## COMMUNICATIONS SITE LEASE AGREEMENT

THIS COMMUNICATIONS SITE LEASE AGREEMENT ("Lease") dated as of \_\_\_\_\_\_\_, 2010 ("Effective Date") is between T-Mobile West Corporation, a Delaware corporation, ("Lessee") whose local market address is, 3 MacArthur Place #1100, Santa Ana, CA. 92707, and the City of Costa Mesa, a Municipal corporation, ("Lessor") whose address is 77 Fair Drive, Costa Mesa, CA 92628-1200 (the Lessor and Lessee are sometimes collectively referred to herein as the "Parties").

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 TeWinkle Park, 980 Arlington Drive, Costa Mesa (Assessor's Parcel Number 141-342-43). 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 applicing 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. This Lease is limited to those specific facilities and devises which are shown on the approved plans and permits. Any expansion or sublease of the Premises will require modification to this Lease agreement.
- 4. <u>Term</u>. The initial term of this Lease ("Initial Term") shall be five (5) years commencing with the issuance of a local building permit allowing Lessee to construct its mobile/wireless communications facilities on the Premises, or twelve (12) months from the Effective Date, whichever first occurs, ("Commencement Date"). Lessee shall have the right to extend the Term of this Lease for five (5) additional Terms ("Renewal Term") of five (5) years each (the Initial Term and Renewal Term are sometimes hereinafter collectively referred to as the "Term"). Each Renewal Term shall be on the same terms and conditions as set forth herein. This Lessee shall automatically be extended for the first and second five (5) year Renewal Term unless Lessee notifies Lessor in writing of Lessee's intention not to extend this Lease at least ninety (90) days prior to the expiration of the then-existing Term or Renewal Term. This Lease may be extended for the third, fourth, and fifth Renewal Terms upon approval of Lessor's City Council. At least ninety (90) days prior to the expiration of the then-existing second, third or fourth Renewal Term, Lessee shall notify Lessor of its intention to renew the Lease.
- 5. Rent. Within thirty (30) days of the Commencement Date (so long as Lessor has provided Lessee with a signed and completed Substitute W-9 Form) Lessee shall

pay Lessor, as annual rent, the sum of Twenty-Four-Thousand and no/100 Dollars (\$24,000.00) ("Rent"). Rent shall be payable annually, in advance, to Lessor at Lessor's address specified at the beginning of this Lease. The first payment shall be made within thirty (30) days of the Commencement Date. Payment shall be made by check or draft issued and payable to the City of Costa Mesa and received by the City's Finance Director. A late payment charge of ten percent (10%) shall be added to any past due amount that is received more than ten (10) days after Lessee's receipt of written notice from Lessor. On the anniversary of the Commencement Date, Rent shall increase annually at the rate of three percent (3%) over the preceding year's Rent.

If this Lease is minated by mutual agreement before the expiration of any full lease year, Rent shall be prorated for any fractional lease year.

Lessee may expand the Premises for its equipment beyond the square footage of the Premises, or sublease all or any portion of the Premises, only upon execution of an amendment to this Lease, and Rent shall be increased in proportion to the extra square footage include the revised Premises or by a portion of any sublease income. The existing lease area is approximately (insert number) by (insert number). Additional rent may be due, and an amendment to this lease or applicable permits may be required, if Lessee seeks to add equipment to its existing lease area without expanding the square footage of the leased site.

### 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 i ections 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, Insurance. 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, remove and operate on the Premises radio communications facilities, including but not limited to, radio frequency transmitting and receiving equipment, batteries, utility lines, transmission lines, radio frequency transmitting and receiving antennas, GPS devices and supporting structures and improvements ("Lessee's Facilities"). 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. Notwithstanding the foregoing, Lessee's work shall not affect or interfere with Lessor's facilities existing on the Property as of the Effective Date. Nor shall Lessee's work affect or interfere with the facilities of other lessees of Lessor's property which are in existence as of the date of execution of this Lease. 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 by licensed and bondable contractors, at Lessee's sole cost and expense and in good and workmanlike manner. Title to Lessee's Facilities and any equipment placed on the Premises by Lessee 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.

