#### **MEMORANDUM**

**DATE:** October 22, 2021

TO: Mayor Lankford & City Council VIA: Mercy Rushing, City Manager

**FROM:** Cindy Karch, City Secretary

**SUBJECT:** Discuss and consider action to extend the lease on the Front St. cell tower.

CX

## **Background Information:**

The city has been presented with an offer to extend the current lease on the cell tower on Front Street. The offer is to extend the current cell tower lease seven, 5 year terms (the current lease will extend to 2070). Our current rent will continue to escalate as it does now at 15% per term (5 year). Its next escalation will be on or before 8/31/2025. They can add in a 10% revenue share for each new sublease. They can also provide a \$15,000 one-time payment for the extension and to add the following new clauses:

- Limited Right of First Refusal
- Confidentiality Clause
- Non-Compete

I have sent the original lease and proposed new terms to Blake Armstrong for review, and his only item of concern would be the length of time on the lease. The city signed the current lease in 2010. Our current income is \$5,554.50 per year.

#### **Recommendation:**

It is recommended that the council approve the extension. At that time the leasing company will draw up a new lease with the terms you approved, and that will be on a future agenda for you to consider.

## **Final Disposition:**

From: David Albergo
To: Cindy Karch
Subject: Tower 205943

**Date:** Friday, September 24, 2021 12:16:17 PM **Attachments:** 205943 OLL 052710 2019 09 09 15 53 11.pdf

#### Good Afternoon

Thank you so much for taking the time to speak with me yesterday regarding the lease extension offer. I have attached the original land lease as well. I will follow up with you on the 14<sup>th</sup> of next month as I feel it will give you enough time to speak with the appropriate departments. I look forward to hearing from you. Have a great weekend!

#### Offer to extend:

Extend the current cell tower lease seven, 5 year terms (the current lease will extend to 2070) Your current rent will continue to escalate as it does at 15% per term. Its next escalation will be on or before 8/31/2025.

We can add in a 10% revenue share for each new sublease.

We can provide a 15,000 one time payment for the extension and to add the following new clauses.

- Limited Right of First Refusal
- Confidentiality Clause
- Non-Compete

#### Best regards,

David Albergo
Lease Consultant
Tower Alliance LLC, an American Tower Vendor
1200 North Federal Highway, Suite 325
Boca Raton, FL 33432
(561) 705-1322 – Office
(954) 895-9953 – Mobile
(866) 236-1216 – Fax



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#### OPTION AND LEASE AGREEMENT

THIS LEASE AGREEMENT ("Agreement"), dated as of the latter of the signature dates below ("Effective Date"), is entered into by The City of Mineola, a Type A General Law City, having a mailing address of PO Box 179, Mineola, Texas 75773 (hereinafter referred to as "Landlord") and CCLG Partners, LLC, a Texas limited liability company (hereinafter referred to as "Tenant").

#### BACKGROUND

Landlord owns that certain plot, parcel or tract of land, together with all rights and privileges arising in connection therewith, located at 127 W. Front Street, Mineola, TX 75773 in the County of Wood, State of Texas (collectively, the "Property"). Tenant desires to use a portion of the Property for the operation of a communications facility. Landlord desires to grant to Tenant the right to use a portion of the Property in accordance with this Agreement.

The parties agree as follows:

