Site Number: AZ04-142

EXECUTED PRIME LEASE INSTRUCTIONS TO LANDLORD

In order to ensure the prompt execution and processing of all Prime Leases, Sun State Towers respectfully requests that the instructions below are followed when preparing to return executed agreements.

- 1. Prior to returning to Sun State Towers, please sign and date the signature page of all copies of the Prime Lease and Memorandum of Lease.
- 2. Ensure that all necessary witness signatures have been obtained (if witnesses are required).
- 3. Ensure that all applicable notary fields are completed and stamped with the notary's stamp (only if required by law).
- 4. Please complete a W-9, Payment Authorization Form, and if applicable, a mortgage information form.
- 5. Sun State Towers will retain two (2) originals of each document. Please print as many copies as you plan to retain, along with two (2) originals for Sun State Towers.
- 6. Please print all signed documents on one-sided paper.
- 7. Send original documents to the following address:

Sun State Towers IV, LLC Attn: Tower Development 1426 North Marvin Street #101 Gilbert, AZ 85233

8. Sun State Towers will return your fully executed originals to the notice address provided.

Site Number: AZ04-142

LEASE AGREEMENT

THIS LEASE AGREEMENT ("*Prime Lease*") is made effective as of the date of the latter signature hereof (the "*Execution Date*") and is by and between Landlord and Sun State Towers.

RECITALS

- A. WHEREAS, Landlord is the owner of that certain parcel of land (the "*Property*") located in the County of Cochise, State of Arizona, as more particularly described on <u>Exhibit A</u>;
- B. WHEREAS, Landlord desires to grant to Sun State Towers an option to lease from Landlord a portion of the Property (the "Compound"), together with easements for ingress and egress and the installation and maintenance of utilities (the "Easement" and together with the Compound, the "Site") both being approximately located as shown and/or described on Exhibit B; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt, adequacy and sufficiency of all of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. <u>Business and Defined Terms</u>. For the purposes of this Prime Lease, the following capitalized terms have the meanings set forth in this paragraph 1.

(a) Sun State Towers: Sun State Towers IV, LLC,

a Delaware limited liability company

(b) Notice Address of Sun State Towers: Sun State Towers IV, LLC

1426 North Marvin Street #101

Gilbert, AZ 85233

Attn: Land Management

(c) *Landlord*: City of Douglas,

an Arizona municipal corporation

(d) *Notice Address of Landlord:* 425 E 10th Street

Douglas, AZ 85607

(e) *Option Period*: Twelve (12) months

(f) *Option Consideration:* \$1,500.00

- (g) *Commencement Date*: The date specified in the written notice by Sun State Towers to Landlord exercising the Option constitutes the Commencement Date of the Term.
- (h) *Initial Term:* Ten (10) years, commencing on the Commencement Date and continuing until midnight of the day immediately prior to the tenth (10th) anniversary of the Commencement Date.

Site Number: AZ04-142

(i) **Renewal Terms:** Each of the four (4) successive periods of ten (10) years each, with the first Renewal Term commencing upon the expiration of the Initial Term and each subsequent Renewal Term commencing upon the expiration of the immediately preceding Renewal Term.

- (j) *Term*: The Initial Term with any and all Renewal Terms.
- (k) **Rent:** The monthly amount of \$1,250.00. In the event that Sun State Towers licenses or subleases all or a portion of the Site or Tower Facilities to multiple Collocators (as defined below) beyond the initial Collocator, the Rent shall increase by \$400.00 per month, for each Collocator, during the term of such license or sublease, subject to the Increase Amount.
- (l) *Increase Amount:* In year two (2) of the Initial Term, and every year thereafter, including throughout any Renewal Terms exercised, the yearly Rent will increase by two percent (2%) over the Rent paid during the previous year.

2. Option to Lease.

- (a) <u>Grant of Option</u>. Landlord hereby gives and grants to Sun State Towers and its assigns, an exclusive and irrevocable option to lease the Site during the Initial Option Period (the "*Option*").
- (b) <u>Consideration for Option</u>. Option Consideration is due and payable in full within thirty (30) days of the Execution Date.
 - (c) Option Period Inspections and Investigations.
 - (i) During the Option Period, Landlord will provide Sun State Towers with any keys or access codes necessary for access to the Property.
 - (ii) During the Option Period, Sun State Towers and its officers, agents, employees and independent contractors may enter upon the Property to perform or cause to be performed test borings of the soil, environmental audits, engineering studies and to conduct a metes and bounds survey of the Site and/or the Property (the "Survey"), provided that Sun State Towers will not unreasonably interfere with Landlord's use of the Property in conducting these activities. Upon mutual agreement of the parties, the legal description of the Site as shown on the Survey may replace Exhibit B of this Prime Lease and be added as Exhibit B of the Memorandum of Lease.
 - (iii) Sun State Towers may not begin any construction activities on the Site during the Option Period other than those activities described in, or related to, this paragraph 2(c).
- (d) <u>Exercise of Option</u>. Sun State Towers may, in its sole discretion, exercise the Option by delivery of written notice to Landlord at any time during the Option Period. If Sun State Towers exercises the Option, then Landlord will lease the Site to Sun State Towers subject to the terms and conditions of this Prime Lease. If Sun State Towers does not exercise the Option, this Prime Lease will terminate.

Site Number: AZ04-142

3. Term.

(a) <u>Initial Term</u>. The Initial Term is as provided in paragraph 1(h).

(b) Renewal Terms. Sun State Towers will have the right to extend this Prime Lease for each of the Renewal Terms. Each Renewal Term will be on the same terms and conditions provided in this Prime Lease except that Rent will escalate as provided in paragraph 4(b). This Prime Lease will automatically be renewed for each successive Renewal Term unless Sun State Towers notifies Landlord in writing of Sun State Towers' intention not to renew the Prime Lease at any time prior to the expiration of the Initial Term or the Renewal Term which is then in effect.

