Council Meeting of
May 6, 2008

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the City Council:

SUBJECT: City Manager – Consent to Sub-Lease Agreements for cell sites at Torrance Towne Center

RECOMMENDATION

Recommendation of the City Manager that the City Council consent to subleases with Royal Street Communications and Los Angeles SMSA Limited Partnership, a California limited partnership, dba Verizon Wireless for the placement of rooftop cell sites at Torrance Towne Center located at the Northwest corner of Pacific Coast Highway and Crenshaw Boulevard.

Funding
Funding is not required for this transaction.

BACKGROUND/ANALYSIS

The Torrance Towne Center Amended and Restated Lease was approved on September 23, 2003. Included in the Lease is an "Acceptable Use" provision that lists the types of business operations that can be included at the Center. All other uses require the consent of the City Council.

The leasing of space to cell phone providers was not anticipated in the Lease and is not listed as a specific use in the Lease; therefore, the consent of the City Council is required.

The Lease terms for both sub-leases are for an initial term of five years with three 5-year options.

The consent being requested is as the City's role as Landlord. The proposed use is subject to all governmental approvals and consenting to the subleases does not remove the requirement for the proposed tenants to go through all governmental approvals and review.

Respectfully submitted,

LeROY J. JACKSON
CITY MANAGER

By _____
Brian K. Sunshine
Assistant to the City Manager

CONCUR:

_____
LeRoy J. Jackson
City Manager

Attachments:
A. Letter requesting consent dated April 25, 2008
B. Sub-lease with Royal Street Communications
C. Los Angeles SMSA Limited Partnership, a California limited partnership, dba Verizon Wireless

8Q

Attachment A

TTC

OFFICE OF THE
CITY MANAGER

08 APR 28 AM 11:28

April 25, 2008

Brian Sunshine
City of Torrance
3031 Torrance Blvd
Torrance, CA 90503

RE TORRANCE TOWNE CENTER –
REQUEST FOR APPROVAL FOR SUBLEASE(S)

Dear Brian:

Torrance Towne Center Associates, LLC has been approached by two separate entities, Verizon and Royal Street Communications, about leasing space at Torrance Towne Center for Cellular Antennas. These locations would have ground level equipment areas with antenna's on top of the building currently occupied by Burke Williams. Both tenant's are working diligenty with the City of Torrance on design criteria etc. While in the process of working on necessary documentation for such transactions, it was identified that such use while not specifically excluded as an approved use may require consent.

We are requesting the City's confirmation, approval or consent as the case may be on these two proposed occupancy/lease agreements at Torrance Towne Center. The proposed deals would not significantly impact the existing shopping center operations and would provide additional revenue that the City as per the lease would receive its share of via percentage rent. These proposed agreements would increase the base rent on two the project by approximately $48,000 annually (combined).

I have included an additional approval/consent letter as we used in an earlier approval. If you could please respond as soon as possible it would greatly be appreciated.

Thank you for your continued assistance.

Sincerely,

TORRANCE TOWNE CENTER ASSOCIATES, LLC

John Mastandrea

TORRANCE TOWNE CENTER
2601 Airport Drive, Suite 300
Torrance, CA 90505
T 310.534.0411
F 310.534.2521

TTC

April 25, 2008

Brian Sunshine
City of Torrance
3031 Torrance Blvd
Torrance, CA 90503

RE TORRANCE TOWNE CENTER– CONSENT TO NEW SUBLEASE(s)

Dear Brian:

The City of Torrance has reviewed Rolling Hills Plaza, LLC's requests for consent for the sublease(s) listed below:

1. ROYAL STREET COMMUNICATIONS: A Lease Agreement for Cellular Antenna on the rooftop and related exterior equipment space on the ground level with an initial term of 5 years with three (3) 5-year options to extend whereby the Lessee shall use the Premises generally for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto;

2. Los Angeles SMSA Limited Partnership, a California limited partnership, dba Verizon Wireless: A Lease Agreement for Cellular Antenna on the rooftop and related exterior equipment space on the ground level with an initial term of 5 years with three (3) 5-year options to extend whereby the Lessee shall use the Premises generally for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto.

Pursuant to the Amended and Restated Lease dated September 23, 2003, Torrance Towne Center Associates, LLC is requesting your consent to the two above referenced leases. I have included herewith a copy of the current form which is subject to minor modifications.

If you are in agreement with the above, please sign below and return via facsimile (310) 534-2521 and US Mail to my attention at your earliest convenience.

Thank you for your assistance.

Sincerely,

TORRANCE TOWNE CENTER ASSOICATES, LLC

John Mastandrea

TORRANCE TOWNE CENTER
2601 Airport Drive, Suite 300
Torrance, CA 90505
T 310.534.0411
F 310.534.2521

Agreed & Consented:

By: _____

Print Name: _____

Date: _____

SITE NAME: Skyline
SITE NUMBER:
ATTY/DATE: LRH – 2/4/08

Attachment B
DRAFT

OPTION AND LAND AND ROOFTOP LEASE AGREEMENT

This Agreement is made this ___ day of _____, 2008 between TORRANCE TOWNE CENTER ASSOCIATES LLC, a California limited liability company, with its principal offices located at 2601 Airport Drive, Suite 300, Torrance, California 90505, Tax ID #47-0926055, hereinafter designated LESSOR, and Los Angeles SMSA Limited Partnership, a California limited partnership, dba Verizon Wireless, by AirTouch Cellular, its general partner, with its principal offices located at One Verizon Way, Basking Ridge, New Jersey 07920, hereinafter designated LESSEE. The LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

LESSOR leases that certain building ("Building") and real property that are part of a shopping center (the "Shopping Center") located at 2733 Pacific Coast Highway, in the City of Torrance, the County of Los Angeles, and the State of California (the entirety of LESSOR's real property and Building are collectively referred to hereinafter as the "Property"), and legally described in Exhibit "A" attached hereto and made a part hereof, pursuant to that certain Lease dated July 1, 1985, as amended by that certain Amended and Restated Lease dated September 23, 2003 (collectively, the "Master Lease") between LESSOR and the City of Torrance ("MASTER LESSOR"). LESSEE desires to obtain an option to lease a portion of said Property, consisting of an approximate fourteen foot (14') by seventeen foot five inch (17'-5") parcel of ground space outside of the Building containing approximately two hundred thirty-eight (238) square feet (the "Ground Space"), and approximately one hundred forty-four (144) square feet of space on the roof (the "Rooftop Space") of the Building for the installation, operation and maintenance of communications equipment; together with such additional space on the roof of the Building sufficient for the installation, operation and maintenance of antennas (the "Antenna Space"); together with such additional space within the Building or on the exterior of the Building, and on the roof of the Building for the installation, operation and maintenance of wires, cables, conduits and pipes (the "Cabling Space") running between and among the Ground Space, Rooftop Space and Antenna Space and to all necessary electrical and telephone utility sources located on the Property (provided, however, that the use of the Cabling Space does not interfere with any existing tenancy and is installed in a location approved by LESSOR, which approval shall not be unreasonably withheld, conditioned or delayed); together with the non-exclusive right of ingress and egress from a public right-of-way, seven (7) days a week, twenty four (24) hours a day, over the Property and in and through the Building to and from the Premises (as hereinafter defined) for the purpose of installation, operation and maintenance of LESSEE's communications facility. The Grpimd Space, Rooftop Space, Antenna Space and Cabling Space are hereinafter collectively referred to as the "Premises" and are as shown on Exhibit "B" attached hereto and made a part hereof.

NOW THEREFORE, in consideration of the sum of One Thousand and 00/100 Dollars ($1,000.00), to be paid by LESSEE to the LESSOR, which LESSEE will provide within forty-five (45) days after full execution of this Agreement, the LESSOR hereby grants to LESSEE the right and option to lease said Premises, for the term and in accordance with the covenants and conditions set forth herein.

The option may be exercised at any time on or prior to the date that is four (4) months after the date of full execution of this Agreement. The time during which the option may be exercised may only be further extended by mutual agreement in writing. If during said option period, or during the term of the lease, if the option is exercised, the LESSOR decides to subdivide, sell or change the status of the Property or its property contiguous thereto it shall immediately notify LESSEE in writing so that LESSEE can take steps necessary to protect LESSEE's interest in the Premises.