## 1. 1. OPTION TO LEASE.

- (a) Landlord grants to Tenant an option (the "Option") to lease a certain portion of the Property containing approximately 3,600 (60'x60') square feet including the air space above such room/cabinet/ground space as described on attached Exhibit 1, together with unrestricted access for Tenant's uses from the nearest public right-of-way along the Property to the Premises as described on the attached Exhibit 1 (collectively, the "Premises").
- During the Option period and any extension thereof, and during the term of this Agreement, Tenant **(b)** and its agents, engineers, surveyors and other representatives will have the right to enter upon the Property to inspect, examine, conduct soil borings, drainage testing, material sampling, radio frequency testing and other geological or engineering tests or studies of the Property (collectively, the "Tests"), to apply for and obtain licenses, permits, approvals, or other relief required of or deemed necessary or appropriate at Tenant's sole discretion for its use of the Premises and include, without limitation, applications for zoning variances, zoning ordinances, amendments, special use permits, and construction permits (collectively, the "Government Approvals"), initiate the ordering and/or scheduling of necessary utilities, and otherwise to do those things on or off the Property that, in the opinion of Tenant, are necessary in Tenant's sole discretion to determine the physical condition of the Property, the environmental history of the Property, Landlord's title to the Property and the feasibility or suitability of the Property for Tenant's Permitted Use, all at Tenant's expense. Tenant will not be liable to Landlord or any third party on account of any pre-existing defect or condition on or with respect to the Property, whether or not such defect or condition is disclosed by Tenant's inspection. Tenant will restore the Property to its condition as it existed at the commencement of the Option Term (as defined below), reasonable wear and tear and casualty not caused by Tenant excepted. In addition, Tenant shall indemnify, defend and hold Landlord harmless from and against any and all injury, loss, damage or claims arising directly out of Tenant's Tests.
- (c) In consideration of Landlord granting Tenant the Option, Tenant agrees to pay Landlord the sum of Two Hundred and No/100 Dollars (\$200.00) within thirty (30) business days of the Effective Date. The Option will be for an initial term of nine (9) months commencing on the Effective Date (the "Initial Option Term") and may be renewed by Tenant for an additional nine (9) months upon written notification to Landlord and the payment of an additional Two Hundred and No/100 Dollars (\$200.00) no later than ten (10) days prior to the expiration date of the Initial Option Term.
- (d) The Option may be sold, assigned or transferred at any time by Tenant to Tenant's parent company or member if Tenant is a limited liability company or any affiliate or subsidiary of, or partner in, Tenant or its parent company or member, or to any third party agreeing to be subject to the terms hereof. Otherwise, the Option

may not be sold, assigned or transferred without the written consent of Landlord, such consent not to be unreasonably withheld, conditioned or delayed. From and after the date the Option has been sold, assigned or transferred by Tenant to a third party agreeing to be subject to the terms hereof, Tenant shall immediately be released from any and all liability under this Agreement, including the payment of any rental or other sums due, without any further action.

- (e) During the Initial Option Term and any extension thereof, Tenant may exercise the Option by notifying Landlord in writing. If Tenant exercises the Option then Landlord leases the Premises to the Tenant subject to the terms and conditions of this Agreement. If Tenant does not exercise the Option during the Initial Option Term or any extension thereof, this Agreement will terminate and the parties will have no further liability to each other.
- (f) If during the Initial Option Term or any extension thereof, or during the term of this Agreement if the Option is exercised, Landlord decides to subdivide, sell, or change the status of the zoning of the Premises, Property or any of Landlord's contiguous, adjoining or surrounding property (the "Surrounding Property," which includes (without limitation) the remainder of the structure) or in the event of foreclosure, Landlord shall immediately notify Tenant in writing. Any sale of the Property shall be subject to Tenant's rights under this Agreement. Landlord agrees that during the Initial Option Term or any extension thereof, or during the Term of this Agreement if the Option is exercised, Landlord shall not initiate or consent to any change in the zoning of the Premises, Property or Surrounding Property or impose or consent to any other restriction that would prevent or limit Tenant from using the Premises for the uses intended by Tenant as hereinafter set forth in this Agreement.
- 2. PERMITTED USE. Tenant may use the Premises for the transmission and reception of communications signals and the installation, construction, maintenance, operation, repair, replacement and upgrade of its communications fixtures and related equipment, cables, accessories and improvements, which may include a suitable support structure, associated antennas, I beams, equipment shelters or cabinets, communications tower and fencing and any other items necessary to the successful and secure use of the Premises (collectively, the "Communication Facility"), as well as the right to test, survey and review title on the Property; Tenant further has the right but not the obligation to add, modify and/or replace equipment in order to be in compliance with any current or future federal, state or local mandated application, including, but not limited to, emergency 911 communication services, at no additional cost to Tenant or Landlord (collectively, the "Permitted Use"). Landlord and Tenant agree that any portion of the Communication Facility that may be conceptually described on Exhibit 1 will not be deemed to limit Tenant's Permitted Use. If Exhibit 1 includes drawings of the initial installation of the Communication Facility, Landlord's execution of this Agreement will signify Landlord's approval of Exhibit 1. Tenant has the right to install and operate transmission cables from the equipment shelter or cabinet to the antennas, electric lines from the main feed to the equipment shelter or cabinet and communication lines from the main entry point to the equipment shelter or cabinet, and to make Property improvements, alterations, upgrades or additions appropriate for Tenant's use ("Tenant Changes"). Tenant Changes include the right to construct a fence around the Premises and undertake any other appropriate means to secure the Premises. Tenant agrees to comply with all applicable governmental laws, rules, statutes and regulations, relating to its use of the Communication Facility on the Property. Tenant has the right to modify, supplement, replace, upgrade, expand the equipment, increase the number of antennas or relocate the Communication Facility within the Premises at any time during the term of this Agreement. Tenant will be allowed to make such alterations to the Property in order to accomplish Tenant's Changes or to insure that Tenant's Communication Facility complies with all applicable federal, state or local laws, rules or regulations. In the event Tenant desires to modify or upgrade the Communication Facility, and Tenant requires an additional portion of the Property (the "Additional Premises") for such modification or upgrade. Landlord agrees to lease to Tenant the Additional Premises, upon the same terms and conditions set forth herein, except that the Rent shall increase, in conjunction with the lease of the Additional Premises, by a reasonable amount consistent with rental rates then charged for comparable portions of real property being in the same area. Landlord agrees to take such actions and enter into and deliver to Tenant such documents as Tenant reasonably requests in order to effect and memorialize the lease of the Additional Premises to Tenant.