- (c) Lessor shall provide Lessee, Lessee's employees, agents, contractors, subcontractors and assigns with access to the Premises during normal business hours, Monday through Friday, 8 A.M through 5 P.M.. Access to the Premises outside of normal business hours will be considered so long as Lessor can reasonably accommodate access without cost to Lessor. In the event Lessor is unable to do so during the normal course of Lessor's business, access will be billed to the Lessee in the amount of Seventy-Five and no/100 Dollars (\$75.00) per hour. 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.
- (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). Subject to Lessor's written approval of the location, which approval shall not be unreasonably withheld, conditioned or delayed, 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, so long as such placement does not interfere with the rights of other lessees of Lessor's property for facilities or leaseholds in place at the time of such installation, and so long as such placement does not interfere with Lessor's use of its property at the time of installation. 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. If practicable, Lessee shall install at Lessee's expense a separate electric meter and pay for electricity directly. In the event utilities to the Premises are furnished by the Lessor and are measured by privately installed sub-meters, Lessee shall pay as additional rent the cost of utility service provided to the Premises and attributable to Lessee's use ("Utility Charge"). Lessee shall pay the estimated cost of the Utility Charge monthly in advance together with the Rent. The parties estimate the Utility Charge at the Commencement Date to be Two Hundred and no/100 Dollars (\$200.00) per month. During the Term, at Lessor's request (which request shall not be more frequent than once every twelve months), Lessee shall calculate the actual Utility Charge for the immediately preceding twelve (12) months based on the readings from the privately installed sub-meters at Lessor's

- Property. If the actual Utility Charge varies from the estimated Utility Charges paid, the parties shall adjust the Utility Charge to reflect Lessee's actual usage.
- (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.
- (7) Interference with Communications. Lessee's Facilities shall not disturb the communications configurations, uses, equipment and frequency which exist on Lessor's Property on the Commencement Date ("Pre-existing 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. 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 the right to bring action to enjoin such interference, 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. Nor shall any of Lessor's pre-existing use of Lessor's property be deemed to interfere with the use of Premises described in paragraph 2, and neither If Lessor receives any request to locate any shall be subject to injunction. communications transmitting equipment on Lessor's property from any third party (a "Carrier"), Lessor shall include in the lease, license or other agreement with the Carrier a provision prohibiting the Carrier from interfering with the Communications operations of Lessee's Facilities and requiring the Carrier to comply with all the provisions set forth in the technical requirements for third party co-location attached to this Lease as Exhibit "C" in designing, locating and operating its transmitting equipment and in reconfiguring or changing the frequency or operation of its equipment.
- (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 Property, Premises and this Lease.

# (9) Termination.

- (a) This Lease may be terminated by Lessor if:
- (1) Lessee commits any default under this Lease and fails to cure such default within (i) ten (10) business days after Lessee received written notice of the default, where the default is a failure to pay any annual installment of Rent when due, or (ii) thirty (30) days after Lessee receives written notice of any non-monetary default and fails to cure such default, provided that if the period to cure takes longer than thirty (30) days and Lessee commences to cure the default within the thirty (30) day notice period, then Lessee shall have such additional time as shall be reasonably necessary to diligently effect a complete cure; or
- (2) After the expiration of the second Renewal Term, if any, Lessor determines, in its sole discretion exercised in good faith, that Lessor must use Lessor's Property in a manner that is incompatible with Lessee's Facilities following one hundred eighty (180) days' prior written notice to Lessee; provided, however, that (i) Lessor shall

first use reasonable efforts to locate an alternate site within Lessor's Property or on property owned by Lessor that is in the vicinity of Lessor's Property that is satisfactory to Lessee for relocation of Lessee's Facility.

- (b) 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.
- (c) 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, provided that the right to terminate under this subsection (c)(ii) is exercisable only if Lessee pays Lessor as a termination fee the lesser of three monthly installments of the Rent or the balance of the Rent due for the remaining months in the Initial Term or any Renewal Term of this Lease.
- (d) This Lease may be terminated by Lessee if Lessor commits a default under this Lease and fails to cure such default within thirty (30) days after Lessor receives written notice of any other default and fails to cure such default, provided that if the period to cure takes longer than thirty (30) days and Lessor commences to cure the default within the thirty (30) day notice period, then Lessor shall have such additional time as shall be reasonably necessary to diligently effect a complete cure.