4. <u>Consideration</u>.

- (a) Sun State Towers will pay its first installment of Rent within sixty (60) days of the Commencement Date. Thereafter, Rent is due and payable in advance on the first day of each calendar month to Landlord at Landlord's Notice Address. Rent will be prorated for any partial months, including, the month in which the Commencement Date occurs.
- (b) On the anniversary of the Commencement date, the Rent will increase by the Increase Amount.
- (c) In the event Sun State Towers makes an overpayment of Rent or any other fees or charges to Landlord during the Term of this Prime Lease, Sun State Towers may, but will not be required, to treat any such overpayment amount as prepaid Rent and apply such amount as a credit against future Rent due to Landlord.
- (d) Sun State Towers will not be required to remit the payment of Rent to more than two (2) recipients at any given time.

5. <u>Use</u>.

(a) Sun State Towers will be permitted to use the Site for the purpose of constructing, maintaining, removing, replacing, securing, and operating a communications facility and uses incidental thereto, including, but not limited to, the construction or installation and maintenance of a telecommunications tower (the "Tower"), structural tower base(s), guy anchors, guy wires, communications equipment, one or more buildings or equipment cabinets, equipment, radio transmitting and receiving antennas, personal property and related improvements and facilities on the Compound (collectively, the "Tower Facilities"), to facilitate the use of the Site as a site for the transmission and receipt of communication signals including, but not limited to, voice, data and internet transmissions and for any other uses which are incidental to the transmission and receipt of communication signals of any kind and frequency (the "Intended Use"). The Intended Use shall include Sun State's ability to install utilities (including, but not limited to, electricity and electric power sources or creation of any kind, fiber optic lines, cable lines, and any cabling or transmission conduits of any kind or type) in, on, and to the Site. The Intended Use shall also include the Sun State's right to access, ingress, and egress the Site at its sole discretion 24 hours a day, seven (7) days a week.

Site Number: AZ04-142

(b) Sun State Towers, at its sole discretion, will have the right, with prior notice to but without the consent of Landlord, to license or sublease all or a portion of the Site or the Tower Facilities to other parties (each, a "Collocator" and collectively, the "Collocators").. The Collocators will be entitled to modify the Tower Facilities and to erect additional improvements on the Compound, including, but not limited to antennas, dishes, cabling, additional buildings or shelters ancillary to the Intended Use. The Collocators will be entitled to all rights of ingress and egress to the Site and the right to install utilities on, in, and to the Site that Sun State Towers has under this Prime Lease, and shall have all rights and inclusions of the Site's Intended Use described herein including, but not limited to, the use of any easement described below and on the same terms as Sun State Towers, and to all other rights set forth herein.

6. Tower Facilities.

- (a) Sun State Towers will have the right, at Sun State Towers sole cost and expense, to erect the Tower Facilities which will be the exclusive property of Sun State Towers throughout the Term as well as upon the expiration or termination of this Prime Lease, provided that Sun State Towers removes the Tower Facilities within one hundred eighty (180) days of the termination of this Prime Lease. In the event that Sun State Towers fails to remove the Tower Facilities one hundred eighty (180) days after the termination of this Prime Lease, the Tower Facilities shall become the property of the Landlord.
- (b) Landlord grants Sun State a non-exclusive easement in, over, across and through the Property, as more particularly described and/or depicted on <u>Exhibit B</u>, for construction, installation, maintenance, and operation of the Tower Facilities including: (i) access to the Site for construction machinery and equipment, (ii) storage of construction materials and equipment during construction of the Tower Facilities, and (iii) use of a staging area for construction, installation and removal of equipment.
- (c) Sun State Towers may, at its sole expense and with Landlord's prior written approval, not to be unreasonably withheld, conditioned or delayed, use any and all appropriate means of restricting access to the Compound or the Tower Facilities, including, without limitation, construction of a fence and may install and maintain identifying signs or other signs required by any governmental authority on or about the Site, including any access road to the Site.
- (d) Sun State Towers will maintain the Compound, including the Tower Facilities, in a reasonable condition throughout the Term. Sun State Towers is not responsible for reasonable wear and tear or damage from casualty and condemnation. With Landlord's written consent, not to be unreasonably withheld, conditioned or delayed, Sun State may clear all trees, undergrowth, or other obstructions and trim, cut, and keep trimmed all tree limbs which may interfere with or fall upon the Tower Facilities or the Site.
- (e) Sun State Towers (and any Collocators which are collectively referred to herein as "Sun State") may replace and augment Sun State's equipment or portions thereof and add or modify the frequencies upon which such equipment operates as needed to meet Sun State's business objectives, whether such equipment or frequencies are specified or not on any attachments to the applicable site lease supplement with a respective Collocator. Sun State shall be permitted to make "Equipment Modifications" (as defined below) without incurring any

Site Number: AZ04-142

increase in the then current Rent, and without Landlord's approval thereof conditioned upon any extension of the remaining Term or other change to the terms and conditions of any such supplement (including the terms and conditions of this Prime Lease). For purposes of this Prime Lease, "Equipment Modifications" means removal of Sun State's equipment installed at the Site, (collectively, the "Old Equipment"), and replacing the same with new equipment (collectively, the "Replacement Equipment").

- Sun State Towers agrees to install or cause the installation of equipment of the type (f) and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards. In the event any of Sun State Towers' installed equipment causes such interference, and after Landlord has notified Sun State Towers in writing of such interference, Sun State Towers will take all commercially reasonable steps necessary to correct and eliminate the interference including but not limited to, at Sun State Towers' option, powering down such equipment and later powering up such equipment for intermittent testing. Landlord shall not be entitled to terminate this Agreement or relocate the equipment as long as Sun State Towers is making a good faith effort to remedy the interference issues, unless the Federal Communications Commission makes a determination which is final and non-appealable or which is affirmed and becomes final after the exhaustion of all available appeals concluding that the Sun State Towers' use as set forth in this Agreement presents a material risk to the public health or safety, in which case, either Landlord or Sun State Towers may terminate this Agreement upon one (1) day notice to the other party. Landlord agrees that Landlord and/or any other tenant of the Property who currently have or in the future take possession of the Property will be permitted to install only such equipment that is of the type and frequency which will not cause harmful interference that is measurable in accordance with then existing industry standards to the then existing equipment of Sun State Towers unless such installation is required by Landlord for public health, safety and welfare. The parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Section and therefore, either Party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.
- (g) Sun State Towers will remove or cause to be removed all of the above-ground portions of the Tower Facilities within one hundred eighty (180) days following the expiration or termination of this Prime Lease.

7. Utilities.

- (a) Sun State will have the right to install utilities, at Sun State Towers expense, and to improve present utilities on the Property and the Site, provided it does not impair or impede Landlord's utility services. Sun State will have the right to permanently place utilities on (or to bring utilities across or under) the Site to service the Compound and the Tower Facilities.
 - (b) Sun State may install backup generator(s).
- (c) Sun State shall be responsible for all utilities charges for electricity, or any other utility service used by Sun State on the Compound. Sun State shall install separate meters for Sun State's utility usage.

Site Number: AZ04-142

8. Access.

(a) In the event that the Site loses access to a public right of way during the Term, Landlord and Sun State Towers will amend this Prime Lease, at no imposed cost to either Party, to provide access to a public way by: (i) amending the location of the Easement; or (ii) granting an additional easement to Sun State.

- (b) To the extent damage (including wear and tear caused by normal usage) to the Easement or any other route contemplated hereunder intended to provide Sun State with access to the Site and the Tower Facilities is caused by Landlord or Landlord's tenants, licensees, invites or agents, Landlord will repair the damage at its own expense.
- (c) Landlord will maintain access to the Compound from a public way in a free and open condition so that no interference is caused to Sun State by Landlord or lessees, licensees, invitees or agents of Landlord. In the event that Sun State's access to the Compound is unreasonably impeded or denied by Landlord or Landlord's lessees, licensees, invitees or agents, in addition to any and all rights and remedies set forth in this Prime Lease, Sun State shall have the right to pursue any and all rights and remedies that it may have at law or in equity.
- **Representations and Warranties of Landlord**. Landlord represents and warrants to Sun State and Sun State's successors and assigns:
 - (a) Landlord has the full right, power, and authority to execute this Prime Lease;
- (b) There are no pending or threatened administrative actions, including bankruptcy or insolvency proceedings under state or federal law, suits, claims or causes of action against Landlord or which may otherwise affect the Property;
- (c) The Property is not presently subject to an option, lease or other contract which may adversely affect Landlord's ability to fulfill its obligations under this Prime Lease, and the execution of this Prime Lease by Landlord will not cause a breach or an event of default of any other agreement to which Landlord is a Party. Landlord agrees that it will not grant an option or enter into any contract or agreement which will have any adverse effect on the Intended Use or Sun State's rights under this Prime Lease;
- (d) No licenses, rights of use, covenants, restrictions, easements, servitudes, subdivision rules or regulations, or any other encumbrances relating to the Property prohibit or will interfere with the Intended Use;
- (e) Landlord has good and marketable fee simple title to the Site, the Property and any other property across which Landlord may grant an easement to Sun State, free and clear of all liens and encumbrances. Landlord covenants that Sun State will have the quiet enjoyment of the Compound during the term of this Prime Lease. If Landlord fails to keep the Site free and clear of any liens and encumbrances, Sun State Towers will have the right, but not the obligation, to satisfy any such lien or encumbrance and to deduct the full amount paid by Sun State Towers on Landlord's behalf from future installments of Rent:

Site Number: AZ04-142

(f) Sun State will at all times during this Prime Lease enjoy ingress, egress, and access from the Site twenty-four (24) hours a day, seven (7) days a week, to an open public road which is adequate to service the Site and the Tower Facilities; and

- (g) These representations and warranties of Landlord survive the termination or expiration of this Prime Lease.
- **10. Quiet Enjoyment**. Landlord warrants that Sun State's use and quiet enjoyment of the Property will not be disturbed.
- **11.** <u>Termination</u>. This Prime Lease may be terminated, without any penalty or further liability upon written notice as follows:
- (a) By either Party upon a default of any covenant or term of this Prime Lease by the other Party which is not cured within sixty (60) days of receipt of written notice of default (without, however, limiting any other rights available to the parties in law or equity); provided, that if the defaulting Party commences efforts to cure the default within such period and diligently pursues such cure, the non-defaulting Party may not terminate this Prime Lease as a result of that default.
- (b) Upon thirty (30) days' written notice by Sun State Towers to Landlord if Sun State Towers is unable to obtain, maintain, renew or reinstate any agreement, easement, permit, certificates, license, variance, zoning approval, or any other approval which may be required from any federal, state or local authority necessary to the construction and operation of the Tower Facilities or to the Intended Use (collectively, the "Approvals"); or
- (c) Upon thirty (30) days' written notice from Sun State Towers to Landlord if the Site is or becomes unsuitable, in Sun State Towers' sole, but reasonable judgment for use as a wireless communications facility by Sun State or by Sun State's licensee(s) or sublessee(s).
- (d) In the event of termination by Sun State Towers or Landlord pursuant to this provision, Sun State shall be relieved of all further liability hereunder.

12. Taxes.

- (a) Sun State Towers will pay any personal property taxes, real estate assessments, privilege taxes or charges owed on the Property which Landlord demonstrates is the direct result of Sun State's use of the Property and/or the installation, maintenance, and operation of the Tower Facilities. Sun State Towers shall have no obligation to reimburse Landlord for any taxes paid by Landlord unless Landlord requests reimbursement within twelve (12) months of the date said taxes were originally due. Sun State Towers shall have the right to appeal any assessment or reassessment relating to the Site or Tower Facilities and Landlord shall either (i) join Sun State Towers in its appeal, or (ii) provide Sun State Towers with the requisite authority as may be reasonably necessary to effect standing with the taxing authority.
- (b) Except as provided in Section 12(a), Landlord will pay when due all real property taxes, rental taxes and all other fees and assessments attributable to the Property, the Compound, the Easement and the anticipated use thereof. If Landlord fails to pay when due any such taxes affecting the Property or the Site, Sun State Towers will have the right, but not the obligation, to

Site Number: AZ04-142

pay such taxes and either: (i) deduct the full amount of the taxes paid by Sun State Towers on Landlord's behalf from future installments of Rent, or (ii) collect such taxes by any lawful means.

13. <u>Environmental Compliance</u>.

- (a) Landlord represents and warrants that:
- (i) No Hazardous Materials have been used, generated, stored or disposed of, on, under or about the Property in violation of any applicable law, regulation or administrative order (collectively, "*Environmental Laws*") by either Landlord or to Landlord's knowledge, any third party; and
- (ii) To Landlord's knowledge, no third party been permitted to use, generate, store or dispose of any Hazardous Materials on, under, about or within the Property in violation of any Environmental Laws.
- (b) Landlord will not, and will not permit any third party to use, generate, store or dispose of any Hazardous Materials on, under, about or within the Property in violation of any Environmental Laws.
- (c) Sun State Towers agrees that it will not use, generate, store or dispose of any Hazardous Material on, under, about or within the Site in violation of any applicable laws, regulations or administrative orders.
- (d) The term "*Hazardous Material(s)*" means any: material, substance, chemical or waste, including, but not limited to, contaminants, oils, asbestos, PCBs, or any other hazardous substances or wastes, as defined by federal, state or local environmental laws, regulations or administrative orders or other materials the removal of which is required or the maintenance of which is prohibited or regulated by any federal, state or local government authority having jurisdiction over the Property.
- (e) For purposes of this Section, Landlord's knowledge shall mean the actual, present knowledge of the current City Manager of the City at the time of signing this Agreement, Ana Urquijo, without making any independent investigations or inquiries and without the duties to do so, and specifically negating the doctrines of constructive or imputed notice or knowledge.

14. Indemnification.

(a) General.

(i) To the extent permissible by law, Landlord shall indemnify, defend and hold harmless Sun State, its employees and agents from all third-party suits, actions, demands, losses, costs or damages of every kind and description, including any actual and reasonable attorneys' fees and other actual and reasonable costs and expenses of litigation which may be brought or made against or incurred by Sun State on account of injuries, death or damages received or sustained by any person, persons or property on account of any negligent or willful act, omission, neglect or misconduct of Landlord, its employees, agents or anyone acting on Landlord's behalf or under its direction, or arising under this

Site Number: AZ04-142

Agreement. The provisions of this Section, however, shall not apply to loss or damage or claims to the extent they are attributable to acts or omissions of Sun State, its employees, agents, representatives, contractors, or sublessees. Such indemnity shall not be limited by reasons of remuneration of any insurance.

(ii) To the extent permissible by law, Sun State shall indemnify, defend and hold harmless Landlord, its employees and agents from all third-party suits, actions, demands, losses, costs or damages of every kind and description, including any actual and reasonable attorneys' fees and other actual and reasonable costs and expenses of litigation which may be brought or made against or incurred by Landlord on account of injuries, death or damages received or sustained by any person, persons or property on account of any negligent or willful act, omission, neglect or misconduct of Sun State, its employees, agents or anyone acting on Sun State's behalf or under its direction, or arising under this Agreement. The provisions of this Section, however, shall not apply to loss or damage or claims to the extent they are attributable to acts or omissions of Landlord, its employees, agents, representatives, contractors, or sublessees. Such indemnity shall not be limited by reasons of remuneration of any insurance.

(b) Environmental Matters.

- (i) Landlord, its grantees, successors, and assigns will indemnify, defend, reimburse and hold harmless Sun State from and against any and all environmental damages caused by the presence of Hazardous Materials on the Property in violation of any Environmental Laws which presence exists or existed prior to or at the time of the execution of this Prime Lease or which may occur at any time in the future through no fault of Sun State Towers.
- (ii) Sun State Towers, its grantees, successors, and assigns will indemnify, defend, reimburse and hold harmless Landlord from and against environmental damages caused by the presence of Hazardous Materials on the Compound in violation of any Environmental Laws and arising solely as the result of Sun State Towers' activities after the execution of this Prime Lease.

15. Casualty.

In the event of damage by fire or other casualty to the Site or Property that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if the Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt Sun State's operations at the Site for more than forty-five (45) days, then Sun State may, at any time following such fire or other casualty, provided Landlord has not completed the restoration required to permit Sun State to resume its operation at the Site, terminate this Prime Lease upon fifteen (15) days prior written notice to Landlord. Any such notice of termination shall cause this Prime Lease to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Prime Lease and the parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Prime Lease. Notwithstanding the foregoing, the rent shall abate during the period of

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Site Number: AZ04-142

repair following such fire or other casualty in proportion to the degree to which Sun State's use of the Site is impaired.

16. Sale of Property.

- (a) During the Term, prior to selling the Site or any portion of or interest in the Site, including but not limited to a leasehold interest or easement, Landlord shall notify Sun State Towers in writing of the sale price and terms offered by a third party (the "Offer"), together with a copy of the Offer. Sun State Towers will have the right of first refusal to purchase the real property interest in the Site being sold by Landlord to such third party on the same financial terms of the Offer. Sun State Towers will exercise its right of first refusal within sixty (60) days of receipt of Landlord's notice and if Sun State Towers does not provide notice within sixty (60) days, Sun State Towers will be deemed to have not exercised its right of first refusal. If Sun State Towers does not exercise its right of first refusal, paragraph 16(b) of this Prime Lease will control the terms of the sale.
- (b) Landlord may sell the Property or a portion thereof to a third party, provided: (i) the sale is made subject to the terms of this Prime Lease; and (ii) if the sale does not include the assignment of Landlord's full interest in this Prime Lease the purchaser must agree to perform, without requiring compensation from Sun State, any obligation of the Landlord under this Prime Lease, including Landlord's obligation to cooperate with Sun State as provided hereunder, which obligation Landlord would no longer have the legal right or ability to perform following the sale without requiring compensation from Sun State to be paid to such purchaser.

17. Assignment.

- (a) Any sublease, license or assignment of this Prime Lease that is entered into by Landlord or Sun State Towers is subject to the provisions of this Prime Lease.
- (b) Landlord may assign this Prime Lease in its entirety to any third party in conjunction with a sale of the Property in accordance with paragraph 16 of this Prime Lease. Landlord will not otherwise assign less than Landlord's full interest in this Prime Lease without the prior written consent of Sun State Towers, which consent may not be unreasonably withheld, conditioned or delayed.
- (c) Sun State Towers shall have the right to assign, or otherwise transfer this Agreement without any approval or consent of the Landlord to the Sun State Tower's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of Sun State Tower's assets in the market defined by the FCC in which the Property is located by reason of a merger, acquisition or other business reorganization. As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of Landlord, which such consent will not be unreasonably withheld, delayed or conditioned.
- **Condemnation**. In the event of any condemnation of all or any portion of the Property, and as a result of such condemnation, Sun State Towers, in Sun State Towers' sole discretion, is unable to use the Site for the purposes intended hereunder, or if such condemnation may reasonably be expected to disrupt Sun State Towers' operations at the Site for more than forty-five (45) days, Sun State Towers may, at Sun State Towers' option, to be exercised in writing within fifteen (15)

Site Number: AZ04-142

days after Landlord shall have given Sun State Towers written notice of such taking (or in the absence of such notice, within fifteen (15) days after the condemning authority shall have taken possession), terminate this Prime Lease effective as of the date the condemning authority takes such possession. Sun State Towers shall be entitled to and shall receive and retain that part of the award or price paid by the condemning authority which is attributable to the improvements, fixtures, conduits, antennas, equipment; and all other things of Sun State Towers situated on the Site or the Property which cannot be removed, as well as Sun State Towers' relocation costs, damages and losses, and the loss of its leasehold interest (collectively, "Losses"). In addition, Sun State Towers may on its own behalf make a claim for its Losses in any condemnation proceeding involving the Site. Any such notice of termination shall cause this Prime Lease to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Prime Lease and the Parties shall make an appropriate adjustment as of such termination date with respect to payments due to each other under this Prime Lease. If Sun State Towers does not terminate this Prime Lease in accordance with the foregoing, this Prime Lease shall remain in full force and effect as to the portion of the Site remaining, except that the rent shall be reduced in the same proportion as the rentable area of the Site taken bears to the total rentable area of the Site. In the event that this Prime Lease is not terminated by reason of such condemnation, Landlord shall promptly repair any damage to the Site caused by such condemning authority. In the event this Prime Lease is not terminated, Sun State Towers shall also be entitled to an award for its Losses.

19. Insurance.

- (a) Sun State Towers will purchase and maintain in full force and effect throughout the Option Period and the Term such general liability and property damage policies as Sun State Towers may deem necessary. Said policy of general liability insurance will at a minimum provide a combined single limit of \$1,000,000.00.
- (b) Landlord has and will maintain in full force and effect throughout the Term such general liability and property damage policies as Landlord may deem necessary. Said policy of general liability insurance will at a minimum provide a combined single limit of \$1,000,000.00.

20. Waiver of Damages.

- (a) In the event that Sun State Towers does not exercise its Option, Landlord's sole compensation and damages will be fixed and liquidated to the sums paid by Sun State Towers to Landlord as consideration for the Option.
- (b) Neither Landlord nor Sun State will be responsible or liable to the other Party for any loss or damage arising from any claim to the extent attributable to any acts of omissions of other licensees or tower users occupying the Tower Facilities or vandalism or for any structural or power failures or destruction or damage to the Tower Facilities except to the extent caused by the negligence or willful misconduct of such Party.
- (c) EXCEPT WITH RESPECT TO INDEMNIFICATION OF THIRD PARTY CLAIMS UNDER THIS PRIME LEASE OR A VIOLATION OF LAW, IN NO EVENT SHALL EITHER LANDLORD OR SUN STATE BE LIABLE TO THE OTHER, THE OTHER'S

Site Number: AZ04-142

EMPLOYEES, SUBCONTRACTORS, AND/OR AGENTS, OR ANY THIRD PARTY, FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, RELIANCE, PUNITIVE/EXEMPLARY OR TREBLE DAMAGES, LOSS OF FINANCING, LOSS OF REVENUE, LOSS OF TECHNOLOGY, RIGHTS OR SERVICES, LOSS OF DATA, OR LOST PROFITS, OR INTERRUPTION OR LOSS OF USE OF SERVICE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, FOR ANY CLAIM OR DEMAND OF ANY NATURE OR KIND, AND WHETHER UNDER THEORY OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE, ARISING OUT OF OR IN CONNECTION WITH THIS PRIME LEASE INCLUDING ANY SUPPLEMENT HEREUNDER OR THE PERFORMANCE OR BREACH HEREOF OR THEREOF.

- **21. Recording.** Landlord agrees to execute a Memorandum of this Prime Lease which Sun State Towers may record with the appropriate officer. The date set forth in the Memorandum of Lease is for recording purposes only and bears no reference to commencement of either the Term of rent payments.
- 22. <u>Notices</u>. All notices or demands by or from Sun State Towers to Landlord, or Landlord to Sun State Towers, required under this Prime Lease will be in writing and sent (United States mail postage pre-paid, certified with return receipt requested or by reputable national overnight carrier service, transmit prepaid) to the other Party at the addresses set forth in paragraph 1 of this Prime Lease or to such other addresses as the parties may, from time to time, designate consistent with this paragraph 24, with such new notice address being effective thirty (30) days after receipt by the other Party. Notices will be deemed to have been given upon either receipt or rejection.

23. <u>Further Acts.</u>

- (a) Within fifteen (15) days after receipt of a written request from Sun State Towers, Landlord will execute any document necessary or useful to protect Sun State's rights under this Prime Lease or to facilitate the Intended Use including documents related to title, zoning and other Approvals, and will otherwise cooperate with Sun State in its exercise of its rights under this Prime Lease.
- (b) In the event that Landlord fails to execute any such document(s), as required by paragraph 25(a) above, within fifteen (15) days following receipt of a written request from Sun State Towers, such document(s) will be deemed consented to and approved by Landlord, and, in addition to any and all rights and remedies set forth in this Prime Lease, Sun State shall additionally have the right to pursue any and all rights and remedies that it may have at law or in equity.
- **24.** Memorandum of Lease. Simultaneously with the execution of this Prime Lease, the parties will enter into the Memorandum of Lease attached to this Prime Lease as Exhibit C which Sun State Towers may record in the public records of the county of the Property. Landlord acknowledges and agrees that after Landlord signs the Memorandum of Lease but before Sun State Towers records the Memorandum of Lease, Sun State Towers may add both: (a) a reference to the recording granting Landlord its interest in the Property; (b) a legal description of the Property as Exhibit A to the Memorandum of Lease, and (c) a legal description of the Site as Exhibit B to the Memorandum of Lease. Landlord agrees to execute and return to Sun State Towers a recordable amendment to the Memorandum of Lease in form supplied by Sun State Towers if: (i) the

Site Number: AZ04-142

information included in the Memorandum of Lease changes, or (ii) if it becomes clear that such information is incorrect or incomplete or if this Prime Lease is otherwise amended.

25. Miscellaneous.

- (a) This Prime Lease runs with the Property and is binding upon and will inure to the benefit of the parties, their respective heirs, successors, personal representatives and assigns.
- (b) Sun State Towers may, at Sun State Towers' sole cost and expense, procure an abstract of title, a commitment to issue a policy of title insurance, or an owner's policy of title insurance with respect to Sun State Towers' leasehold interest in the Property (collectively "*Title Coverage*"). Landlord agrees to furnish to Sun State Towers, within ten (10) days after request, such customary title affidavits and other documentation as reasonably requested or required by the title company in connection with Sun State Towers' Title Coverage.
- (c) Except in the event that Sun State Towers fails to remove the Tower Facilities one hundred eighty (180) days after the termination of this Prime Lease in accordance with paragraph 6(a) above, Landlord hereby waives any and all lien rights it may have, statutory or otherwise, in and to the Tower Facilities or any portion thereof, regardless of whether or not same is deemed real or personal property under applicable laws.
- (d) The substantially prevailing Party in any litigation arising hereunder is entitled to its reasonable attorney's fees and court costs, including appeals, if any.
- (e) Each Party agrees to furnish to the other, within thirty (30) days after request, such estoppel information as the other may reasonably request.
- (f) This Prime Lease constitutes the entire agreement and understanding of Landlord and Sun State Towers with respect to the subject matter of this Prime Lease, and supersedes all offers, negotiations and other agreements. There are no representations or understandings of any kind not stated in this Prime Lease. Any amendments to this Prime Lease must be in writing and executed and delivered by Landlord and Sun State Towers.
- (g) If either Landlord or Sun State Towers is represented by a real estate broker in this transaction, that Party is fully responsible for any fees due such broker and will hold the other Party harmless from any claims for commission by such broker.
- (h) Landlord recognizes that this Prime Lease is a lease of real property under which Sun State, in addition to all rights and privileges it receives herein, is entitled to all rights and protections under 11 U.S.C. § 365(h), as amended from time to time.
- (i) If any term of the Prime Lease is found to be void or invalid, the remainder of this Prime Lease will continue in full force and effect.
- (j) With respect to Sun State Towers' acquisition of Title Coverage, Landlord will cooperate by promptly executing any documentation required by the title insurance company.

Site Number: AZ04-142

(k) This Prime Lease may be executed in two (2) or more counterparts, all of which are considered one and the same agreement and become effective when one or more counterparts have been signed by each of the parties, it being understood that all parties need not sign the same counterpart.

- (l) Failure or delay on the part of either Party to exercise any right, power or privilege hereunder will not operate as a waiver thereof and waiver of breach of any provision hereof under any circumstances will not constitute a waiver of any subsequent breach.
- (m) The parties agree that irreparable damage would occur if any of the provisions of this Prime Lease were not performed in accordance with their specified terms or were otherwise breached. Therefore, the parties agree the parties will be entitled to an injunction(s) in any court in the state in which the Site is located to prevent breaches of the provisions of this Prime Lease and to enforce specifically the terms and provisions of the Prime Lease, this being in addition to any other remedy to which the parties are entitled at law or in equity.
- (n) Each Party executing this Prime Lease acknowledges that it has full power and authority to do so and that the person executing on its behalf has the authority to bind the Party.
- (o) The parties agree that a scanned or electronically reproduced copy or image of this Prime Lease will be deemed an original and may be introduced or submitted in any action or proceeding as competent evidence of the execution, terms and existence hereof notwithstanding the failure or inability to produce or tender an original, executed counterpart of this Prime Lease and without the requirement that the unavailability of such original, executed counterpart of this Prime Lease first be proven.
- (p) This Agreement shall be construed in accordance with the laws of the State of Arizona. Any action at law or in equity brought by either party for the purpose of enforcing a right or rights provided for in this Agreement shall be tried in a court of competent jurisdiction in Cochise County, State of Arizona. The parties hereby waive all provisions of law providing for a change of venue in such proceeding to any other county.
- (q) In the event that there is a dispute hereunder which the parties cannot resolve between themselves, the parties agree to attempt to settle the dispute by nonbinding arbitration before commencement of litigation. The arbitration shall be held under the rules of the American Arbitration Association. The matter in dispute shall be submitted to an arbitrator mutually selected by Landlord and Sun State. In the event the parties cannot agree upon the selection of an arbitrator within seven (7) days, then within three (3) days thereafter, the parties shall request the presiding judge of the Superior Court in and for the County of Cochise, State of Arizona, to appoint an independent arbitrator. The cost of any such arbitration shall be divided equally between the Landlord and Sun State. The results of the arbitration shall be nonbinding on the parties, and any party shall be free to initiate litigation subsequent to the final decision of the arbitrator.
- (r) The provisions of A.R.S. §38-511 relating to cancellation of contracts due to conflicts of interest shall apply to this Agreement.