This option may be sold, assigned or transferred by the LESSEE without any approval or consent of the LESSOR to the LESSEE's principal, affiliates, subsidiaries of its principal, provided such sale, assignment or transfer is to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger or acquisition, or to any entity which acquires or receives an interest in all or substantially all of the communication towers of the LESSEE in the market defined by the Federal Communications Commission in which the Property is located. As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of the LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of less than twenty five percent (25%) of the stock ownership, partnership interest or control of LESSEE nor a transfer of ownership of LESSEE's assets to the then owners of LESSEE upon partnership or corporate dissolution of LESSEE, shall constitute an assignment hereunder requiring the approval of LESSOR; provided however, LESSEE shall provide at least thirty (30) prior written notice of such changes to LESSOR.

Should LESSEE fail to exercise this option or any extension thereof within the time herein limited, all rights and privileges granted hereunder shall be deemed completely surrendered, this option terminated, and LESSOR shall retain all money paid for the option, and no additional money shall be payable by either Party to the other.

LESSOR shall reasonably cooperate, at no expense to LESSOR, with LESSEE in its effort to obtain all certificates, permits and other approvals that may be required by any Federal, State or Local authorities which will permit LESSEE use of the Premises.

Subject to LESSOR's prior written approval, which shall not be unreasonably withheld, conditioned or delayed, LESSEE may have free ingress and egress to the Premises during the option period to conduct such surveys, non-invasive inspections, non-invasive structural strength analysis, and other activities of a similar nature as LESSEE may reasonably deem necessary, at the sole cost of LESSEE. LESSOR agrees to execute a Memorandum of this Agreement which LESSEE may record with the appropriate recording officer. The date set forth in the Memorandum is for recording purposes only and bears no reference to commencement of either term or rent payment.

Notice of the exercise of the option shall be given by LESSEE to the LESSOR in writing by certified mail, return receipt requested. Notice shall be deemed effective on the date it is posted. On the date of such notice the following agreement shall take effect:

LAND AND ROOFTOP LEASE AGREEMENT

This Land and Rooftop Lease Agreement (the "Agreement") made this _____ day of _____, 2008, between TORRANCE TOWNE CENTER ASSOCIATES LLC, a California limited liability company, with its principal offices located at 2601 Airport Drive, Suite 300, Torrance, California 90505, Tax ID #47-0926055, hereinafter designated LESSOR, and Los Angeles SMSA Limited Partnership, a California limited partnership, dba Verizon Wireless, by AirTouch Cellular, its general partner, with its principal offices at One Verizon Way, MailStop 4AW100, Basking Ridge, New Jersey 07920, hereinafter designated LESSEE. LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

WITNESSETH

In consideration of the mutual covenants contained herein and intending to be legally bound hereby, the Parties hereto agree as follows:

1. PREMISES. LESSOR hereby leases to LESSEE a portion the exterior ground space and rooftop space in the building (the "Building") that is part of a shopping center (the "Shopping Center") located at 2733 Pacific Coast Highway, City of Torrance, State of California, the underlying real property of which is legally described in Exhibit "A" attached hereto and made a part hereof (the Building and such real property are hereinafter sometimes collectively referred to as the "Property"), consisting of an approximate fourteen foot (14') by seventeen foot five inch (17'-5") parcel of ground space outside of the Building containing approximately two hundred thirty-eight (238) square feet (the "Ground Space"), and approximately one hundred forty-four (144) square feet of space on the roof of the Building (the "Rooftop Space") for the installation, operation and maintenance of communications equipment; together with such additional space on the roof of the Building sufficient for the installation, operation and maintenance of antennas (the "Antenna Space"); together with such additional space within the Building or on the exterior of the Building and on the roof of the Building for the installation, operation and maintenance of wires, cables, conduits and pipes (the "Cabling Space") running between and among the Ground Space, Rooftop Space and Antenna Space and to all necessary electrical and telephone utility sources located within the Building or on the Property (provided, however, that the use of the Cabling Space does not interfere with any existing tenancy and is installed in a location approved by LESSOR, which approval shall not be unreasonably withheld, conditioned or delayed); together with the non-exclusive right of ingress and egress from a public right-of-way, seven (7) days a week, twenty four (24) hours a day, over the Property and in and through the Building to and from the Premises (as hereinafter defined) for the purpose of installation, operation and maintenance of LESSEE's communications facility. The Ground Land Space, Rooftop Space, Antenna Space and Cabling Space are hereinafter collectively referred to as the "Premises" and are as shown on Exhibit "B" attached hereto and made a part hereof. In the event there are not sufficient electric and telephone utility sources located within the Building or on the Property, then subject to LESSOR's prior written approval, which shall not be unreasonably withheld, conditioned or delayed, LESSOR may grant LESSEE and/or the local utility provider the right to install such utilities on, over and/or under the Property for

LESSEE to operate its communications facility, provided the location of such utilities shall be as designated by LESSOR.

2. DELIVERY. LESSOR shall deliver the Premises to LESSEE on the Commencement Date, as hereinafter defined, in an "as-is", "where-is" condition.

3. TERM AND RENT; ELECTRICAL.

a. This Agreement shall be effective as of the date of execution by both Parties; provided, however, the initial term shall be for five (5) years and shall commence on the Commencement Date (as hereinafter defined) at which time rental payments ("Minimum Monthly Rent") shall commence and be due in the initial amount of Two Thousand and 00/100 Dollars ($2,000.00) per month (the "Initial Minimum Monthly Rent"), to be paid on the first day of the month, in advance, to LESSOR at 2601 Airport Drive, Suite 300, Torrance, California 90505 or to such other person, firm or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice given in accordance with Paragraph 22 below. The Agreement shall commence upon notice of the exercise of the option, as set forth above, by LESSEE to the LESSOR in writing by certified mail, return receipt requested and shall be deemed effective on the date it is posted. In the event the date LESSEE gives notice of the exercise of the option between the 1st and 15th of the month, the Agreement shall commence on the 1st of that month and if the notice is given between the 16th and 31st of the month, then the Agreement shall commence on the 1st day of the following month (either the "Commencement Date").

b. LESSOR shall, at all times during the Term, provide electrical service access and telephone service access within the Premises. If permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical meter at the Premises for the measurement of electrical power used by LESSEE's installation. If the utility company servicing the Premises does not allow a new electrical meter to be installed for LESSEE's use, in the alternative, if permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical sub-meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the event such meter or sub-meter is installed, the LESSEE shall pay the utility directly, prior to delinquency for its power consumption, if billed by the utility, and if not billed by the utility, then the LESSEE shall pay the LESSOR thirty (30) days after receipt of an invoice from LESSOR indicating the usage amount based upon LESSOR's reading of the sub-meter. All invoices for power consumption shall be sent by LESSOR to LESSEE at the address set forth in Paragraph 22 below. LESSEE shall be permitted at any time during the Term, to install, maintain and/or provide access to and use of, as necessary (during any power interruption at the Premises), a temporary power source, and all related equipment and appurtenances within the Premises, or elsewhere on the Property in such locations as reasonably approved by LESSOR. LESSEE shall have the right to install conduits connecting the temporary power source and related appurtenances to the Premises.

4. EXTENSIONS. This Agreement shall automatically be extended for three (3) additional five (5) year terms unless LESSEE terminates it at the end of the then current term by

giving LESSOR written notice of the intent to terminate at least six (6) months prior to the end of the then current term; provided, however, that LESSEE is operating a communications facility on the Premises in accordance with the terms of this Agreement and is not in material default (which has not been cured within the applicable cure period after LESSEE's receipt of written notice from LESSOR) under any provision of the Agreement. For the purposes hereof, default of monetary provisions of the Agreement shall be defined as any delinquency in the payment of any required sum which continues for more than ten (10) days after LESSEE's receipt of written notice from LESSOR of such delinquency. The annual rent will be increased on each annual anniversary of the Commencement Date by an amount equal to three percent (3%) of the rent in effect during the immediately preceding year.

5. ADDITIONAL EXTENSIONS. If at the end of the third (3rd) five (5) year extension term this Agreement has not been terminated by either Party by giving to the other written notice of an intention to terminate it at least three (3) months prior to the end of such term, this Agreement shall continue in force upon the same covenants, terms and conditions on a month-to-month basis thereafter until terminated by either Party by giving to the other written notice of its intention to so terminate at least thirty (30) days prior to the end of such term. Minimum Monthly Rent for each such additional month-to-month term shall be equal to one hundred fifteen percent (115%) of the Minimum Monthly Rent payable with respect to the last month of the immediately preceding five (5) year term. The initial term and all extensions shall be collectively referred to herein as the "Term."

6. USE; GOVERNMENTAL APPROVALS. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto. All improvements, equipment, antennas and conduits shall be at LESSEE's expense and their installation shall be at the option of LESSEE, subject to Landlord's prior written approval as set forth in this Agreement, which approval shall not be unreasonably withheld, conditioned or delayed. LESSEE shall have the right to replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any portion thereof and the frequencies over which the equipment operates, whether the equipment, antennas, conduits or frequencies are specified or not on any exhibit attached hereto, during the Term.

It is understood and agreed that LESSEE's ability to use the Premises is contingent upon its obtaining after the execution date of this Agreement all of the certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities as well as a satisfactory building structural analysis which will permit LESSEE use of the Premises as set forth above. LESSOR shall reasonably cooperate with LESSEE at no expense to LESSOR in LESSEE's effort to obtain such approvals.. In the event that (i) any of such applications for such Governmental Approvals should be finally rejected; (ii) any Governmental Approval issued to LESSEE is canceled, expires, lapses, or is otherwise withdrawn or terminated by governmental authority; (iii) LESSEE determines that such Governmental Approvals may not be obtained in a timely manner; (iv) LESSEE determines that any building structural analysis is unsatisfactory; (v) LESSEE determines that the Premises is no longer technically compatible for its use, or (vi) LESSEE, in its sole discretion, determines that it will be unable to use the Premises for its intended purposes, LESSEE shall have the right to

terminate this Agreement. Notice of LESSEE's exercise of its right to terminate shall be given to LESSOR in writing by certified mail, return receipt requested, and shall be effective upon the mailing of such notice by LESSEE, or upon such later date as designated by LESSEE. All rentals paid to said termination date shall be retained by LESSOR. Upon such termination, this Agreement shall be of no further force or effect except to the extent of the representations, warranties and indemnities made by each Party to the other hereunder. Otherwise, the LESSEE shall have no further obligations for the payment of rent to LESSOR.

7. MAINTENANCE.

a. During the Term, LESSEE will maintain the non-structural portions of the Premises in good operating condition and repair, reasonable wear and tear and casualty damage excepted, but excluding any items which are the responsibility of LESSOR pursuant to Paragraph 7.b below.

b. During the Term, LESSOR shall, in its reasonable business judgment maintain, in good operating condition and repair, the structural elements of the Building and the Premises, and all Building systems (including, but not limited to, the foundations, exterior walls, structural condition of interior bearing walls, exterior roof fire sprinkler and/or standpipe and hose or other automatic fire extinguishing system, fire hydrants, parking lots, walkways, parkways, driveways, landscaping, fences, signs and utility systems serving the common areas) and the common areas, but excluding any items which are the responsibility of LESSEE pursuant to Paragraph 7.a above.

8. PERSONAL PROPERTY TAXES AND ASSESSMENTS. During the term hereof, LESSEE shall cause all taxes, assessments and other charges levied upon or against any fixtures and personal property owned by LESSEE situated in, on or about the Premises to be levied or assessed separately from the Premises and to be paid before the same become a lien upon the Premises; provided, however, if for any reason such taxes, assessments, or other charges shall not be separately assessed, LESSEE shall nevertheless pay the same as additional rent within ten (10) days of receipt of billing thereof and reasonable underlying documentation. LESSEE shall have the right, at its sole option and at its sole cost and expense, to appeal, challenge or seek modification of any real estate tax assessment or billing for which LESSEE is wholly or partly responsible for payment under this Agreement. LESSOR shall reasonably cooperate with LESSEE in filing, prosecuting and perfecting any appeal or challenge to real estate taxes as set forth in the preceding sentence, including but not limited to, executing any consent to appeal or other similar document.

9. INDEMNIFICATION. Subject to Paragraph 0 below, LESSOR and LESSEE shall indemnify, defend (by counsel reasonably acceptable to the LESSOR), protect and hold the other and each of the other's partners, owners, members, directors, officers, employees, agents, ground lessors, lenders, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, judgments, costs, damages, demands, losses or expenses (including reasonable attorneys' fees) to the extent arising from any personal injury or property damage resulting from or arising out of the negligence or willful misconduct of the

indemnifying party, its employees, contractors or agents, except to the extent such claims or damages were caused by the negligence or willful misconduct of the other party, or its employees, contractors or agents.

10. INSURANCE.

a. Casualty Insurance. During the term hereof, LESSOR shall keep the buildings and improvements within which the Premises are contained insured against loss or damage by fire, with extended coverage, sprinkler leakage, special extended perils (all risk), Inflation Guard Endorsement, vandalism and malicious mischief endorsements, or their equivalents, and with such additional endorsements and covering such additional perils, including, but not limited to, earthquake and flood insurance, as LESSOR elects to maintain from time to time in LESSOR's sole discretion. Such insurance shall be obtained from such insurance companies as LESSOR shall select, and in amounts determined from time to time by LESSOR in LESSOR's sole discretion, but in no event less than ninety percent (90%) of the replacement cost of the building and structures insured, with loss payable to LESSOR and to any authorized encumbrancer of LESSOR (with standard mortgagee loss payable clause), in accordance with their respective interests. If the Lease is terminated as a result of damage by fire or casualty as set forth in this Lease, all insurance proceeds shall be paid to and retained by LESSOR, subject to the rights of any authorized encumbrancer of LESSOR.

LESSEE shall not knowingly do or permit anything to be done in or upon the Premises, or bring or keep anything therein, or use the Premises in a manner, which reasonably increases the rate of casualty insurance upon any building, or any other property or equipment of LESSOR, over the rate in effect at the commencement of the term of this Agreement, or which invalidates or otherwise terminates any such insurance policies. If, by reason of any failure of LESSEE to comply with the provisions of this Agreement, the rate of insurance on any building, or on any other property or equipment of LESSOR, or on any other lessee or sublessee of LESSOR, shall be higher than it otherwise would be, LESSEE shall reimburse LESSOR, within fifteen (15) days after receipt of written notice by LESSOR and reasonable supporting documentation, for that part of the reasonable insurance premium paid by LESSOR which shall have been charged because of such failure by LESSEE.

b. Contents Insurance. During the term hereof, LESSEE shall, at LESSEE's sole cost and expense, carry insurance covering all of the items of LESSEE's leasehold improvements, alterations, additions or improvements, trade fixtures, and personal property in, on or upon the Premises, in an amount equal to the full replacement cost thereof, providing protection against any peril included within the classification fire and extended coverage, together with insurance against sprinkler damage, vandalism and malicious mischief. LESSEE shall also carry and maintain, at its sole cost and expense, machinery insurance on all air conditioning equipment and systems exclusively serving the Premises and maintained by LESSEE. If the said objects and the damage that may be caused by or result from them are not covered by LESSEE's fire and extended coverage, then such insurance shall be in the amount of One Hundred Thousand and 00/100 Dollars ($100,000.00). If LESSEE requires boilers or other

pressure vessels to exclusively serve the Premises and such boilers or other pressure vessels are maintained by LESSEE, they shall also be insured in the foregoing amounts.

c. Liability Insurance. LESSEE shall, at LESSEE's cost and expense, at all times during the term of this Agreement, maintain and carry commercial general liability insurance, with cross liability endorsement, property damage and personal liability insurance by the terms of which LESSEE and LESSOR shall be indemnified against liability for damage or injury to property or person (including death) occurring on the Premises, or any part thereof, or arising from the ownership, use, occupancy or maintenance thereof, or arising directly or indirectly from any act or omission of LESSEE, its employees, agents, representatives, successors, assigns, customers, invitees, licensees or concessionaires. The liability insurance to be maintained by LESSEE shall also insure performance of all of LESSEE's hold harmless, defense, protection and indemnity obligations under this Agreement, subject to standard policy provisions and exclusions. Such insurance shall be carried and maintained on the minimum basis of Two Hundred Fifty Thousand and 00/100 Dollars ($250,000.00) for damage to property, Three Million and 00/100 Dollars ($3,000,000.00) for personal injury to one person and Three Million and 00/100 Dollars ($3,000,000.00) for personal injury in any one accident or Three Million and 00/100 Dollars ($3,000,000.00) combined single limit coverage for bodily injury and property damage. In the event this Agreement shall permit the sale of alcoholic beverages from or on the Premises, such insurance as carried by LESSEE hereunder shall include liquor liability insurance. The limits of all insurance required to be carried by LESSEE pursuant to this Agreement shall be subject to periodic reasonable increases based upon inflation, increased liability awards, recommendation of professional insurance advisers, and other relevant factors. However, in no event shall the limits of any insurance to be obtained by LESSEE limit the liability of LESSEE under this Agreement.

d. Policy Form. All insurance carried by LESSEE hereunder shall be written by insurance companies authorized to do business in the state in which the Premises are located, with a financial rating and a policyholders rating of at least A- by AM Best. All such policies shall name LESSOR and any ground lessor or encumbrancer of LESSOR as an additional insured. If LESSEE fails to maintain any policy required to be maintained under this Agreement by LESSEE, LESSOR may elect, in addition to all other remedies available to LESSOR at law, in equity, or under this Agreement, to maintain such policy at LESSEE's expense, and LESSEE shall reimburse LESSOR therefor upon demand. Each insurance policy shall provide that such policy cannot be cancelled without thirty (30) days prior (ten (10) days due to non-payment) written notice to LESSOR and to any superior lessor, mortgagee or trust deed holder of whom the insurer has been notified in writing. Executed copies of each policy of insurance required to be carried by LESSEE, or certificates thereof, shall be delivered to LESSOR prior to the Commencement Date and thereafter executed copies of renewal policies or certificates shall be delivered to LESSOR within ten (10) days after the expiration of such policy. In the event LESSEE fails to procure, maintain and/or pay for any insurance required to be carried hereunder, LESSOR shall have the right, but not the obligation, to procure same and pay the premiums therefore (provided, however, that LESSOR has provided LESSEE with written notice of such failure and LESSEE has failed to procure such insurance within ten (10) business days after receipt of such notice from LESSOR), in which event LESSEE shall repay LESSOR all sums

paid by LESSOR within ten (10) days after LESSEE's receipt of written demand for such sums and reasonable supporting documentation.

11. LIMITATION OF LIABILITY. Except for indemnifications specifically set forth in this Agreement, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

12. ANNUAL TERMINATION. Notwithstanding anything to the contrary contained herein, provided LESSEE is not in default hereunder beyond applicable notice and cure periods, LESSEE shall have the right to terminate this Agreement upon the annual anniversary of the Commencement Date provided that six (6) months prior notice is given to LESSOR.

13. INTERFERENCE. LESSEE agrees to install equipment of the type and frequency which will not cause interference which is measurable in accordance with then existing industry standards to any equipment of LESSOR or other lessees of the Property or governmental agencies or the Torrance Airport which exist on or near the Property at any time prior to the date this Agreement is executed by the Parties. In the event any of LESSEE's after-installed equipment causes such interference, then after LESSOR has notified LESSEE in writing of such interference, LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference. LESSOR shall not be entitled to terminate this Agreement or relocate the equipment as long as LESSEE is making a diligent, good faith effort to remedy the interference issue. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph, and therefore, each Party shall have the right to equitable remedies such as, without limitation, injunctive relief and specific performance. LESSOR acknowledges that interference may come from different sources, and LESSEE shall only be responsible to correct interference caused by LESSEE's equipment. In the event LESSEE fails to so correct such interference after said notice and time period, LESSEE shall be in default under this Agreement. LESSOR agrees that LESSOR and/or any other future tenants of the Property will be permitted to install only such radio equipment that is of the type and frequency which will not cause interference to LESSEE. LESSOR further agrees that the current tenants will only be permitted to install additional equipment that is of a type and frequency which will not cause interference to the LESSEE. However, LESSOR shall not be required to bring any legal action against the interfering tenant. Nothing in this section or Agreement shall be deemed to limit LESSEE's right of action against the interfering tenant.

14. REMOVAL AT END OF TERM. LESSEE shall, upon expiration of the Term, or within sixty (60) days after any earlier termination of the Agreement, remove all of its equipment, conduits, fixtures and all personal property and restore the Premises to its original condition, reasonable wear and tear and casualty damage excepted. LESSOR agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of LESSEE shall remain the personal property of LESSEE and LESSEE shall have the right to remove the same at any time during the Term, whether or not said items are considered fixtures and

attachments to real property under applicable Laws. If such time for removal causes LESSEE to remain on the Premises after termination of this Agreement, LESSEE shall pay rent at the then existing monthly rate, until such time as the removal of the building, antenna structure, fixtures and all personal property are completed. In no event shall such removal occur later than sixty (60) days following the termination of the Agreement.

15. HOLDOVER. LESSEE has no right to retain possession of the Premises or any part thereof beyond the expiration of that removal period set forth in Paragraph 14 herein. If LESSEE shall hold over for any period after the expiration of the term hereof, LESSOR may, at LESSOR's option, treat LESSEE as a month to month tenant, and then the rent then in effect payable from and after the time of the expiration or earlier removal period set forth in Paragraph 14 shall be increased to one hundred fifty percent (150%) of the rent applicable during the month immediately preceding such expiration or earlier termination.

16. RIGHTS UPON SALE. Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property or the Building thereon to a purchaser other than LESSEE, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Building and or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, such sale or grant of an easement or interest therein shall be under and subject to this Agreement and any such purchaser or transferee shall recognize LESSEE's rights hereunder under the terms of this Agreement.

17. QUIET POSSESSION. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall have quiet possession of the Premises.

18. AUTHORITY. LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, that LESSOR has full authority to enter into and execute this Agreement. LESSEE represents and warrants to LESSOR as of the execution date of this Agreement, that LESSEE has full authority to enter into and execute this Agreement.

19. INTEGRATION. It is agreed and understood that this Agreement contains all agreements, promises and understandings between LESSOR and LESSEE and that no verbal or oral agreements, promises or understandings shall be binding upon either LESSOR or LESSEE in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing signed by the Parties or in a written acknowledgment in the case provided in Paragraph 3. In the event any provision of the Agreement is found to be invalid or unenforceable, such finding shall not affect the validity and enforceability of the remaining provisions of this Agreement. The failure of either Party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such Party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity.

20. GOVERNING LAW. This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the Laws of the State in which the Property is located.

21. ASSIGNMENT. This Agreement may be sold, assigned or transferred by the LESSEE without any approval or consent of the LESSOR to the LESSEE's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission 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 the LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder.

22. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: Torrance Towne Center Associates, LLC
Attn: Norman La Caze
2601 Airport Drive, Suite 300
Torrance, California 90505

LESSEE: Los Angeles SMSA Limited Partnership,
d/b/a Verizon Wireless
180 Washington Valley Road
Bedminster, New Jersey 07921
Attention: Network Real Estate
(Site: Skyline - PCH)

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

23. SUCCESSORS. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.

24. FINANCING. It is mutually understood and acknowledged that LESSOR may, from time to time, finance the construction of, and/or improvements within, the Shopping Center, and that a bank, savings and loan, or other lender, or lenders, must approve this Agreement if the date of the final financing agreement precedes the date of this Agreement, but in no event shall a bank savings and loan or other lender providing financing after the date of this Agreement be permitted to terminate this Agreement.

25. SUBORDINATION, ATTORNMENT AND NONDISTURBANCE, TITLE OF LESSOR. This Agreement and all of the rights of LESSEE hereunder are and shall be subject and subordinate to the lien of any ground lease, mortgage or deed of trust now existing, or which hereinafter may be placed, on the Premises, or any part thereof, on the building in which the Premises is located, or on any other portion of the Shopping Center, and to any and all renewals, modifications, consolidations, or extensions of any such ground lease, mortgage or deed of trust (all of which are hereinafter termed the "ground lease" or "mortgage or deed of trust") provided, nevertheless, each or all of such ground leases, mortgages or deeds of trust shall contain provisions to the effect that so long as LESSEE is not in default under this Agreement after the giving of written notice and beyond the expiration of all applicable cure periods, no termination of any such ground lease, and no foreclosure of the lien of any such mortgage or deed of trust, shall impair LESSEE's right to quiet possession of the Premises pursuant to the provisions of this Agreement. Such subordination complying with the provisions herein shall be automatic, without the execution of any further subordination agreement by LESSEE. Notwithstanding the foregoing, upon LESSOR's written request and within thirty (30) days thereafter, LESSEE agrees to execute, acknowledge, and deliver a commercially reasonable subordination agreement in form reasonably satisfactory to LESSOR.