#### (10) Destruction of Premises.

- (a) Except for damage or destruction caused by acts or omissions of Lessee, 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 take reasonable efforts to identify and make available to Lessee within ten (10) days a temporary site on the Property (or on other property owned or controlled by Lessor) which in Lessee's reasonable 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 the Property or on a temporary site provided hereunder. Alternatively, Lessee may elect to terminate this Lease as of the date of the damage or destruction by so notifying Lessor no more than thirty (30) days following the date of damage or destruction.
- (b) If the Premises is significantly damaged or destroyed and thereafter Lessor elects to demolish and not rebuild the Premises, either party shall have the right to terminate this Lease if a suitable relocation alternative does not otherwise exist elsewhere upon Lessor's Property where Lessee's Facilities affected by the damage or destruction may be relocated. If the Property is significantly damaged or destroyed in such a manner that the Premises are directly affected by the casualty event and Lessor thereafter elects to rebuild the damaged or destroyed area, Lessee shall cooperate with Lessor to facilitate Lessor's efforts to repair or restore the damaged or destroyed area of

the Premises. Except if the damage or destruction is caused by Lessee, Lessor shall similarly cooperate in identifying and making available a temporary site for Lessee in accordance with the first sentence of this Section 10. If the specific nature of the damage or destruction to the Lessor's Property is such that there is no means to continue Lessee's operations in the Premises or elsewhere temporarily upon Lessor's Property pending the repair or restoration of the damaged Premises, then Lessor shall have the right to terminate this Lease upon not less than ten (10) days' prior written notice to Lessee.

- (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 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 the Lessee's Facilities, moving expenses, prepaid rent, business dislocation expenses, bonus value of the lease and any other amounts recoverable under condemnate law). Sale of all or part of the Premises to a purchaser with the power of eminent domain under the threat of the exercise of its power of eminent domain, shall be treated as a taking by a condemning authority.
- (12) <u>Insurance</u>. During the Term or any Renewal Term, and also prior to the Commencement Date if Lessee enters Lessor's Property under section 6(a), Lessee shall maintain the following insurance: (1) Commercial General Liability with limits of \$5,000,000.00 per occurrence, such limit may be satisfied by a combination of primary and umbrella policies, 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. Each party to this Lease shall 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 and Lessor shall have the right to self-insure with respect to any of the above insurance.

Endorsements on the policies of insurance required by this Section 12 shall contain the following provisions:

- (a) Lessor and its elected and appointed boards, members, officers, agents and employees shall be named as additional insureds as respects the Commercial General Liability and Auto Liability policies;
- (b) The policy of insurance shall not terminate, nor shall be cancelled, nor the coverage reduced, until thirty (30) days after written notice is given to Lessor; and
- (c) Any other insurance maintained by Lessor shall be in excess and shall not be contributing with respect to the insurance provided by this policy.

- (13) Indemnification and Hold Harmless. Except where prohibited by laws, Lessee shall protect, defend, indemnify and hold harmless Lessor City and its elected and appointed officials, officers, and employees from any and all claims, liabilities, expenses, including attorney fees, damage to property or injuries to or death of any person or persons or damages of any nature including, but not by way of limitation, all civil claims or workers' compensation claims arising out of or in any way connected with the intentional or negligent acts, error or omissions of Lessee, its employees, agents or subcontractors in the performance of this Lease. This obligation is separate from and independent of Lessee's obligation to obtain insurance as provided for in Paragraph 12 above. In no event shall Lessee indemnify, defend or hold Lessor harmless for claims arising out of or in any way connected with Lessor's negligence or willful misconduct.
- (14) <u>Assignment</u>. Lessee may assign this Lease, or sublet the Premises, at any time to (i) any of Lessee's partners or parent firms, (ii) Lessee's affiliates and subsidiaries, or the affiliates or subsidiaries of its parent, (iii) in connection with the sale, exchange, or other transfer of Lessee's FCC authorization for the geographic area in which the Premises are located or substantially all of Lessee's assets in the geographic area where the Premises are located; or (iv) in connection with any financing, loan, security interest, pledge, or mortgage of Lessee's property. Any such assignment or sublease shall require Lessee to notify Lessor in writing within ten (10) days of such assignment or sublease. Any other assignment or sublease of any portion of the leased Premises requires Lessor's prior written approval, which approval shall not be unreasonably withheld, delayed or conditioned, but may include a requirement for increased rent. Upon approved assignment, Lessee shall be relieved of all liabilities and obligations hereunder, except those liabilities and obligations which arose prior to the approved assignment, and Lessor shall look solely to the assignee for performance under this Lease and all obligations hereunder.