Site Number: AZ04-142

(s) Sun State warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee. For breach or violation of this warranty, the Landlord shall have the right to annul this Agreement without liability.

(t) Sun State shall not participate in, and agrees not to participate in during the term of this Agreement a boycott of Israel in accordance with A.R.S. §35-393.01.

[SIGNATURES APPEAR ON NEXT PAGE]

Site Number: AZ04-142

IN WITNESS WHEREOF, Landlord and Sun State Towers have each executed this Prime Lease as of the respective dates written below.

LANDLORD: CITY OF DOUGLAS, an Arizona municipal corporation By: _____ Title:_____ Date: STATE OF _____ COUNTY OF _____ Before me, ______the undersigned, a Notary Public for the State, personally appeared ______, who is the ______ of CITY OF DOUGLAS, an Arizona municipal corporation, personally known to me (or 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/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the entity upon behalf of which the person acted, executed the instrument. WITNESS my hand and official stamp or seal, this _____ day of ______, 2022. [Affix Notary Seal] Notary Public My commission expires:

Site Number: AZ04-142

SUN STATE TOWERS:

SUN STATE TOWERS IV, LLC, a Delaware limited liability company

By:	
Name:	
Title:	
Date:	
the undersigned, a Notary, who is the mited liability company, personal idence) to be the person whose r me that he/she executed the same instrument, the entity upon behal	of SUN ally known to me (or name is subscribed to in his/her authorized
eal, this day of	, 2022.
Notary Public My commission e	
1	Title: the undersigned, a Notary, who is the mited liability company, personal idence) to be the person whose rate that he/she executed the same instrument, the entity upon behalt eal, this day of Notary Public

00203143 2

Site Number: AZ04-142

EXHIBITS

The following exhibits are attached to this Prime Lease and incorporated into this Prime Lease:

Exhibit A Description of Property

Exhibit B Description of Site

Exhibit C Memorandum of Lease

Site Number: AZ04-142

EXHIBIT A

DESCRIPTION OF PROPERTY

LANDLORD'S LEGAL DESCRIPTION

LOTS 23 THROUGH 32 INCLUSIVE, BLOCK #5. ORIGINAL TOWNSITE OF DOUGLAS, COCHISE COUNTY, ARIZONA.

AND BEING THE SAME PROPERTY CONVEYED TO DOUGLAS READY MIX & MATERIALS, INC., AN ARIZONA CORPORATION FROM RONALD J. BORANE AND RONA BORANE BY WARRANTY DEED DATED JANUARY 5, 1989 AND RECORDED JANUARY 30, 1989 IN INSTRUMENT NO. 890101956; AND FURTHER CONVEYED TO THE UNITED STATES OF AMERICA BY CERTIFICATE OF FORFEITURE RECORDED ON DECEMBER 15, 1992 IN INSTRUMENT NO. 921229708; AND FURTHER CONVEYED TO CITY OF DOUGLAS POLICE DEPARTMENT FROM THE UNITED STATES OF AMERICA BY QUITCLAIM DEED DATED DECEMBER 12, 1995 AND RECORDED JANUARY 11, 1995 IN INSTRUMENT NO. 960100927; AND FURTHER CONVEYED TO CITY OF DOUGLAS, AN ARIZONA MUNICIPAL CORPORATION FROM CITY OF DOUGLAS POLICE DEPARTMENT BY QUIT CLAIM DEED DATED DECEMBER 27, 1995 AND RECORDED JANUARY 11, 1996 IN INSTRUMENT NO. 960100929.

TAX PARCEL NO. 409-13-19008

00203143 3 4866-3446-2738

Site Number: AZ04-142

EXHIBIT B

DESCRIPTION OF SITE

LEASE AREA LEGAL DESCRIPTION

A PORTION OF LAND BEING A PORTION OF LOTS 23 THROUGH 32 INCLUSIVE, BLOCK #5. ORIGINAL TOWNSITE OF DOUGLAS, COCHISE COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND PK NAIL AT THE INTERSECTION OF E AVENUE AND FIRST AVENUE, FROM WHICH THE INTERSECTION OF F AVENUE AND FIRST STREET BEARS S 89° 45′ 39" W 485.06 FEET; THENCE SOUTH 89°45′39" WEST ALONG THE CENTERLINE OF FIRST STREET, A DISTANCE OF 35.00 FEET; THENCE SOUTH 00°11′34" EAST, A DISTANCE OF 35.00 FEET TO THE NORTHEAST CORNER OF LOT 32, THENCE SOUTH 89° 45′ 39" WEST ALONG THE NORTH LINE OF SAID PARCEL 235.00 FEET; THENCE SOUTH 00°11′34" EAST, 35.00 TO THE POINT OF BEGINNING; THENCE NORTH 89°48′26" EAST, 15.00 FEET; THENCE SOUTH 00°11′34" EAST, 30.00 FEET; THENCE SOUTH 89°48′26" WEST, 30.00 FEET; THENCE NORTH 00°11′34" WEST, 30.00 FEET; THENCE NORTH 89°48′26" EAST, 15.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 900 SQUARE FEET OR 0.021 ACRES, MORE OR LESS.

ACCESS AND UTILITY EASEMENT LEGAL DESCRIPTION

A PORTION OF LAND BEING A PORTION OF LOTS 23 THROUGH 32 INCLUSIVE, BLOCK #5. ORIGINAL TOWNSITE OF DOUGLAS, COCHISE COUNTY, ARIZONA.

A 30.00 FOOT STRIP OF LAND LYING 15.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT A FOUND PK NAIL AT THE INTERSECTION OF E AVENUE AND FIRST AVENUE, FROM WHICH THE INTERSECTION OF F AVENUE AND FIRST STREET BEARS S 89° 45′ 39″ W 485.06 FEET; THENCE SOUTH 89°45′39″ WEST ALONG THE CENTERLINE OF FIRST STREET, A DISTANCE OF 35.00 FEET; THENCE SOUTH 00°11′34″ EAST, A DISTANCE OF 35.00 FEET TO THE NORTHEAST CORNER OF LOT 32, THENCE SOUTH 89° 45′ 39″ WEST ALONG THE NORTH LINE OF SAID PARCEL 235.00 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 00°11'34" EAST, 35.00 FEET TO THE POINT OF TERMINUS.

Site Number: AZ04-142

EXHIBIT C

MEMORANDUM OF LEASE

[see following pages]

00203143 3 4866-3446-2738 Prepared by and Return To: Sun State Towers IV, LLC 1426 North Marvin Street #101 Gilbert, AZ 85233 Site # AZ04-142

Site Name: Fired

Tax Parcel No.: 409-13-19008

Memorandum of Lease Agreement

THIS MEMORA	ANDUM OF LEAS	SE AGREEME	ENT ("Memor	randum") is e	executed
this day of	, 2022,	by and between	CITY OF DO	OUGLAS, an	Arizona
municipal corporation,	with a mailing add	dress of 425 E	10 th Street,	Douglas, AZ	2 85607
("Landlord") and SUN S	TATE TOWERS IV	, LLC, a Delaw	are limited lial	bility company	y, with a
mailing address of 1426	North Marvin Street	#101, Gilbert, A	AZ 85233 ("Su	in State Towe	<i>rs</i> ") and
evidences that on the	day of	, 2022	, a Lease Agre	ement ("Agre	ement")
was entered into by and b	oetween Landlord an	d Sun State Tov	vers.		

- 1. **Option.** The initial term of the Option twelve (12) months from the date of the Agreement. This Option can be extended as the Landlord and Sun State Towers mutually agree.
- 2. <u>Property</u>. Landlord owns certain real property described in <u>Exhibit A</u> ("*Property*"). Subject to the terms of the Agreement, Landlord has granted to Sun State Towers an option to lease a portion of the Property ("*Compound*") and to acquire certain easements for ingress, egress and utilities for the benefit of Sun State Towers and Sun State Towers' sublessees and invitees ("*Easements*" and collectively with the Compound, the "*Site*", as shown on <u>Exhibit B</u>), a license to use certain other portions of the Property.
- 3. <u>Lease</u>. Should Sun State Towers exercise its Option, the Agreement will constitute a lease of the Site. The initial term of the lease will be for ten (10) years commencing upon the date Sun State Towers specifies in a written notice to Landlord. The Agreement will automatically renew for four (4) additional periods of ten (10) years each, unless Sun State Towers notifies Landlord of its decision not to renew the Agreement.

00203143 3 00203143 2 4866-3446-2738 4. <u>Notices</u>. All notices, requests, demands, and other communications to Landlord or Sun State Towers will be made at the following addresses:

Landlord: City of Douglas

Sun State Towers: Sun State Towers IV, LLC

1426 North Marvin Street #101

Gilbert, AZ 85233 Attn: Land Management

5. <u>Construction of Memorandum</u>. This Memorandum is not a complete summary of the terms and conditions contained in the Agreement. Provisions in the Memorandum will not be used in interpreting the Agreement provisions. In the event of a conflict between this Memorandum and the Agreement, the Agreement will control.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the date first set forth above.

	<u>LANDLORD</u> :	
	CITY OF DOUGLAS, an Arizona municipal corporation	on .
	By:	
	Name:	
	Title:	
	Date:	
STATE OF		
COUNTY OF		
Before me,	, who is the icipal corporation, personally known) to be the person whose name is subs t he/she executed the same in his/her	to me (or proved to scribed to the within authorized capacity,
WITNESS my hand and official stamp of	or seal, this day of	, 2022.
[Affix Notary Seal]	Notary Public My commission ex	xpires:

SUN STATE TOWERS:

SUN STATE TOWERS IV, LLC, a Delaware limited liability company

	By:	
	Name:	
	Title:	
STATE OF		
COUNTY OF		
	the undersigned a Notery Du	ublic for the State
Before me,	who is the	of SUN
STATE TOWERS IV, LLC, a Delaware		
proved to me on the basis of satisfactory e		
the within instrument and acknowledged to		
capacity, and that by his/her signature on the acted, executed the instrument.	e instrument, the entity upon behalf of	f which the person
·		
WITNESS my hand and official stamp or	seal, this day of	, 2022.
[Affix Notary Seal]		
	Notary Public	•
	My commission exp	ires:

EXHIBIT A

DESCRIPTION OF PROPERTY

LANDLORD'S LEGAL DESCRIPTION

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TAX PARCEL NO. 409-13-19008

EXHIBIT B

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THENCE SOUTH 00°11'34" EAST, 35.00 FEET TO THE POINT OF TERMINUS.