#### 3. TERM.

- (a) The initial lease term will be five (5) years ("Initial Term"), commencing on the Rent Commencement Date. The Initial Term will terminate on the fifth (5<sup>th</sup>) annual anniversary of the Rent Commencement Date.
- (b) This Agreement will automatically renew for four (4) additional five (5) year term(s) (each five (5) year term shall be defined as the "Extension Term"), upon the same terms and conditions unless the Tenant notifies the Landlord in writing of Tenant's intention not to renew this Agreement at least sixty (60) days prior to the expiration of the existing Term, except the annual rental rate for each successive term shall increase by 15% over the annual rental rate paid during the previous five (5) year term.
- (c) If, at least sixty (60) days prior to the end of the fourth (4<sup>th</sup>) extended term, either Landlord or Tenant has not given the other written notice of its desire that the term of this Agreement end at the expiration of the fourth (4<sup>th</sup>) extended term, then upon the expiration of the fourth (4<sup>th</sup>) extended term this Agreement shall continue in force upon the same covenants, terms and conditions for a further term of one (1) year, and for annual terms thereafter until terminated by either party by giving to the other written notice of its intention to so terminate at least six (6) months prior to the end of any such annual term. Monthly rental during such annual terms shall be equal to the rent paid for the last month of the fourth (4<sup>th</sup>) extended term. If Tenant remains in possession of the Premises after the termination of this Agreement then Tenant will be deemed to be occupying the Premises on a month to month basis (the "Holdover Term"), subject to the terms and conditions of this Agreement.
- (d) The Initial Term, the Extension Term and the Holdover Term are collectively referred to as the Term ("Term").

## 4. <u>RENT.</u>

Commencing on the first day of the month following the date that Tenant commences construction (the "Rent Commencement Date"), Tenant will pay the Landlord annual rental payments of <u>Forty-two Hundred</u> and No/100 Dollars (\$4,200.00) ("Rent"), at the address set forth above, on or before the fifth (5<sup>th</sup>) day of each anniversary. The initial Rent payment will be forwarded by Tenant to Landlord upon start of construction.

## 5. <u>APPROVALS.</u>

- (a) Landlord agrees that Tenant's ability to use the Premises is contingent upon the suitability of the Premises for Tenant's Permitted Use and Tenant's ability to obtain and maintain all governmental licenses, permits, approvals or other relief required of or deemed necessary or appropriate by Tenant for its use of the Premises, including without limitation applications for zoning variances, zoning ordinances, amendments, special use permits, and construction permits (collectively, the "Government Approvals"). Landlord authorizes Tenant to prepare, execute and file all required applications to obtain Governmental Approvals for Tenant's Permitted Use under this Agreement and agrees to reasonably assist Tenant with such applications and with obtaining and maintaining the Government Approvals. In addition, Tenant shall have the right to initiate the ordering and/or scheduling of necessary utilities.
- (b) Tenant has the right to obtain a title report or commitment for a leasehold title policy from a title insurance company of its choice and to have the Property surveyed by a surveyor of Tenant's choice. In the event Tenant determines, in its sole discretion, due to the title report results or survey results, that the condition of the Premises is unsatisfactory, Tenant will have the right to terminate this Agreement upon notice to Landlord.
- (c) Tenant may also perform and obtain, at Tenant's sole cost and expense, soil borings, percolation tests, engineering procedures, environmental investigation or other tests or reports on, over, and under the Property, necessary to determine if the Tenant's use of the Premises will be compatible with Tenant's engineering specifications, system, design, operations or Governmental Approvals.
- 6. TERMINATION. This Agreement may be terminated, without penalty or further liability, as follows:
- (a) by either party on thirty (30) days prior written notice, if the other party remains in default under Paragraph 15 Default and Right to Cure of this Agreement after the applicable cure periods;

