charge within thirty (30) days of an invoice provided to Lessor by Lessee.

- (c) Lessor shall provide Lessee, Lessee's employees, agents, contractors, subcontractors and assigns with access to the Premises twenty-four (24) hours a day, seven (7) days a week, at no charge to Lessee. Lessor represents and warrants that it has full rights of ingress to and egress from the Premises, and hereby grants such rights to Lessee to the extent required to construct, maintain, install and operate Lessee's Facilities on the Premises, and to remove them therefrom. Lessee's exercise of such rights shall not cause undue inconvenience to Lessor.
- (d) Lessor shall maintain all access roadways from the nearest public roadway to the Premises in a manner sufficient to allow reasonable access. Lessor shall be responsible for maintaining and repairing such roadways, at its sole expense, except for any damage caused by Lessee's use of such roadways. If Lessee causes any such damage, it shall promptly repair same.

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- (e) Lessee shall have the right to install utilities, at Lessee's expense, and to improve the present utilities on or near the Premises (including, but not limited to the installation of emergency back-up power). Said emergency back up power shall require a separate permit from the City of Lancaster. Subject to Lessor's approval of the location, which approval shall not be unreasonably withheld, Lessee shall have the right to place utilities on (or to bring utilities across) Lessor's Property in order to service the Premises and Lessee's Facilities. Upon Lessee's request, Lessor shall execute recordable easement(s) evidencing this right.
- (f) Lessee shall fully and promptly pay for all utilities furnished to the Premises for the use, operation and maintenance of Lessee's Facilities.
- (g) Upon the expiration, cancellation or termination of this Lease, Lessee shall surrender the Premises to Lessor in good condition, less ordinary wear and tear; however, Lessee shall not be required to remove any foundation supports for Lessee's Facilities or conduits which have been installed by Lessee.
- Interference with Communications. Lessee's Facilities shall not disturb the communications configurations, equipment and frequency which exist on Lessor's Property on the Commencement Date ("Preexisting Communications"), and Lessee's Facilities shall comply with all non-interference rules of the Federal Communications Commission. Lessor shall not permit the use of any portion of Lessor's Property in a way which interferes with the use of the Premises described in Paragraph 2, above. Such interference with Lessee's communications operations shall be deemed a material breach by Lessor, and Lessor shall have the responsibility to promptly terminate said interference. In the event any such interference does not cease promptly, the parties acknowledge that continuing interference will cause irreparable injury to Lessee, and therefore, Lessee shall have (i) the right to bring action to enjoin such interference and (ii) the right to terminate the Lease immediately upon notice to Lessor, in addition to any other rights or remedies at law or in equity. Notwithstanding the foregoing, Pre-existing Communications operating in the same manner as on the Commencement Date shall not be deemed interference. Subsequent to the date of this Lease, Lessor shall not use its Property or permit its lessees, licensees or invitees to use Lessor's Property for transmission or reception of communications or signals without the express prior written consent of Lessee, which consent shall not be unreasonably withheld. Lessee's consent may be withheld if interference with Lessee's transmissions, receptions, operations, or use of frequency will result due to such use. whether or not such interference is with Lessee's frequencies or otherwise.
- 8. <u>Taxes</u>. Lessee shall pay personal property taxes assessed against Lessee's Facilities and Lessor shall pay when due, all real property taxes and all other taxes, fees and assessments attributable to the Premises or this Lease.

9. <u>Termination</u>.

- (a) This Lease, in addition to any other remedies which may be pursued in law or in equity, may be terminated by either party upon a material default of any covenant, condition, or term hereof by the other party, which default is not cured within sixty (60) days of receipt of written notice of default. This Lease may be terminated by Lessee without further liability for any reason or for no reason, provided Lessee delivers written notice of termination to Lessor prior to the Commencement Date.
- (b) This Lease may also be terminated by Lessee without further liability on thirty (30) days prior written notice (i) if Lessee is unable to reasonably obtain or maintain any certificate, license, permit, authority or approval from any governmental authority, thus, restricting Lessee from installing, removing, replacing, maintaining or operating Lessee's Facilities or using the Premises in the manner described in Paragraph 2 above; or (ii) if Lessee determines that the Premises are not appropriate for its operations for economic, environmental or technological reasons, including without limitation, signal strength, coverage or interference.
- 10. <u>Destruction of Premises</u>. If the Premises or Lessor's Property is destroyed or damaged so as in Lessee's judgment, to hinder its effective use of Lessor's Property, Lessor shall make available to Lessee within five (5) days a temporary site on Lessor's Property (or on other property owned or controlled by Lessor) which in Lessee's sole discretion is equally suitable for Lessee's use. Lessee may construct, operate, and maintain substitute Lessee's Facilities thereon until Lessee's Facilities are fully restored and operational on the Premises. Rent shall abate in full during any time that Lessee is unable to operate Lessee's Facilities on Lessor's Property. Alternatively, Lessee may elect to terminate this Lease as of the date of the damage or destruction by so notifying Lessor no more than 30 days following the date of damage or destruction.
- 11. <u>Condemnation</u>. If a condemning authority takes all or a portion of Lessor's Property, which in Lessee's opinion is sufficient to render the Premises unsuitable for Lessee's use, then Lessee may terminate this

Site No: LA3723A – Eastside Park Address: 45045 5th Street East, Lancaster, CA 93535 Lease as of the date when possession is delivered to the condemning authority. In any condemnation proceeding each party shall be entitled to make a claim against the condemning authority for just compensation (which for Lessee shall include, the value of Lessee's Facilities, moving expenses, prepaid rent, business dislocation expenses, bonus value of the lease and any other amounts recoverable under condemnation law). Sale of all or part of the Premises to a purchaser with the power of eminent domain in the face of the exercise of its power of eminent domain, shall be treated as a taking by a condemning authority.

- 12. <u>Insurance</u>. Lessee shall maintain the following insurance: (1) Commercial General Liability with limits of \$1,000,000.00 per occurrence and \$2,000,000.00 in aggregate, covering Lessee's use, occupancy and operations on the Premises; (2) Automobile Liability with a combined single limit of \$1,000,000.00 per accident; (3) Workers Compensation as required by law; and (4) Employer's Liability with limits of \$1,000,000.00 per occurrence; and (5) \$5,000,000.00 excess liability or umbrella policy. Each party to this Lease shall each maintain standard form property insurance ("All Risk" coverage) equal to at least 90% of the replacement cost covering their respective property. Each party waives any rights of recovery against the other for damages or loss due to hazards covered by their property insurance and each party shall require such insurance policies to contain a waiver of recovery against the other. Lessee shall name Lessor as an additional insured with respect to the above Commercial General Liability insurance.
- 13. <u>Assignment.</u> Lessee may assign this Lease at any time upon notice to Lessor. No subletting shall be allowed without prior written consent of Lessor. Notwithstanding anything to the contrary contained in this Lease, Lessee may assign, mortgage, pledge, hypothecate or otherwise transfer without consent or notice its interest in this Lease to any financing entity, or agent on behalf of any financing entity to whom Lessee (i) has obligations for borrowed money or in respect of guaranties thereof, (ii) has obligations evidenced by loans, bonds, debentures, notes or similar instruments, or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof.

14. Title and Quiet Enjoyment.

- (a) Lessor represents and warrants that it has full right, power, and authority to execute this Lease. Lessor further warrants that Lessee shall have quiet enjoyment of the Premises during the Term of this Lease or any Renewal Term. Lessor hereby represents and warrants that it has obtained all necessary approvals and consents, and has taken all necessary action to enable Lessor to enter into this Lease and allow Lessee to install and operate Lessee's Facilities on the Premises, including without limitation, approvals and consents as may be necessary from other tenants, licensees and occupants of Lessor's Property.
- (b) Lessee has the right to obtain a title report or commitment for a leasehold title policy from a title insurance company of its choice. If, in the opinion of Lessee, such title report shows any defects of title or any liens or encumbrances which may adversely affect Lessee's use of the Premises, Lessee shall have the right to terminate this Lease immediately upon written notice to Lessor.
- 15. Repairs. Lessee shall not be required to make any repairs to the Premises except for damages to the Premises caused by Lessee, its employees, agents, contractors or subcontractors.
- 16. <u>Environmental</u>. Lessor represents that the Premises have not been used for the generation, storage, treatment or disposal of hazardous materials, hazardous substances or hazardous wastes. In addition, Lessor represents that no hazardous materials, hazardous substances, hazardous wastes, pollutants, asbestos, polychlorinated biphenyls (PCBs), petroleum or other fuels (including crude oil or any fraction or derivative thereof) or underground storage tanks are located on or near the Premises. Notwithstanding any other provision of this Lease, Lessee relies upon the representations stated herein as a material inducement for entering into this Lease.

17. Miscellaneous.

Notices shall be in writing and shall be delivered to Lessee at:

Royal Street Communications California, LLC 2913 El Camino Real # 561 Tustin, CA 92782 Attn: Property Manager Telephone: 714 730-3100

Telephone: 714 730-3100 Facsimile: 714 730-3201

With a copy to: Royal Street Communications

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2435 N. Central Expressway, #1200 Richardson, TX 75080 Attn: Property Manager

Telephone: 214-712-7375

and to Lessor, Attn: Mike Campbell, to the address given at the beginning of this Lease, or to the address specified in the most recent written notice of any change in address. Delivery of notices shall be made by hand, U.S. mail return receipt requested or reliable overnight courier.

If Lessee is to pay Rent to a payee other than the Lessor, Lessor shall notify Lessee in advance in writing of the payee's name and address, and provide Lessee with an accurate and complete W-9 for such payee.

The substantially prevailing party in any legal claim arising hereunder shall be entitled to its reasonable attorney's fees and court costs, including appeals, if any.

Lessor shall obtain for the benefit of Lessee a reasonable Non-Disturbance Agreement from the present and any future mortgagee(s) or holder(s) of a deed of trust confirming that Lessee's right to quiet possession of the Premises during this Lease shall not be disturbed, so long as Lessee is not in default under this Lease.

If any provision of the Lease is invalid or unenforceable with respect to any party, the remainder of this Lease or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

Terms and conditions of this Lease which by their sense and context survive the termination, cancellation or expiration of this Lease will so survive.

This Lease shall be governed under California law, and be binding on and inure to the benefit of the successors and permitted assignees of the respective parties.

Upon request, either party may require that a Memorandum of Lease be recorded confirming the (i) Lease commencement, (ii) expiration date of the Term, and (iii) the duration of any Renewal Terms.

This Lease constitutes the entire Lease between the parties, and supersedes all understandings, offers, negotiations and other leases concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments, modifications or waivers of any of the terms and conditions of this Lease must be in writing and executed by both parties.

- 18. Waiver of Lessor's Lien. Lessor acknowledges that Lessee may enter into financing arrangements including promissory notes and financial and security agreements for the financing of Lessee's Facilities (the "Collateral") with a third party financing entity and may in the future enter into additional financing arrangements with other financing entities. In connection therewith, Lessor (i) consents to the installation of the Collateral to the extent that the Collateral is part of the approved Lessee's Facilities; (ii) disclaims any interest in the Collateral, as fixtures or otherwise, whether arising at law or otherwise, including, but not limited to any statutory landlord's lien; and (iii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any Rent due or to become due and that such Collateral may be removed at any time without recourse to legal proceedings.
- 19. Performance Bond: Within thirty (30) days of the Commencement Date, Lessee agrees to procure on Lessor's behalf, and maintain in effect until completion of all initial construction and installation of the Light Standard and Improvements, a performance bond in a form reasonably acceptable to Lessor and issued by a reputable company in the amount of Ten Thousand and No/100 Dollars (\$10,000.00) ("Performance Bond"), for the sole purpose of assuring Lessee's faithful performance in construction of such Light Standard and Improvements. If Lessee fails to complete such construction work within a reasonable period of time after commencement thereof, Lessor shall give Lessee sixty (60) days notice in writing that Lessor intends to use the Performance Bond to either complete the work or return the Premises back to their original condition immediately prior to Lessee's commencement of such construction work. If Lessee fails to complete such work within such sixty (60) day notice period, Lessor may use the proceeds from the Performance Bond for Lessor's costs.

SIGNATURES ON FOLLOWING PAGE

 IN WITNESS WHEREOF, the parties have entered into this Lease effective as of the date first above written.

LESSEE:	LESSOR:
Royal Street Communications California, LLC, a Delaware limited liability company	CITY OF LANCASTER, a Municipal Corporation, Corporate and Politic
	Ву:
Ву:	Name:
Name:	Title:
Title:	Tax ID#:
Date:	Date:
ATTEST WITNESS	ATTEST WITNESS
Date:	Date:

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EXHIBIT A

LEGAL DESCRIPTION OF LESSOR'S PROPERTY

Lessor's Property of which Premises are a part is legally described as follows:

The land referred to herein is situated in the State of California, County of Los Angeles, City of Lancaster, and described as follows:

THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 14, SECTION 7 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA; EXCEPT THEREFROM, THE WESTERLY 380 FEET OF THE SOUTHERLY 441 FEET THEREOF.

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Assessors Parcel Number: 3142-010-905

Site No: LA3723A – Eastside Park Address: 45045 5th Street East, Lancaster, CA 93535

EXHIBIT B

DESCRIPTION OF PREMISES

The Premises consist of those areas described/shown below and where Lessee's communications antennae, equipment, cables and utilities occupy Lessor's Property. The Premises and the associated utility connections and access, including easements, ingress, egress, dimensions, and locations as described/shown below, are approximate only and may be adjusted or changed by Lessee at the time of construction to reasonably accommodate sound engineering criteria and the physical features of Lessor's Property.

See Attached Site Plans: 4 Pages

A final drawing, Site Plan, or copy of a property survey substantially depicting the above will replace this Exhibit "B" when initialed by Lessor.

Notes

- 1. This Exhibit may be replaced by a land survey or Site Plan of the Premises once it is received by Lessee.
- 2. Setback of the Premises from the Lessor's boundaries shall be the distance required by the applicable governmental authorities.
- 3. Width of access road shall be the width required by the applicable governmental authorities, including police and fire departments.
- 4. The type, number and mounting positions and locations of antennas and transmission lines are illustrative only. Actual types, numbers, mounting positions may vary from what is shown above.

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