LESSEE shall, in the event of a sale or assignment of LESSOR's interest in the Premises, or in the event of any proceedings brought for the foreclosure of any mortgage or deed of trust whether pursuant to judicial foreclosure, power of sale, or otherwise, or in the event of termination of any ground lease, attorn to the purchaser or ground lessor, as the case may be, and recognize such purchaser or ground lessor as LESSOR under this Agreement. The foregoing provisions shall inure to the benefit of any such purchaser or ground lessor and shall be self-operative upon any such sale, ground lease, termination, assignment or foreclosure, without requiring any further instrument to give effect to such provisions. Nothing contained in this Paragraph 25 shall be construed to impair any right otherwise exercisable by any such ground lessor, purchaser, beneficiary or mortgagee.

LESSOR covenants that as of the date hereof there are no liens upon its estate other than (a) the effect of covenants, conditions, restrictions, easements, mortgages or deeds of trust, any ground lease of record, any rights of way of record, and any other matters or documents of record, including but not limited to any declaration of covenants, conditions and restrictions hereinafter referred to as the "Recorded Agreements" (it being understood that the Recorded Agreements shall not prevent LESSEE from using the Premises for the permitted use of the Premises as described herein); (b) the effect of any zoning laws of the City, County and State where the Shopping Center is situated, and (c) general and special taxes not delinquent. LESSEE agrees that (i) as to its leasehold estate it, and all persons in possession or holding under it, will conform to and will not violate the terms of the aforementioned Recorded Agreements or said matters of record, and (ii) this Agreement is subordinate to the Recorded Agreements.

26. DEFAULT.

a. In the event there is a breach by LESSEE with respect to any of the provisions of this Agreement or its obligations under it, including the payment of rent, LESSOR

shall give LESSEE written notice of such breach. After receipt of such written notice, LESSEE shall have ten (10) days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach, provided LESSEE shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSEE commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSOR may not maintain any action or effect any remedies for default against LESSEE unless and until LESSEE has failed to cure the breach within the time periods provided in this Paragraph.

b. In the event there is a breach by LESSOR with respect to any of the provisions of this Agreement or its obligations under it, LESSEE shall give LESSOR written notice of such breach. After receipt of such written notice, LESSOR shall have thirty (30) days in which to cure any such breach, provided LESSOR shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSOR commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSEE may not maintain any action or effect any remedies for default against LESSOR unless and until LESSOR has failed to cure the breach within the time periods provided in this Paragraph.

27. REMEDIES. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Premises are located.

28. MASTER LEASE. LESSOR and LESSEE acknowledge and agree that notwithstanding the designation of this Agreement as a "Lease," it is a "Sublease," "LESSOR" is a "Sublessor," and "LESSEE" is a "Sublessee." LESSOR is the lessee under the Master Lease with MASTER LESSOR, which Master Lease collectively covers the Premises and other property in the Shopping Center. This Agreement is subject and subordinate to the Master Lease. In the event for any reason whatsoever the Master Lease is terminated prior to the expiration of the Term, this Agreement shall terminate, at the option of the MASTER LESSOR, as of the date the Master Lease is terminated. In the event the LESSOR receives any notice of failure to pay or failure to perform any covenant, agreement or obligation under the Master Lease, the LESSOR shall notify the LESSEE of such notice as soon as the notice is received by the LESSOR pursuant to the terms of the Master Lease and the LESSEE may take any such actions to cure any such failure under the Master Lease. The LESSEE shall be under no obligation to take such action but may do so solely at its own discretion. In the event the LESSEE pays any amount or performs any obligations on behalf of the LESSOR pursuant to the terms of the Master Lease, the LESSEE may deduct such amounts paid or the reasonable value of the performance from the amount that would otherwise be due from the LESSEE to the LESSOR pursuant to this Agreement.

LESSEE covenants and agrees to comply with and shall not violate any of the terms, covenants and conditions of the Master Lease, whether or not a provision exists in this Agreement requiring LESSEE to so comply, except that LESSEE's obligations and covenants to pay Minimum Monthly Rent and other charges (and the use of the Premises) shall be governed by this Agreement and shall be considered satisfied to the extent and in the amount that rent and other charges are paid hereunder by LESSEE to LESSOR.

29. ESTOPPEL CERTIFICATES. LESSEE agrees at any time upon not less than thirty (30) days prior written request of LESSOR, to execute, acknowledge and deliver to LESSOR a statement in writing in such form reasonably required by LESSOR or by any lender or ground lessor of LESSOR, certifying to the best of LESSEE's current, actual knowledge that this Agreement is unmodified and in full force and effect and that LESSOR is not in default (or if modified, in full force and effect as modified and stating the modifications, or if there is any default; stating such default), and the dates to which rental or other sums have been paid in advance, it being intended that any such statement delivered pursuant to this Paragraph 29 may be relied upon by any prospective purchaser, ground lessor, mortgagee or beneficiary. If LESSEE fails to so deliver any requested statement within such thirty (30) day period, LESSOR and any prospective purchaser, encumbrancer or ground lessor may conclusively presume that this Agreement is unmodified and in full force and effect, that LESSOR is not in default hereunder, and that no rental or other sums have been paid more than one (1) month in advance.

30. RELOCATION OF CELL SITE. LESSOR, on one (1) occasion not resulting from the redevelopment, remodel, or expansion or demolition of the Building and/or Shopping Center, in which event Paragraph 31 shall apply, may relocate LESSEE to another location on the LESSOR's Property (herein referred to as the "Alternate Property"), provided

i. the Alternate Property is similar to LESSEE's current Premises in size and is reasonably compatible for LESSEE's use;

ii. LESSOR shall pay all reasonable costs incurred by LESSEE for relocating LESSEE's equipment from the Premises to a mutually agreeable site and improving the Alternate Property so that the Alternate Property is substantially similar to the original Premises, including all costs incurred to obtain all of the certificates, permits and other approvals that may be required by any Federal, State or Local authorities as well as any satisfactory soil boring tests which will permit LESSEE use of the Alternate Property as set forth in Paragraph 6 hereinabove;

iii. LESSOR shall give LESSEE at least six (6) months written notice before requiring LESSEE to relocate; and

iv. LESSEE's service will not be materially interrupted and LESSEE shall be allowed if necessary to place a temporary cell site and antenna structure on LESSOR's Property during relocation.

31. LESSOR'S RIGHT TO REDEVELOP. Notwithstanding anything to the contrary in Paragraph 30, anytime after execution of this Agreement, if LESSOR wishes to

relocate the Premises in conjunction with a redevelopment, remodel, expansion or demolition of the Building or Shopping Center, LESSOR shall provide LESSEE with written notice of its intent to redevelop at least twelve (12) months ("LESSOR's Notice") prior to the commencement of any construction implementing LESSOR's redevelopment plans. LESSOR's Notice shall contain a description of LESSOR's redevelopment plans and shall also notify LESSEE whether the location of the Premises (a) is inconsistent with LESSOR's redevelopment plans, or (b) shall be unaffected by LESSOR's redevelopment plans and that the Agreement shall remain in full force and effect. In the event the location of the Premises is inconsistent with LESSOR's redevelopment plans, then the Parties shall use their best efforts to identify promptly another location on the Property satisfactory to both the Parties to which the Premises shall be permanently relocated. LESSEE's service will not be materially interrupted and LESSEE shall be allowed if necessary to place a temporary call site and antenna structure on LESSOR's Property during relocation. If the Parties cannot identify a satisfactory location to which the Premises can be permanently relocated, then the parties shall use their best efforts to identify promptly another area on the Property satisfactory to both parties to which the Premises shall be temporarily relocated. Following such temporary relocation and upon completion of the construction of the improvements contemplated by LESSOR's redevelopment plans, the Parties shall then use their reasonable efforts to find suitable premises on or in any of the improvements constructed by LESSOR in connection with the redevelopment plans to which LESSEE's Premises shall be permanently relocated. In the event that LESSEE determines, in its sole discretion, during the implementation of LESSOR's redevelopment plans that LESSEE will be unable to operate continuously without interference, then LESSEE shall have the right to terminate this Agreement upon thirty (30) days written notice. If the Premises are either temporarily or permanently relocated as described above, then LESSOR shall pay the cost of relocating and reconstructing the communications facility. LESSOR shall be responsible for all costs of implementing the redevelopment plans, including, without limitation, the construction costs for any improvements which may constitute LESSEE's temporary or permanent Premises. Notwithstanding the foregoing, LESSOR shall have no obligation for the cost of the obtainment of any electronic communication devices, including without limitation any transmitter, receiver, antenna or cable. Upon permanent relocation of the Premises pursuant to Paragraph 30 or 31, the Parties shall execute an amendment to the Agreement which redefines the Premises and which deletes the existing Exhibit B and replaces it with a revised Exhibit B. Except as otherwise provided in Paragraph 30 and 31 all other terms and conditions of the Agreement shall remain in full force and effect upon relocation of the Premises.

32. ENVIRONMENTAL.

a. LESSOR warrants and agrees that neither LESSOR nor, to LESSOR's knowledge, any third party has used, generated, stored or disposed of, or permitted the use, generation, storage or disposal of, any Hazardous Material (as defined below) on, under, about or within LESSOR's Property in violation of any law or regulation.

b. LESSEE shall at all times and in all respects comply with all Laws (as defined below) relating to industrial hygiene, environmental protection and the use, analysis,

generation, emission, manufacture, storage, disposal or transportation of any Hazardous Material (as defined below).

c. LESSEE shall indemnify, defend (by counsel reasonably acceptable to LESSOR), protect, and hold LESSOR, and each of LESSOR's partners, owners, members, directors, officers, employees, agents, lenders, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, judgments, costs, damages, demands, losses or expenses (including reasonable attorneys' fees) or death of or injury to any person or damage to any property whatsoever, to the extent arising from or caused by (i) the presence in, on, under or about the Premises or the Property or discharge in or from the Premises or the Property of any Hazardous Materials brought onto the Property by LESSEE and/or LESSEE's use, analysis, storage, transportation, disposal, release, threatened release, discharge or generation of Hazardous Materials to, in, on, under, about or from the Premises or the Property, or (ii) LESSEE's failure to comply with any Laws. LESSEE's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any investigation (including reasonable consultants' and reasonable attorneys' fees and testing) required or necessary repair, remediation, restoration, cleanup or detoxification or decontamination of the Premises and/or the Property and the preparation and implementation of any closure, remedial action or other required plans in connection therewith, and shall survive the expiration or earlier termination of the Term. For purposes of the release, defense, protection, hold harmless and indemnity provisions hereof, any acts or omissions of LESSEE, or by employees, agents, assignees, contractors or subcontractors of LESSEE or others acting for or on behalf of LESSEE (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to LESSEE.

d. Without limiting the foregoing, if the presence of any Hazardous Material on the Premises or the Property is caused or permitted by LESSEE and results in any contamination of the Premises or the Property, except for contamination caused by LESSOR or any third party, LESSEE shall promptly take all commercially reasonable actions at its sole expense as are necessary to return the Premises and the Property to the condition existing prior to the introduction of any such Hazardous Material.

e. LESSEE shall not take any remedial action in response to the presence of any Hazardous Materials in or about the Premises or the Property nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Material in any way connected with the Premises or the Property, without first notifying LESSOR of LESSEE's intention to do so and affording LESSOR ample opportunity to appear, intervene or otherwise appropriately assert and protect LESSOR's interest with respect thereto unless otherwise required by law or order.

f. LESSEE shall immediately notify LESSOR in writing of: (i) any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Laws; (ii) any claim made or threatened by any person against LESSEE, and/or the Premises and/or the Property, relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claimed to result from any Hazardous

Material; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Material in, emanating from, or removed from the Premises or the Property, including any complaints, notices, warnings or asserted violations in connection therewith. LESSEE shall also provide to LESSOR as promptly as possible, and in any event within five (5) business days after LESSEE first receives or sends the same, with copies of all claims, reports, complaints, notices, citations, report warnings or asserted violations relating in any way to the Premises or the Property, or LESSEE's use thereof, or involving failure by LESSEE or the Premises or the Property to comply with any Law. LESSEE shall promptly deliver to LESSOR copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Material removed from the Premises and/or the Property.

g. LESSEE shall, within five (5) business days after receipt of LESSOR's written request, provide LESSOR with copies of all documents and information, including, but not limited to, permits, registrations, manifests, applications, reports and certificates, evidencing LESSEE's compliance with any law specified by LESSOR.

h. LESSEE shall at its own expense procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for LESSEE's use of the Premises, and any construction in the Premises for the Permitted Use, including, without limitation, the disposal of vapors from the Premises and discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Premises. Except as discharged into the sanitary sewer in strict accordance and conformity with all applicable Laws, LESSEE shall cause any and all Hazardous Material removed from the Premises to be removed and transported solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes. LESSEE shall in all respects handle, treat, deal with and manage any and all Hazardous Material in, on under or about the Premises in total conformity with all applicable Laws and prudent industry practices regarding management of such Hazardous Material.

i. Notwithstanding any of the foregoing, LESSOR's prior written approval of all such actions and the contractors to be used by LESSEE in complying with the provisions of this Agreement shall first be obtained, which approval shall not be unreasonably withheld, conditioned or delayed so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or the Property.

j. Upon expiration or earlier termination of the term of the Agreement, LESSEE shall cause all Hazardous Material to be removed from the Premises and transported for use, storage or disposal in accordance and compliance with all applicable Laws and in accordance with the requirements of this Agreement.

k. LESSOR and LESSOR's lender(s) shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times, for the purpose of inspecting the condition of the Premises and for verifying compliance by LESSEE with this Agreement and all Laws, and to employ experts and/or consultants in connection therewith and/or to advise LESSOR with respect to LESSEE's activities, including but not

limited to the installation, operation, use, monitoring, maintenance, or removal of any Hazardous Material or storage tank on or from the Premises, subject to LESSEE's right to have a representative of LESSEE accompany such individuals. The costs and expenses of any such inspections shall be paid by the party requesting same, unless a default or breach of this Agreement, violation of Law, or a contamination, caused or materially contributed to by LESSEE is found to exist or be imminent, or unless the inspection is requested or ordered by a governmental authority as the result of any such existing or imminent violation or contamination. In any such case, LESSEE shall upon request reimburse LESSOR or LESSOR's lender, as the case may be, for the reasonable costs and expenses of such inspections.

l. It shall not be unreasonable for LESSOR to withhold its consent to any proposed transfer of the Agreement if (i) the proposed transferee's anticipated use of the Premises involves the generation, storage, use, treatment, or disposal of Hazardous Material, except as allowed herein; (ii) the proposed transferee has been required by any prior lessor, lender, or governmental authority to take remedial action in connection with Hazardous Material contaminating a property if the contamination resulted from such transferee's actions or use of the property in question; or (iii) the proposed transferee is subject to an enforcement order issued by any governmental authority in connection with the use, disposal, or storage of a Hazardous Material.

m. As used herein, the term "Hazardous Material" means any oil, flammable explosive, asbestos, ureaformaldehyde, radioactive material, vapor, solvent, or waste, contaminated or polluting materials, hazardous or toxic substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government. The term Hazardous Material includes, without limitation, any material or substance which is (i) defined as "hazardous waste", "extremely hazardous waste", or "restricted hazardous waste", under Sections 25115, 25117 or 15122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law) (ii) defined as a "Hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a Hazardous material", "Hazardous substance", or "Hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "Hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum (vi) asbestos, (vii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (viii) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. Section 1317), (ix) defined as a "Hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903), or (x) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq. (42 U.S.C. Section 9601). Notwithstanding the foregoing, LESSOR and LESSEE acknowledge that LESSEE shall be utilizing and maintaining on the Property sealed batteries, propane/diesel/gasoline, HVAC system, and a halon/FM200 fire suppression system

and that the use and maintenance of such items shall not constitute a violation or breach of the preceding sentences of this paragraph or of the Rules and Regulations defined in Paragraph 38.

n. As used herein, the term "Laws" means any applicable federal, state or local laws, ordinances, or regulations relating to any Hazardous Material affecting the Premises or the Property, whether in effect as of the date hereof or hereinafter enacted including, without limitation, Proposition 65 of the State of California, California Assembly Bill 3713 and the laws, ordinances, and regulations referred to above.

o. In no event shall LESSOR's compliance with or performance of voluntary measures of any Law governing Hazardous Materials with respect to any portion of the Shopping Center entitle LESSEE to any damages from LESSOR, relieve LESSEE of the obligations to pay any sum due under the Agreement or perform any other of LESSEE's obligations hereunder, or give LESSEE the right to terminate or cancel the Agreement, or constitute or be construed as constructive or other eviction of LESSEE or interference with LESSEE's right of quiet enjoyment of the Premises.

34. CASUALTY. In the event of damage by fire or other casualty to the Building or Premises 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 LESSEE's operations at the Premises for more than forty-five (45) days, then LESSEE or LESSOR may, at any time following such fire or other casualty, provided LESSOR has not completed the restoration required to permit LESSEE to resume its operation at the Premises, terminate this Agreement upon fifteen (15) days prior written notice to LESSOR or LESSEE as the case may be. Any such notice of termination shall cause this Agreement 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 Agreement and the Parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Agreement. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which LESSEE's use of the Premises is impaired.

35. CONDEMNATION. In the event of any condemnation of all or any portion of the Property, this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If as a result of a partial condemnation of the Premises or Building, LESSEE, is unable to use the Premises for the purposes intended hereunder, or if such condemnation may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, LESSOR or LESSEE may, at its option, terminate this Agreement to be exercised in writing within fifteen (15) days after one party shall have given the other party 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 Agreement as of the date the condemning authority takes such possession. LESSEE may on its own behalf make a claim in any condemnation proceeding involving the Premises for losses related to the equipment, conduits, fixtures, its relocation costs and its damages and losses (but not for the loss of its leasehold interest). Any such notice of termination shall cause this

Agreement 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 Agreement and the Parties shall make an appropriate adjustment as of such termination date with respect to payments due to the other under this Agreement. If neither party terminates this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion as the rentable floor area of the Premises taken bears to the total rentable floor area of the Premises. In the event that this Agreement is not terminated by reason of such condemnation, LESSOR shall repair any damage to the Premises caused by such condemning authority within a reasonable period of time.

36. SUBMISSION OF AGREEMENT/PARTIAL INVALIDITY/AUTHORITY. The submission of this Agreement for examination does not constitute an offer to lease the Premises and this Agreement becomes effective only upon the full execution of this Agreement by the Parties. If any provision herein is invalid, it shall be considered deleted from this Agreement and shall not invalidate the remaining provisions of this Agreement. Each of the Parties hereto warrants to the other that the person or persons executing this Agreement on behalf of such Party has the full right, power and authority to enter into and execute this Agreement on such Party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement.

37. APPLICABLE LAWS. LESSEE shall, in respect to the condition of the Premises and at LESSEE's sole cost and expense, comply with (a) all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect (including, without limitation, the Americans with Disabilities Act and laws regulating hazardous substances) (collectively "Laws") relating solely to LESSEE's specific and unique nature of use of the Premises (other than general office use); and (b) all building codes requiring modifications to the Premises due to the improvements being made by LESSEE in the Premises. It shall be LESSOR's obligation to comply with all Laws relating to the Building in general, without regard to specific use.

38. RULES AND REGULATIONS. The Rules and Regulations attached to this Agreement as Exhibit "C" are hereby specifically incorporated into and made a part of this Agreement. LESSOR reserves the right from time to time to amend and supplement said Rules and Regulations and to adopt additional Rules and Regulations. Written notice of such additional Rules and Regulations, and of such amendments and supplements, shall be given to LESSEE before they take effect. LESSEE agrees to comply with and observe all Rules and Regulations, and all amendments and supplements thereto, of which LESSEE has prior written notice. LESSEE's failure to observe and comply with all Rules and Regulations, and all amendments and supplements thereto, shall constitute a material breach and default under this Agreement. In case of any conflict between any Rules and Regulations and this Agreement, the provisions of the Rules and Regulations will prevail. LESSOR shall have no obligation or responsibility to LESSEE to enforce the provisions of any leases or other agreements with any other lessees or occupants of the Shopping Center, and LESSOR shall not be liable to LESSEE for any damages

caused by any failure of such other lessees or occupants to comply with the Rules and Regulations in effect from time to time, or to otherwise comply with the terms of their leases or other occupancy agreements.

39. LESSOR'S INSPECTION. Upon obtaining LESSEE's prior written approval and subject to LESSEE's right to have such individuals accompanied by a representative of LESSEE, LESSEE agrees to permit LESSOR, or the authorized representatives of LESSOR, to enter the Premises at all reasonable times for the purposes of inspecting the Premises.

40. REMAINDER OF SHOPPING CENTER. LESSEE acknowledges and agrees that LESSEE shall have no right of control, regulation, approval or disapproval with respect to the use or development of that portion of the Shopping Center which is not included within the Premises, subject to the provisions of Paragraph 13 above. It is understood by LESSEE that LESSOR may not now or in the future own all of the Shopping Center which is not included within the Premises. LESSEE agrees not to cancel this Agreement, reduce or abate LESSEE's rental and other obligations hereunder with respect to any property not owned by LESSOR.

41. ATTORNEYS' FEES. In the event that legal proceedings are brought or commenced to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party all costs and expenses of such proceedings, including reasonable attorneys' fees, whether or not any proceedings are prosecuted to judgment.

42. SURVIVAL. The provisions of the Agreement relating to indemnification from one Party to the other Party shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration.

43. CAPTIONS. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

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

"LESSOR"

TORRANCE TOWNE CENTER ASSOCIATES LLC, a California limited liability company

BY: TORRANCE VENTURE 2003 LLC, a California limited liability company

BY: AIRPORT VENTURE 2002 LLC, a California limited liability company

By: _____
Name: _____
Its: _____
Date: _____

"LESSEE"

Los Angeles SMSA Limited Partnership, a California limited partnership, dba Verizon Wireless

BY: AirTouch Cellular, its general partner

By: _____
Name: Keith A. Surratt
Its: West Area Vice President – Network
Date: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

(See Attached.)

EXHIBIT "B"

DESCRIPTION AND DEPICTION OF PREMISES

(See Attached.)

EXHIBIT "C"

RULES AND REGULATIONS

Landlord hereby establishes the following rules and regulations for the safety, care and cleanliness of (i) the store areas (hereinafter referred to as the "Premises") of any tenant or tenants of the Shopping Center (a particular tenant is hereinafter referred to as "Tenant"), (ii) the Common Facilities and (iii) the Shopping Center in general, or for the preservation of good order.

A. FOR THE STORE AREA:

1. All floor areas of the Premises (including vestibules, entrances and air returns), doors, fixtures, windows, and plate glass shall be maintained in a clean, safe and good condition.

2. All trash, refuse and waste materials shall be stored in adequate containers and regularly removed from the Premises. These containers shall not be visible to the general public and shall not constitute a health or fire hazard or nuisance to any tenant. In the event that any tenant shall fail to remedy such a health or fire hazard or nuisance within five (5) days after written notice by Landlord, Landlord may remedy and/or correct such health or fire hazard or nuisance at the expense of Tenant.

3. No portion of the Premises shall be used for lodging purposes.

4. Neither sidewalks nor walkways shall be used to display, store or place any merchandise, equipment or devices, except in connection with sidewalk sales held with Landlord's prior written approval in each instance.

5. No public telephone, newsstand, shoeshine stand, refreshment, vending or other coin operated machine shall be installed or placed on the sidewalk or walkway area adjacent to the Premises or on the Common Facilities without Landlord's prior written approval in each instance.

6. No person or persons shall use the Premises, or any part thereof, for conducting therein a second-hand store, auction, distress or fire sale or bankruptcy sale, or "going-out-of-business" sale or "lost our lease" sale, without Landlord's prior written consent in each instance.

7. No portion of the Premises shall be used for the storage of any merchandise, materials or other properties, other than those reasonably necessary for the operation of a tenant's business. Landlord may, from time to time, inspect the Premises to ensure compliance with the foregoing provisions.

8. No display areas of the Premises shall be left vacant, and Tenant shall not black-out or otherwise obstruct the windows of the Premises, without Landlord's prior written consent.

9. Landlord shall have the absolute right to enter upon the Premises to perform such cleaning and clearing of the pipes and drains servicing the Premises (including roto-rooter service), and any grease traps and exhaust systems servicing the Premises, as Landlord shall deem necessary.