- (b) by Tenant upon written notice to Landlord, if Tenant is unable to obtain, or maintain, any required approval(s) or the issuance of a license or permit by any agency, board, court or other governmental authority necessary for the construction or operation of the Communication Facility as now or hereafter intended by Tenant; or if Tenant determines in its sole discretion that the cost of obtaining or retaining the same is commercially unreasonable;
- (c) by Tenant upon written notice to Landlord for any reason, at any time prior to commencement of construction by Tenant; or
- (d) by Tenant upon sixty (60) days prior written notice to Landlord for any reason, so long as Tenant pays Landlord a termination fee equal to three (3) months Rent, at the then current rate, provided, however, that no such termination fee will be payable on account of the termination of this Agreement by Tenant under any one or more of Paragraphs 5(b) Approvals, 6(a) Termination, 6(b) Termination, 6(c) Termination, 8 Interference, 11(d) Environmental, 18 Severability, 19 Condemnation or 20 Casualty of this Agreement.

## 7. INSURANCE.

- (a) Tenant will carry during the Term, at its own cost and expense, the following insurance: (i) "All Risk" property insurance for its property's replacement cost; (ii) commercial general liability insurance with a minimum limit of liability of \$100,000 combined single limit for bodily injury or death/property damage arising out of any one occurrence; and (iii) Workers' Compensation Insurance as required by law. The coverage afforded by Tenant's commercial general liability insurance shall apply to Landlord as an additional insured, but only with respect to Landlord's liability arising out of its interest in the Property.
  - (b) Tenant shall have the right to self-insure with respect to any of the above insurance requirements.

## 8. INTERFERENCE.

- (a) Where there are existing radio frequency user(s) on the Property, the Landlord will provide Tenant with a list of all existing radio frequency user(s) on the Property to allow Tenant to evaluate the potential for interference. Tenant warrants that its use of the Premises will not interfere with existing radio frequency user(s) on the Property so disclosed by Landlord, as long as the existing radio frequency user(s) operate and continue to operate within their respective frequencies and in accordance with all applicable laws and regulations.
- (b) Landlord will not grant, after the date of this Agreement, a lease, license or any other right to any third party for the use of the Property, if such use may in any way adversely affect or interfere with the Communication Facility, the operations of Tenant or the rights of Tenant under this Agreement. Landlord will notify Tenant in writing prior to granting any third party the right to install and operate communications equipment on the Property.
- (c) Landlord will not use, nor will Landlord permit its employees, tenants, licensees, invitees or agents to use, any portion of the Property in any way which interferes with the Communication Facility, the operations of Tenant or the rights of Tenant under this Agreement. Landlord will cause such interference to cease within twenty-four (24) hours after receipt of notice of interference from Tenant. In the event any such interference does not cease within the aforementioned cure period then the parties acknowledge that Tenant will suffer irreparable injury, and therefore, Tenant will have the right, in addition to any other rights that it may have at law or in equity, for Landlord's breach of this Agreement, to elect to enjoin such interference or to terminate this Agreement upon notice to Landlord.

## 9. <u>INDEMNIFICATION.</u>

- (a) Tenant agrees to indemnify, defend and hold Landlord harmless from and against any and all injury, loss, damage or liability (or any claims in respect of the foregoing), costs or expenses (including reasonable attorneys' fees and court costs but excluding real property or personal property taxes) arising directly from the installation, use, maintenance, repair or removal of the Communication Facility or Tenant's breach of any provision of this Agreement, except to the extent attributable to the negligent or intentional act or omission of Landlord, its employees, agents or independent contractors.
- (b) To the extent allowed by law, Landlord agrees to indemnify, defend and hold Tenant harmless from and against any and all injury, loss, damage or liability (or any claims in respect of the foregoing), costs or

expenses (including reasonable attorneys' fees and court costs but excluding real property or personal property taxes) arising directly from the actions or failure to act of Landlord or its employees or agents, or Landlord's breach of any provision of this Agreement, except to the extent attributable to the negligent or intentional act or omission of Tenant, its employees, agents or independent contractors.