Additionally, Lessee may, upon notice to Lessor, collaterally assign or grant a security interest in this Lease and the Lessee's Facilities, and may assign this Lease and the Lessee's Facilities to any mortgagees or holders of security interests, including their successors or assigns (collectively "Secured Parties"). In such event, Lessor shall execute such consent to leasehold financing as may reasonably be required by such Secured Parties.

## (15) 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. 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.

- (16) <u>Repairs</u>. 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, subcontractors, or invitees.
- (17) Environmental. Lessor represents that, to the best of its knowledge, the Premises have not been used for the generation, storage, treatment or disposal of Hazardous Materials. In addition, Lessor represents that, to the best of its knowledge, no Hazardous Materials or underground storage tanks are located on or near the Premises. Lessee shall not bring any Hazardous Materials onto the Premises except for those contained in its back-up power batteries (e.g. lead-acid batteries) and properly stored, reasonable quantities of common materials used in telecommunications operations (e.g. cleaning solvents). Lessee shall handle, store and dispose of all Hazardous Materials it brings onto the Premises in accordance with all federal, state, and local laws and regulations. "Hazardous Materials" means any substance chemical, pollutant or waste that is presently identified as hazardous, toxic, dangerous under any applicable federal, state or local law or regulation and specifically includes but is not limited to asbestos and asbestos containing materials, polychlorinated biphenyl's (PCBs) and petroleum or other fuels (including crude oil or any fraction or derivative thereof).
- (18) <u>Miscellaneous</u>. Notices shall be in writing and shall be delivered to Lessee, T-Mobile USA, Inc., 12920 SE 38<sup>th</sup> Street, Bellevue, WA 98006, Attn: PCS Lease Administrator, with a mandatory copy to: Attn: Legal Dept. and with a mandatory copy to: T-Mobile West Corporation, 3 MacArthur Place, #1100, Santa Ana, CA 92707, Attn: Lease Administration Manager, with a mandatory copy to: Attn: Legal Dept.. Delivery of notices shall be made by hand, U.S. mail return receipt requested or reliable overnight courier. Any notice served personally shall be deemed delivered upon receipt, and served by certified or registered mail or by reliable overnight courier shall be deemed delivered on the date of receipt as shown on the addressee's registry or certification of receipt or on the date receipt is refused as shown on the records or manifest of the U.S. Postal Service or such courier.

If Lessee is to pay Rent to a payee other than the Lessor, Lessor shall notify Lessee in advance in writing of the rent assignment and payee's name and address.

The substantially prevailing party in any legal claim hereunder arising 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 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, shall not be affected and each

provision of the 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 the 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. The Lease shall be construed simply, as a whole and in accordance with its fair meaning and not strictly for or against either party. The Lease shall not be interpreted or construed against the party preparing it. In the event of any legal action to enforce or interpret this Lease, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California.

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

Where either Lessor or Lessee is required to obtain the consent or approval of the other party, such consent shall not be unreasonably withheld or delayed and each party will attempt to respond within twenty (20) business days of submitting a written request for consent or approval unless otherwise specified herein.

Each person executing this Lease for either Lessee or Lessor represents and warrants, for himself or herself and for the party for which the person purports to act, that such person is authorized to execute the Lease on behalf of such party, that such person is acting within the scope of such person's authority, and that all necessary action has been taken to give such party the authority, and the party has the authority to enter into this Lease and to be bound by the terms of this Lease.

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.

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

LESSEE:		LESSOR:
T-Mobile West Corporation, a Delaware corporation		City of Costa Mesa, a Municipal corporation
By:		
Name: Title:	Title:	Name:
Date:		Date:
ATTEST WITNESS		ATTEST WITNESS
Date:		Date: