# WIRELESS SERVICE FACILITY LAND LEASE AGREEMENT

This Land Lease Agreement (the "Lease") is made and entered into on November 18, 2003, by and between the City of Redlands, a municipal corporation ("Landlord") and Tower Foundations ("Tenant"), collectively the "Parties."

Landlord, for and in consideration of the rent to be paid by Tenant and for the covenants and provisions to be kept and performed by Tenant under this Lease, hereby leases to Tenant for Tenant's sole use, and Tenant agrees to lease from Landlord the use of a metal pipe at the side of Landlord's Crafton Hills College Reservoir Tank, in Yucaipa, California and more particularly described as APN 0299-321-65 and as shown on Exhibit "A" " (the "Property") for the purpose of placing a wireless internet antenna on said metal pipe. The proposed Site is to be used for an antenna support structure and communication equipment for a personal communications wireless service facility ("WSF"), as identified in Exhibit "B."

Section 1. Intent of Parties. It is the intent of the Parties that Tenant will develop on Landlord's Property a WSF on the Site, as defined herein.

## Section 2. Term.

The term of this Lease shall be from the "Commencement Date" which shall be the date of approval by signature by Landlord to Tenant and shall be for a period of five (5) years from that date, at which time rental payments will be due at an annual rate of \$6,000 to be paid in equal monthly installments of \$500 on the first (1st) day of the month, closest to the "Commencement Date," and the first (1st) of each month thereafter, in advance, to the City of Redlands or to such other person, firm or place as the Landlord may, from time to time designate by written notice delivered to Tenant. This Lease shall automatically be extended for five (5) additional five (5) year terms unless either party terminates it, as set forth herein and/or, at the end of the then current term by giving written notice of the intent to terminate at least six (6) months prior to the end of the then current term. Rent will increase every five (5) years on the anniversary of the "Commencement Date" by fifteen percent (15%).

Section 3. Use of Premises. During the term of this Lease, the Site for the antenna shall be used solely by Tenant, subject to the conditions set forth in this Agreement Tenant shall have access to the Site upon request of Landlord at least twenty-four (24) hours in advance. Tenant shall use the Site in a manner which shall not unreasonably disturb the occupancy of Landlord's use of the property including Landlord's other tenants.

<u>Section 4.</u> <u>As Is Condition.</u> Except as expressly stated otherwise herein, Tenant is leasing the Site in an "AS IS" condition and Landlord does not represent that the Site is suitable for Tenant's intended use. Tenant is responsible to undertake such due diligence, as it deems necessary to determine the condition and suitability of the Site.

Section 5. Title and Quiet Possession. Landlord represents and agrees (a) that it is the owner of the Site; (b) that it has the right to enter into this Lease; (c) that the person signing this Lease has the authority to sign it; (d) that Tenant is entitled to access and use of the Site as provided herein throughout the term of this Lease. Notwithstanding the foregoing, in the event of any situation that poses an immediate threat of substantial harm to persons and/or property which requires entry onto the Site by Landlord, Landlord may enter the Site and take such actions that are required to protect individuals or personal property from such substantial harm or damage; provided that promptly after such entry into the Site and no longer than forty-eight (48) hours, Landlord shall give telephonic and written notice to Tenant of Landlord's entry onto the Site. Landlord covenants that Tenant, on paying the rent and performing the covenants shall peaceably and quietly have, hold and enjoy the Site.

Section 6. Assignment /Subletting. The Lease may be sold and assigned or transferred by the Tenant with prior written approval and consent of the Landlord. Tenant shall not assign or transfer this Lease or sublet all or any portion of the Site without the prior written consent of Landlord which consent shall not be unreasonably withheld but shall be the subject of further negotiations. In the event Tenant attempts any assignment, sublet or transfer requiring Landlord's consent without the Landlord's prior written consent, such action shall be null and void, and this Lease shall be subject to immediate termination at the option of the Landlord.

Section 7. Notices. All notices shall be in writing and are effective three days after deposit in the United States mail, certified and postage prepaid, or the next business day when sent by overnight delivery. Mailed notices shall be addressed as set forth below, but each party may change its address by written notice in accordance with this Section.

Tenant
Tower Foundation
31548 Avenue "E"
Yucaipa, CA 92399

Landlord
City of Redlands
Municipal Utilities Department
PO Box 3005
Redlands, CA 92373

Section 8. Compliance with Laws. Tenant shall comply with all applicable laws relating to Tenant's operation of the WSF.

Section 9. Interference. Tenant shall resolve technical interference problems with other equipment located at the Property at the time of its entry onto the Site or with equipment located at Crafton Hills College or with any equipment that Tenant attaches to the Site at any future date, if Tenant desires to add additional or replacement equipment to the Site. Landlord will not permit the installation of any future equipment that results in technical interference problems with Tenant's then existing equipment, subject to the terms set forth in this Paragraph 9. Landlord shall have the right to have installed, equipment by any other provider that Landlord allows on the Crafton Hills College Reservoir Site, Yucaipa, California (the Property), except

that this new provider's use cannot interfere with Tenant's operation at the Site. Tenant shall allow installation of the equipment for the use by the Landlord, or its agencies or departments ("New Equipment") and Tenant shall have the obligation to resolve any interference resulting therefrom. However, for installation of any New Equipment at the Property, Landlord will give Tenant not less than sixty (60) days prior written notice, which notice shall include the technical specifications of the New Equipment proposed to be installed and its proposed location. Thereafter, Landlord will use its best efforts to locate the New Equipment on the Property in a manner so that no interference shall result between the operation of Tenant's equipment and the proposed New Equipment. If, despite all these efforts, interference cannot be avoided or resolved within thirty (30) days of Tenant's Notice of said technical interference with other equipment, then Landlord may terminate this Lease by giving the Tenant thirty (30) days written notice of termination. Rent will continue until Tenant vacates the Site, and will be pro-rated. Tenant will remove all of its property and shall return the property to its pre-lease original conditions.

Section 10. Utilities. Landlord shall pay for all utilities used by Tenant at the site including, but not limited to, all electrical utilities to the WSF.

## Section 11. Termination.

A. Tenant may terminate this Lease at any time by giving sixty (60) days prior notice to Landlord without further liability if: (I) Tenant does not obtain all permits, consents, licenses, non-disturbance agreements or other approvals (collectively, "approvals") reasonably desired by Tenant or required from any governmental authority or any third party related to or reasonably necessary to operate the WSF system, or if any such approvals are cancelled, expire or are withdrawn or terminated, or (ii) if Landlord fails to have ownership of the Site or authority to enter into this Lease; or (iii) if Tenant, for any other reason, in its sole discretion, determines that it will be unable to use the Site. Upon termination, all prepaid rent shall be retained by Landlord, unless termination is pursuant to (ii) above or a result of Landlord's default and then all prepaid rents shall be returned promptly to Tenant. If, after the commencement of tenancy under this Lease, Tenant terminates this Lease pursuant to Section (iii) above, Tenant will pay Landlord a termination fee equal to six (6) months of the then-current annual rent.

B. If Landlord, in its reasonable and sole discretion makes a good faith determination that the use of the Site by Tenant is impairing or hindering Landlord's principal use of the property so that continued use by Tenant is determined not to be in the Landlord's best interest, and after written notice and a reasonable time not to exceed thirty (30) days to cure said impairment or hindrance, and such is not cured, then at the sole discretion of Landlord, Landlord determines that Tenant is unable to cure said impairment or hindrance, Landlord may, without further liability, terminate this Lease. Upon termination, all prepaid rent, as prorated by use, shall be returned to Tenant, up to a maximum of six months of the annual rent. Tenant shall be allowed to remove all of its personal property, including its equipment, cabling and antennas, and return the Site to its pre-lease condition.

C. Tenant, upon termination of the Lease, shall, within thirty (30) days, remove its antenna structure(s), fixtures and all personal property and otherwise restore the Site to its original condition, as of the Commencement Date, reasonable wear and tear and casualty excepted. Landlord agrees and acknowledges that all of the equipment, fixtures and personal property of the Tenant shall remain the personal property of the Tenant and the Tenant shall have the right to remove the same, whether or not said items are considered fixtures and attachments to real property under applicable law, provided Tenant returns the Site to its original pre-lease condition.

Section 12. Default. If either party is in default under this Lease for a period of: (a) fifteen (15) days following receipt of notice from the non-defaulting party with respect to a default which may be cured solely by the payment of money; or (b) thirty (30) days following receipt of notice from the non-defaulting party with respect to a default which may not be cured solely by the payment of money, then, in either event, the non-defaulting party may pursue any remedies available to it against the defaulting party under applicable law, including, but not limited to, the right to terminate this Lease. If the non-monetary default may not reasonably be cured within a thirty (30) day period, this Lease may not be terminated if the defaulting party commences action to cure the default within such thirty day period and proceeds with due diligence to fully cure the default, and cures no later than ninety (90) days from notice of default.

Section 13. Indemnity. Landlord and Tenant each shall indemnify, defend and hold each other harmless from any and all costs (including reasonable attorneys' fees) and claims of liability or loss which arise out of the ownership, use and/or occupancy of the Site by the indemnifying party. This indemnity does not apply to the extent any claims arise from the sole negligence or intentional misconduct of the indemnified party. The obligations under this section shall survive the expiration or termination of this Lease.

Section 14. Hazardous Substances. Landlord represents that it has no knowledge of any substance, chemical or waste (collectively, "substance") on or under the Property or property that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation. Tenant shall not introduce or use any such substance on the Site in violation of any applicable law.

Landlord and Tenant shall hold each other harmless and indemnify the other from and assume all duties, responsibility and liability at each others sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs, or damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to the failure of the indemnifying party to comply with any environmental or industrial hygiene law, including without limitation any regulations, guidelines, standards or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene concerns or conditions as may now or at any time hereafter be in effect, unless such compliance results from conditions caused solely by the indemnified party. Landlord shall hold harmless, indemnify and defend Tenant for all costs and expenses, including attorneys' fees, for any environmental or industrial hygiene conditions arising

out of or in any way related to the condition of the Property or activities conducted thereon, unless such environmental conditions are caused by the Tenant, then Tenant shall hold harmless, indemnify and defend Landlord for all costs and expenses, including attorneys' fees for said sole negligence of Tenant.

Section 15. Taxes. Tenant shall be responsible for all real and personal property taxes assessed directly upon the Site and arising from its use of the WSF on the Site.

Section 16. Insurance. Tenant shall procure and maintain commercial general liability insurance, with limits of not less than One Million Dollars (\$ 1,000,000) combined single limit per occurrence for bodily injury and property damage liability, with a certificate of insurance additional insured endorsement to be furnished to Landlord prior to Tenant's occupancy of the Site. Landlord shall be named as an additional insured under the insurance policies required of Tenant, and such insurance shall be primary with respect to Landlord and non-contributing to any insurance or self-insurance maintained by Landlord. Such policy shall provide that cancellation will not occur without at least forty-five (45) days prior written notice to Landlord. Insurance requirements for Tenant shall be reviewed by Landlord and adjusted by Landlord, in Landlord's reasonable and sole discretion, on every five-year anniversary date of this Lease Tenant shall provide any new certificates of insurance additional insured endorsement for Landlord with new limits of liability coverage within fourteen (14) days of notice by Landlord to Tenant.

Section 17. Maintenance. Tenant shall be responsible for repairing and maintaining the WSF and any other improvements installed by Tenant at the Site in a proper operating and safe condition; provided, however, if any such repair or maintenance is required due to the sole acts of Landlord, its agents or employees, Landlord shall reimburse Tenant for the reasonable costs incurred by Tenant to restore the damaged areas to the condition which existed immediately prior thereto. Landlord will maintain and repair all other portions of the property of which the Site is a part in a proper operating and reasonably safe condition.

Section 18. Possessory Interest. In accordance with California Revenue and Tax Code Section 107.6, Landlord hereby notifies Tenant that the interest created by this Lease may be subject to property taxation and Tenant may be subject to the payment of a property/possessory interest tax levied on such interest. Tenant shall be solely responsible for the payment of such taxes and shall defend, indemnify and hold Landlord harmless from and against any and all claims or actions for payment (or nonpayment) of such taxes.

### Section 19. Miscellaneous.

- A. This Lease applies to and binds the successors, and assigns of the parties to this Lease;
- B. This Lease is governed by the laws of the State of California;
- C. This Lease (including any Exhibits) constitutes the entire agreement between the parties and supersedes all prior written and verbal agreements, representations, promises or

understandings between the parties, and any amendments to this Lease must be in writing and executed by both parties;

- D. If any provision of this 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, will not be affected and each provision of this Lease will be valid and enforceable to the fullest extent permitted by law; and
- E. The prevailing party in any action or proceeding in court to enforce or interpret the terms or conditions of this Lease is entitled to receive its reasonable attorneys' fees and other reasonable costs and expenses from the non-prevailing party.

Section 20. Recordation. In entering into this Lease, Tenant and Landlord acknowledge and agree that, among other things, it is the express intention of the parties that any and all other persons and/or potential successors in interest and assigns of Tenant have actual and constructive notice of Tenant's obligations under, and the benefits and burdens of, this Lease. Therefore, the Parties agree to execute a Memorandum of WSF Site Agreement (Exhibit "C"), which shall be recorded by Tenant in the official records of the County of San Bernardino. Said Memorandum shall be recorded prior to commencement of construction. The cost of the recording of this Memorandum shall be paid for by Tenant.

Section 21. Subordination and Non-Disturbance. At Landlord's option, this Lease shall be subordinate to any mortgage or other security interest by Landlord which from time to time may encumber all or part of the Property or right-of-way; provided, however, every such mortgage or other security interest shall recognize the validity of this Lease in the event of a foreclosure of Landlord's interest and also Tenant's right to remain in occupancy of and have access to the Site as long as Tenant is not in default of this Lease. Tenant shall execute whatever instruments may reasonably be required to evidence this subordination clause. In the event the Property is encumbered by a mortgage or other security interest, the Landlord immediately after this Lease is executed, will obtain and furnish to Tenant, a non-disturbance agreement for each such mortgage or other security interest in recordable form. In the event the Landlord defaults in the payment and/or other performance of any mortgage or other security interest encumbering the Property, Tenant, may, at its sole option and without obligation, cure or correct Landlord's default and upon doing so, Tenant shall be subrogated to any and all rights, titles, liens and equities of the holders of such mortgage or security interest and the Tenant shall be entitled to deduct and setoff against all rents that may otherwise become due under this Lease the sums paid by Tenant to cure or correct such defaults.

<u>Section 22.</u> <u>Destruction of Site.</u> If the Site or Property is destroyed, or damaged so as to hinder its effective use of the Property by Tenant, the lease shall terminate with rent to be prorated by use up until date the Property is destroyed or rendered ineffective.

Section 23. Additional Consideration. In consideration of placing Tenant's antenna on Landlord's Water Reservoir Tank, Tenant hereby provides to Landlord, free of any charge,

wireless internet connectivity at the following sites at a speed of 768 kbps upload and download:

- 1) 1950 Nevada Street, Redlands, CA Main operations building.
- 2) 1745 Sessums Dr., Redlands, CA Main terminal building.

Tenant shall further provide and maintain all necessary antenna arrays, cabling, installation and A-port routers to enable the above described internet interconnectivity for Landlord's use.

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their seals the day and year first above written.

LANDLORD
CITY OF REDLANDS
a municipal corporation

Name:

Karl N. Haws

Title:

Mayor

Date:

November 18, 2003

TENANT TOWER FOUNDATIONS

Name: Gordon Campbell

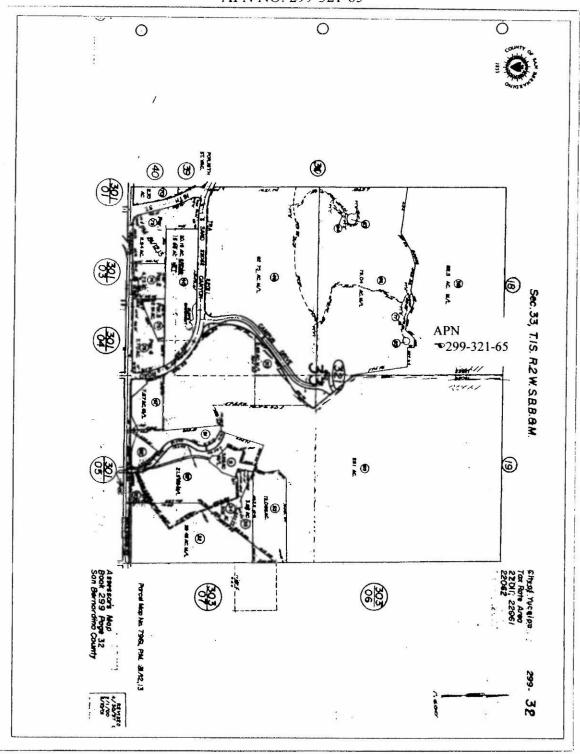
Title: Exer Vice PRZS : CFO

Date: 11/14/03

Attest:

Tower Foundation 11/3/03

Exhibit "A" APN NO. 299-321-65



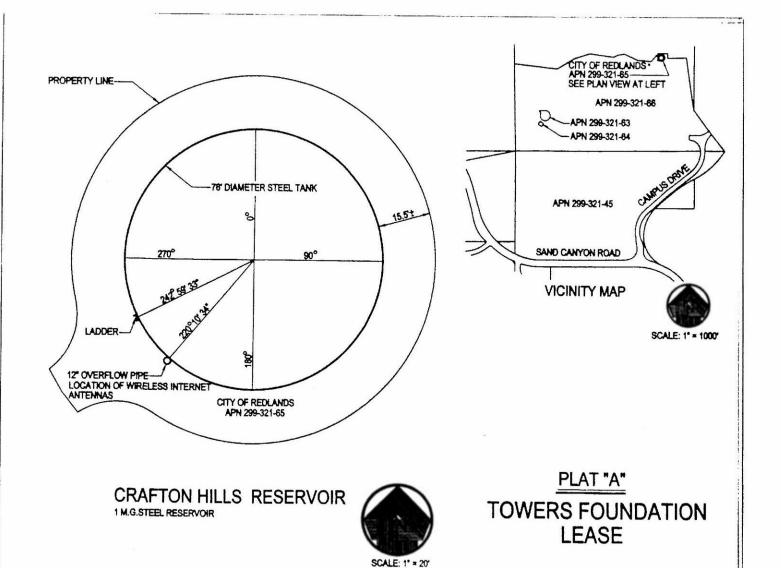
#### EXHIBIT "B"

## **DESCRIPTION OF THE WSF SITE**

The Site consists of those specific areas described/shown below where Tenant's communications antennas, equipment, and cables occupy the Property. The Site 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 Tenant at the time of construction to reasonably accommodate sound engineering criteria and the physical features of the Property.

A non-exclusive easement and right-of-way in and over the Property to provide physical access by personnel and equipment from the nearest public right-of-way, and utilities from the nearest service, to or from the Site.

See attachment as follows:



RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City Clerk City of Redlands PO Box 3005 Redlands, CA 92373-1505

#### EXHIBIT "C"

# MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease ("Memorandum") dated as of November 18, 2003 is between City of Redlands, a municipal corporation ("Landlord"), and Tower Foundations ("Tenant").

#### RECITALS

WHEREAS, Landlord and Tenant have executed that certain Wireless Service Facility Land Lease Agreement ("Lease") dated as of November 18, 2003, covering certain premises consisting of a metal pipe on the side of Landlord's Crafton Hills College Reservoir Tank (the "Site") situated on a portion of that certain real property located in the County of San Bernardino, State of California, which real property and Site are more particularly described in Exhibit "A" and Exhibit "B," respectively, attached hereto and incorporated herein by this reference; and

WHEREAS, Landlord and Tenant desire to record notice of the Lease in the Official Records of San Bernardino County, California.

NOW, THEREFORE, in consideration of the foregoing, Landlord and Tenant hereby declare as follows:

- 1. <u>Demise</u>. Landlord has leased the Site to Tenant (together with access rights), and Tenant has hired the Site from Landlord, subject to the terms, covenants, and conditions contained in the Lease.
- Expiration Date. The term of the Lease ("Term") is scheduled to commence on or before November 18, 2003 and shall expire five (5) years thereafter, subject to Tenant's option to extend the Term pursuant to Section 2 of the Lease for three (3) additional terms of five (5) years each.
- 3. <u>Lease Controlling</u>. This Memorandum is solely for the purpose of giving constructive notice of the Lease. In the event of conflict between the terms of the Lease and this Memorandum, the terms of the Lease shall control.

**IN WITNESS WHEREOF**, Landlord and Tenant have executed this Memorandum of Lease as of the date and year first written above.

LANDLORD
CITY OF REDLANDS
A Municipal corporation

Name: Karl N. Haws, Mayor

TENANT
TOWER FOUNDATIONS

Name: Gordon Campbell, Executive Vice

President and CFO

Attest:

Date: November 18, 2003

Name: Lorrie Poyzer City Clerk

Date: November 18, 2003

# ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA	)	
COUNTY OF SAN BERNARDINO	)	SS
CITY OF REDLANDS	)	

By the authority granted under Chapter 4, Article 3, Section 1181, of the California Civil Code, and Chapter 2, Division 3, Section 40814, of the California Government Code, on November 18, 2003, before me, Beatrice Sanchez, Deputy City Clerk, on behalf of Lorrie Poyzer, City Clerk of the City of Redlands, California, personally appeared Gordon Campbell { } personally known to me - or - {x } proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.



WITNESS my hand and official seal.

LORRIE POYZER, CITY CLERK

Beatrice Sanchez, Deputy City Clerk

(909)798-7531

# CAPACITY CLAIMED BY SIGNER(S)

<b>x</b> }	Individual(s) signing for oneself/themselves
}	Corporate Officer(s)
3.50	Title(s)
	Company
}	Partner(s)
	Partnership
}	Attorney-In-Fact
	Principal(s)
}	Trustee(s)
	Trust
}	Other
	Title(s)
	Entity Represented
	x } } }

# THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED BELOW:

Title or Type of Document: Memorandum of Lease Agreement

Date of Document: November 18, 2003

Signer(s) Other Than Named Above: Karl N. Haws, Mayor, and Lorrie Poyzer, City Clerk