#### 10. WARRANTIES.

- (a) Tenant and Landlord each acknowledge and represent that it is duly organized, validly existing and in good standing and has the right, power and authority to enter into this Agreement and bind itself hereto through the party set forth as signatory for the party below.
- (b) Landlord represents and warrants that: (i) Landlord solely owns the Property as a legal lot in fee simple, or controls the Property by lease or license; (ii) the Property is not encumbered by any liens, restrictions, mortgages, covenants, conditions, easements, leases, or any other agreements of record or not of record, which would adversely affect Tenant's Permitted Use and enjoyment of the Premises under this Agreement; (iii) as long as Tenant is not in default then Landlord grants to Tenant sole, actual, quiet and peaceful use, enjoyment and possession of the Premises; (iv) Landlord's execution and performance of this Agreement will not violate any laws, ordinances, covenants or the provisions of any mortgage, lease or other agreement binding on the Landlord; and (v) if the Property is or becomes encumbered by a deed to secure a debt, mortgage or other security interest, Landlord will use best efforts to provide promptly to Tenant a mutually agreeable Subordination, Non-Disturbance and Attornment Agreement.

#### 11. ENVIRONMENTAL.

- (a) Landlord represents and warrants that the Property is free of hazardous substances as of the date of this Agreement, and, to the best of Landlord's knowledge, the Property has never been subject to any contamination or hazardous conditions resulting in any environmental investigation, inquiry or remediation. Landlord and Tenant agree that each will be responsible for compliance with any and all environmental and industrial hygiene laws, including 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 condition or other matters as may now or at any time hereafter be in effect, that are now or were related to that party's activity conducted in or on the Property.
- (b) To the extent allowed by law, Landlord and Tenant agree to hold harmless and indemnify the other from, and to assume all duties, responsibilities and liabilities at the sole cost and expense of the indemnifying party 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 related to (i) the indemnifying party's failure 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 conditions or matters as may now or hereafter be in effect, or (ii) any environmental or industrial hygiene conditions that arise out of or are in any way related to the condition of the Property and activities conducted by the party thereon, unless the environmental conditions are caused by the other party.
- (c) The indemnifications of this Paragraph 11 Environmental specifically include reasonable costs, expenses and fees incurred in connection with any investigation of Property conditions or any clean-up, remediation, removal or restoration work required by any governmental authority. The provisions of this Paragraph 11 Environmental will survive the expiration or termination of this Agreement.
- (d) In the event Tenant becomes aware of any hazardous materials on the Property, or any environmental or industrial hygiene condition or matter relating to the Property that, in Tenant's sole determination, renders the condition of the Premises or Property unsuitable for Tenant's use, or if Tenant believes that the leasing or continued leasing of the Premises would expose Tenant to undue risks of government action, intervention or third-party liability, Tenant will have the right, in addition to any other rights it may have at law or in equity, to terminate the Agreement upon notice to Landlord.

- 12. ACCESS. At all times throughout the Term of this Agreement, and at no additional charge to Tenant, Tenant and its employees, agents, subcontractors, and subtenants, will have twenty-four (24) hour per day, seven (7) day per week pedestrian and vehicular access to and over the Property, from an open and improved public road to the Premises, for the installation, maintenance and operation of the Communication Facility and any utilities serving the Premises. Landlord grants to Tenant an easement for such access and Landlord agrees to provide to Tenant such codes, keys and other instruments necessary for such access at no additional cost to Tenant. Upon Tenant's request, Landlord will execute a separate recordable easement evidencing this right. In the event any public utility is unable to use the access or easement provided to Tenant then the Landlord agrees to grant additional access or an easement either to Tenant or to the public utility, for the benefit of Tenant, at no cost to Tenant.
- REMOVAL/RESTORATION. All portions of the Communication Facility brought onto the Property by Tenant will be and remain Tenant's personal property and, at Tenant's option, may be removed by Tenant at any time during the Term. Landlord covenants and agrees that no part of the Communication Facility constructed, erected or placed on the Premises by Tenant will become, or be considered as being affixed to or a part of, the Property, it being the specific intention of the Landlord that all improvements of every kind and nature constructed, erected or placed by Tenant on the Premises will be and remain the property of the Tenant and may be removed by Tenant at any time during the Term. Within one hundred twenty (120) days of the termination of this Agreement, Tenant will remove all of Tenant's above-ground improvements and Tenant will, to the extent reasonable, restore the Premises to its condition at the commencement of the Agreement, reasonable wear and tear and loss by casualty or other causes beyond Tenant's control excepted. Notwithstanding the foregoing, Tenant will not be responsible for the replacement of any trees, shrubs or other vegetation, nor will Tenant be required to remove from the Premises or the Property any foundations or underground utilities

## 14. MAINTENANCE/UTILITIES.

- (a) Tenant will keep and maintain the Premises in good condition, reasonable wear and tear and damage from the elements excepted. Landlord will maintain and repair the Property and access thereto, in good and tenantable condition, subject to reasonable wear and tear and damage from the elements.
- (b) Tenant will be responsible for paying its own charges for electricity, telephone service or any other utility used or consumed by Tenant on the Premises. Landlord will not be responsible for interference with, interruption of or failure, beyond the reasonable control of Landlord, of such services to be furnished or supplied by Landlord.

## 15. **DEFAULT AND RIGHT TO CURE.**

- (a) The following will be deemed a default by Tenant and a breach of this Agreement: (i) non-payment of Rent if such Rent remains unpaid for more than thirty (30) days after receipt of written notice from Landlord of such failure to pay; or (ii) Tenant's failure to perform any other term or condition under this Agreement within forty-five (45) days after receipt of written notice from Landlord specifying the failure. No such failure, however, will be deemed to exist if Tenant has commenced to cure such default within such period and provided that such efforts are prosecuted to completion with reasonable diligence. Delay in curing a default will be excused if due to causes beyond the reasonable control of Tenant. If Tenant remains in default beyond any applicable cure period, Landlord will have the right to exercise any and all rights and remedies available to it under law and equity.
- (b) The following will be deemed a default by Landlord and a breach of this Agreement: Landlord's failure to perform any term, condition or breach of any warranty or covenant under this Agreement within forty-five (45) days after receipt of written notice from Tenant specifying the failure. No such failure, however, will be deemed to exist if Landlord has commenced to cure the default within such period and provided such efforts are prosecuted to completion with reasonable diligence. Delay in curing a default will be excused if due to causes beyond the reasonable control of Landlord. If Landlord remains in default beyond any applicable cure period, Tenant will have the right to exercise any and all rights available to it under law and equity, including the right to cure Landlord's default and to deduct the costs of such cure from any monies due to Landlord from Tenant.

- 16. <u>ASSIGNMENT/SUBLEASE</u>. Tenant will have the right to assign or sell this Agreement or sublease the Premises and its rights herein, in whole or in part, without Landlord's consent. Upon notification to Landlord of such assignment or sale, Tenant will be relieved of all future performance, liabilities and obligations under this Agreement.
- 17. <u>NOTICES</u>. All notices, requests, demands and communications hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices will be addressed to the parties as follows:

If to Tenant:

CCLG Partners, LLC

Re: Mineola Site

1300 Post Oak Blvd, Suite 2000

Houston, Texas 77056

If to Landlord:

City of Mineola Texas

PO BOX 179

Mineola, Texas 75773 903-569-6183 Phone

Either party hereto may change the place for the giving of notice to it by thirty (30) days prior written notice to the other as provided herein.

- 18. <u>SEVERABILITY</u>. If any term or condition of this Agreement is found unenforceable, the remaining terms and conditions will remain binding upon the parties as though said unenforceable provision were not contained herein. However, if the invalid, illegal or unenforceable provision materially affects this Agreement then the Agreement may be terminated by either party on ten (10) business days prior written notice to the other party hereto.
- 19. <u>CONDEMNATION</u>. In the event Landlord receives notification of any condemnation proceedings affecting the Property, Landlord will provide notice of the proceeding to Tenant within forty-eight (48) hours. If a condemning authority takes all of the Property, or a portion sufficient, in Tenant's sole determination, to render the Premises unsuitable for Tenant, this Agreement will terminate as of the date the title vests in the condemning authority. The parties will each be entitled to pursue their own separate awards in the condemnation proceeds, which for Tenant will include, where applicable, the value of its Communication Facility, moving expenses, prepaid Rent, and business dislocation expenses, provided that any award to Tenant will not diminish Landlord's recovery. Tenant will be entitled to reimbursement for any prepaid Rent on a pro-rata basis.
- 20. CASUALTY. Landlord will provide notice to Tenant of any casualty affecting the Property within forty-eight (48) hours of the casualty. If any part of the Communication Facility or Property is damaged by fire or other casualty so as to render the Premises unsuitable, in Tenant's sole determination, then Tenant may terminate this Agreement by providing written notice to the Landlord, which termination will be effective as of the date of such damage or destruction. Upon such termination, Tenant will be entitled to collect all insurance proceeds payable to Tenant on account thereof and to be reimbursed for any prepaid Rent on a pro-rata basis. If notice of termination is given, or if Landlord or Tenant undertake to rebuild the Communications Facility, Landlord agrees to use its reasonable efforts to permit Tenant to place temporary transmission and reception facilities on the Property at no additional Rent until such time as Tenant is able to secure a replacement transmission location or the reconstruction of the Communication Facility is completed.

- 21. WAIVER OF LANDLORD'S LIENS. Landlord waives any and all lien rights it may have, statutory or otherwise, concerning the Communication Facility or any portion thereof. The Communication Facility shall be deemed personal property for purposes of this Agreement, regardless of whether any portion is deemed real or personal property under applicable law, and Landlord consents to Tenant's right to remove all or any portion of the Communication Facility from time to time in Tenant's sole discretion and without Landlord's consent.
- 22. Taxes. Landlord shall be responsible for payment of all ad valorem taxes levied upon the lands, improvements and other property of Landlord. Tenant shall be responsible for all taxes levied upon Tenant's leasehold improvements (including Tenant's equipment building and tower) on the Leased Property. Landlord shall provide Tenant with copies of all assessment notices on or including the Leased Property immediately upon receipt, but in no event less than three (3) business days after receipt by Landlord. If Landlord fails to provide such notice within such time frame, Landlord shall be responsible for all increases in taxes for the year covered by the assessment. Tenant shall have the right to contest, in good faith, the validity or the amount of any tax or assessment levied against the Leased Property by such appellate or other proceedings as may be appropriate in the jurisdiction, and may defer payment of such obligations, pay same under protest, or take such other steps as Tenant may deem appropriate. This right shall include the ability to institute any legal, regulatory or informal action in the name of Landlord, Tenant, or both, with respect to the valuation of the Leased Property. Landlord shall cooperate in the institution and prosecution of any such proceedings and will execute any documents required therefore. The expense of any such proceedings shall be borne by Tenant and any refunds or rebates secured as a result of Tenant's action shall belong to Tenant.
- 23. SALE OF PROPERTY. If Landlord, at any time during the Term of this Agreement, decides to sell, subdivide or rezone any of the Premises, all or any part of the Property or Surrounding Property, to a purchaser other than Tenant, Landlord shall promptly notify Tenant in writing, and such sale, subdivision or rezoning shall be subject to this Agreement and Tenant's rights hereunder. Landlord agrees not to sell, lease or use any areas of the Property or Surrounding Property for the installation, operation or maintenance of other wireless communications facilities if such installation, operation or maintenance would interfere with Tenant's Permitted Use or communications equipment as determined by radio propagation tests performed by Tenant in its sole discretion, any such testing to be at the expense of Landlord or Landlord's prospective purchaser, and not Tenant. If the radio frequency propagation tests demonstrate levels of interference unacceptable to Tenant, Landlord shall be prohibited from selling, leasing or using any areas of the Property or the Surrounding Property for purposes of any installation, operation or maintenance of any other wireless communications facility or equipment. Landlord shall not be prohibited from the selling, leasing or use of any of the Property or the Surrounding Property for non-wireless communication use. In the event the Property is transferred, the new landlord shall have a duty at the time of such transfer to provide Tenant with a completed IRS Form W-9, or its equivalent, and other related paper work to effect a transfer in Rent to the new landlord. The provisions of this Paragraph 23 shall in no way limit or impair the obligations of Landlord under Paragraph 8 above.

## 24. MISCELLANEOUS.

- (a) Amendment/Waiver. This Agreement cannot be amended, modified or revised unless done in writing and signed by an authorized agent of the Landlord and an authorized agent of the Tenant. No provision may be waived except in a writing signed by both parties.
- (b) Memorandum/Short Form Lease. Either party will, at any time upon fifteen (15) business days prior written notice from the other, execute, acknowledge and deliver to the other a recordable Memorandum or Short Form of Lease. Either party may record this Memorandum or Short Form of Lease at any time, in its absolute discretion.
- (c) Bind and Benefit. The terms and conditions contained in this Agreement will run with the Property and bind and inure to the benefit of the parties, their respective heirs, executors, administrators, successors and assigns.

- (d) Entire Agreement. This Agreement and the exhibits attached hereto, all being a part hereof, constitute the entire agreement of the parties hereto and will supersede all prior offers, negotiations and agreements with respect to the subject matter of this Agreement.
- (e) Governing Law. This Agreement will be governed by the laws of the state of Texas. Venue for any action between Tenant and Landlord shall be Wood County, Texas.
- (f) Interpretation. Unless otherwise specified, the following rules of construction and interpretation apply: (i) captions are for convenience and reference only and in no way define or limit the construction of the terms and conditions hereof; (ii) use of the term "including" will be interpreted to mean "including but not limited to"; (iii) whenever a party's consent is required under this Agreement, except as otherwise stated in the Agreement or as same may be duplicative, such consent will not be unreasonably withheld, conditioned or delayed; (iv) exhibits are an integral part of the Agreement and are incorporated by reference into this Agreement; (v) use of the terms "termination" or "expiration" are interchangeable; and (vi) reference to a default will take into consideration any applicable notice, grace and cure periods.
- (g) Estoppel. Either party will, at any time upon twenty (20) business days prior written notice from the other, execute, acknowledge and deliver to the other a statement in writing (i) certifying that this Agreement is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying this Agreement, as so modified, is in full force and effect) and the date to which the Rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to such party's knowledge, any uncured defaults on the part of the other party hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises. The requested party's failure to deliver such a statement within such time will be conclusively relied upon by the requesting party that (i) this Agreement is in full force and effect, without modification except as may be properly represented by the requesting party, (ii) there are no uncured defaults in either party's performance, and (iii) no more than one month's Rent has been paid in advance.
- (h) W-9. Landlord agrees to provide Tenant with a completed IRS Form W-9, or its equivalent, upon execution of this Agreement and at such other times as may be reasonably requested by Tenant.
- (i) No Electronic Signature/No Option. The submission of this Agreement to any party for examination or consideration does not constitute an offer, reservation of or option for the Premises based on the terms set forth herein. This Agreement will become effective as a binding Agreement only upon the handwritten legal execution, acknowledgment and delivery hereof by Landlord and Tenant.

[SIGNATURES APPEAR ON THE NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the last date written below.

City at	Falina	Ja a T	Trma A	General	T asset	City
CHEV OF	IVIIIICU	11 <b>a</b> . a. 1	VUC A	CICICIAI	Law	CILV

By: E.F. Whitus

Date: 5-25-10

CCLG Partners, LLC, a Texas limited liability company

Print Name: Kyle W. Sanders

Its: Managing Member

Date: \_ 3-27-10

[ACKNOWLEDGMENTS APPEAR ON THE NEXT PAGE]

# TENANT ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Harris ) ss.	
On the 27 <sup>th</sup> day of May, 2010, before acknowledged under oath that he is the Managing Member of attached instrument, and as such was authorized to execute this instrument.	CCLG Partners, LLC, the Tenant named in the
MARY ANN ROWAN My Commission Expires July 23, 2011	May an Rowan  Notary Public: Stack 14 Texas  My Commission Expires: 7-23-2011
LANDLORD ACKNOWL	EDGMENT
satisfaction that he/she/they is/are the person(s) named in the with	Texas, personally appeared ther/their oath, deposed and made proof to my nin instrument; and I, having first made known to
him/her/them the contents thereof, he/she/they did acknowledge same as his/her/their voluntary act and deed for the purposes there	ein contained.
<u>N</u>	Shery Vanno Notary Public: St.aj TX - Wood Cty My Commission Expires: 1-7-2012
	SHERRY VANN NOTARY PUBLIC STATE OF TEXAS My Commission Expires 1-7-2012

## **EXHIBIT 1**

## **DESCRIPTION OF PREMISES**

Page <u>1</u> of <u>1</u>

to the Agreement dated, 20, by and between City of Mineola, a Type A General Law City, as Landlord, and CCLG PARTNERS, LLC, A TEXAS limited liability company, as Tenant.
The Premises are described and/or depicted as follows:
127 W. Front Street, Mineola, Wood County, Texas 75773
THIS EXHIBIT SHALL BE ACCOMMPANIED BY CONSTRUCTION DRAWINGS ONCE THEY ARE AVAILABLE.
Tax Assessor ID

#### Notes:

- 1. This Exhibit may be replaced by a land survey and/or construction drawings of the Premises once received by Tenant.
- Any setback of the Premises from the Property's boundaries shall be the distance required by the applicable governmental authorities.
   Width of access road shall be the width required by the applicable governmental authorities, including police and fire departments.
- 4. The type, number and mounting positions and locations of antennas and transmission lines are illustrative only. Actual types, numbers and mounting positions may vary from what is shown above.