10. If Tenant shall operate a carry-out food operation, including any ice cream store, Tenant shall pay Landlord for all sidewalk and walkway cleanup work (including without limitation steam cleaning), that Landlord shall determine is necessary to preserve the sanitation, cleanliness, clean appearance, of the Center. Tenant shall pay Landlord on an estimated monthly basis, adjusted annually, and will be responsible for a cleanup of not less than one hundred feet (100') in radius from the entrance(s) to the Premises.

11. If Tenant provides its customers with the use of shopping carts and/or baskets, Tenant shall be responsible for causing said carts and/or baskets to be stored only in areas designated by Landlord. If Tenant fails to routinely collect and store said carts as necessary (at least twice on a daily basis), Landlord may assume the responsibility of same and may bill Tenant on an estimated monthly basis for such service.

12. The sidewalks, exits and entrances shall not be obstructed by Tenant or used by it for any purpose other than for ingress to and egress from the Premises. The exits, entrances and roof are not for the use of the general public and Landlord shall in all cases retain the right of control and prevent access thereto by all persons whose presence in the judgment of the Landlord, might be prejudicial to the safety, character, reputation and interests of the Shopping Center and its tenants, provided that nothing herein contained shall be construed so as to prevent such access to persons with whom Tenant normally deals in the ordinary course of Tenant's business unless such persons are engaged in illegal activities or are creating a nuisance.

13. Tenant shall not alter any lock or install any new or additional locks or any bolts on any door of the Premises without the prior written consent of Landlord (except as to safes and vaults of the Tenant).

14. The toilet rooms and urinals, wash bowls and other apparatus therein shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be placed therein; the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant, who, or whose employees, invitees, contractors or agents, shall have caused it.

15. Except as to normal pictures and furnishings, Tenant shall not mark, drive nails, screw or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof. No boring, cutting or stringing of wires shall be permitted except with the prior written consent of Landlord and as Landlord may direct. Tenant shall not lay linoleum tile, carpet or other similar floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by Landlord. The expense of repairing any damage resulting from a violation of this rule or removal of any floor covering shall be borne by Tenant.

16. Tenant shall not use, keep or permit to be used or kept any noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building or Shopping Center by reason of noise, odors, and/or vibrations, or interfere in any way with other tenants or those having business therein. Tenant shall not make or permit to be made any loud or disturbing noises or disturb or interfere with occupants of the Building or Shopping Center or those having business with them, whether by the use of any musical instrument, radio, phonograph, shouting, or in any other manner. Tenant shall not throw anything out of doors.

17. Tenant shall not use or keep in the Premises or the Building or Shopping Center, any kerosene, gasoline or flammable or combustible fluid or material, or use any method of heating or air conditioning other than that supplied or permitted by Landlord.

18. Landlord will direct electricians as to where and how electrical, telephone and telegraph wires are to be introduced to the Premises. No boring or cutting for wires will be allowed without the prior consent of Landlord. The location of telephone call boxes and other office equipment in the Premises shall be subject to the approval of Landlord.

19. All keys to offices, rooms and toilet rooms shall be obtained from Landlord and Tenant shall not duplicate or obtain such keys from any other sources. Upon termination of the Lease, Tenant shall deliver to Landlord the keys of the offices, rooms, and toilet rooms which were previously furnished to Tenant, failing which Tenant shall pay Landlord the cost of replacing same or of changing the lock or locks opened by any unreturned key if Landlord deems it necessary to make such changes.

20. No furniture, packages, supplies, equipment or merchandise will be received in the Building except between such hours as shall be designated by Landlord.

21. Tenant shall be responsible for assuring that doors to the Premises are not left unlocked during non-business hours, except while moving furniture or other items in or out of the Premises.

22. Tenant shall not canvass or solicit in the Building or the Shopping Center and Tenant shall cooperate to prevent any such canvassing and/or solicitation.

23. Landlord reserves the right to exclude or expel from the Building or the Shopping Center any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or is violating the rules and regulations of the Building or the Shopping Center.

24. The requirements of Tenant will be attended to only upon application to Landlord's designated property manager. Employees of Landlord shall have no obligation to perform any work for Tenant or do anything outside their regular duties for Tenant unless under special instructions from Landlord, and no employee shall have any obligation to admit any person (Tenant or otherwise) to any office of Landlord without specific instruction from Landlord.

B. FOR THE COMMON FACILITIES:

1. Tenant and its authorized representatives and invitees shall use any roadway, walkway, or mall (including the enclosed mall, if any) only for ingress to and egress from the stores in the Shopping Center. Use of the Common Facilities shall be in an orderly manner in accordance with directional or other signs or guides. Roadways shall not be used at a speed in excess of ten (10) miles per hour and shall not be used for parking or stopping, except for the immediate loading or unloading of passengers. Walkways and malls (including the enclosed mall, if any) shall be used only for pedestrian travel.

2. All tenants and their authorized representatives and invitees shall not use the parking areas for anything but parking motor vehicles. All motor vehicles shall be parked in an orderly manner within the painted lines defining the individual parking places. During peak periods of business activity, Landlord can impose

any and all controls Landlord deems necessary to operate the parking lot including but not limited to the length of time for parking use.

3. No person shall use any utility area, truck loading area, or other area reserved for use in conducting business, except for the specific purpose for which permission to use these areas has been given.

4. No employee shall use any area for motor vehicle parking except the area specifically designated for employee parking for the particular period of time the use is to be made. No tenant shall designate an area for employee parking except the area designated in writing by Landlord.

5. Without the consent of Landlord, no person shall use any of the Common Facilities for:

(a) Vending, peddling or soliciting orders for sale or distributing of any merchandise, device, service, periodical, book, pamphlet, or other matter;

(b) Exhibiting any sign, placard, banner, notice or other written material;

(c) Distributing any circular, booklet, handbill, placard, or other material;

(d) Soliciting membership in any organization, group, or association, or soliciting contributions for any purpose;

(e) Parading, patrolling, picketing, demonstrating, or engaging in conduct that might interfere with the use of the Common Facilities or be detrimental to any of the business establishments in the Shopping Center;

(f) Using the Common Facilities for any purpose when none of the business establishments in the Shopping Center is open for business;

(g) Discarding any paper, glass, or extraneous matter of any kind, except in designated receptacles;

(h) Using a sound-making device of any kind or making or permitting any noise that is annoying, unpleasant, or distasteful; or

(i) Damaging any sign, light standard, or fixture, landscaping material or other improvement or property within the Shopping Center.

The above listing of specific prohibitions is not intended to be exclusive, but is intended to indicate the manner in which the right to use the Common Facilities solely as a means of access and convenience in shopping at the business establishments in the Shopping Center is limited and controlled by Landlord.

C. IN GENERAL:

1. No pets shall be allowed in or about the store areas or Common Facilities of the Shopping Center, without Landlord's prior written consent.

2. Tenant and its authorized representatives and invitees shall not loiter in the parking or other Common Facilities. They shall in no way obstruct the sidewalks, entry passages, pedestrian passageways, driveways, entrances, and exits; they shall use them only as ingress to and egress from their work areas.

3. Tenant and its authorized representatives and invitees shall not throw cigar or cigarette butts or other substances or litter of any kind in or about the buildings of the Shopping Center, except in receptacles placed in it for that purpose.

4. The toilet rooms, toilets, urinals, washbowls, and other apparatus in the Shopping Center shall not be used for any purpose than that for which they were constructed. No foreign substance of any kind shall be thrown into them.

5. Landlord shall not be responsible to any tenant or to any other person for the nonobservance or variation of these rules and regulations by any other tenant or other person. Tenant shall be deemed to have read these rules and to have agreed to abide by them as a condition to Tenant's occupancy of the space leased.

6. Landlord reserves the right upon written notice to Tenant, to rescind, alter or waive any rule or regulation at any time prescribed for the Building or the Shopping Center, or to establish additional rules and regulations when, in Landlord's sole judgment, it is necessary, desirable or proper for the best interests of the Building or the Shopping Center.

SITE NAME: Torrance Plaza
SITE NUMBER: LA2628B
SITE ADDRESS: Corner of Pacific Coast Highway and Crenshaw Boulevard, Torrance, CA 90505

Attachment C
DRAFT

OPTION AND BUILDING AND ROOFTOP LEASE AGREEMENT

This Agreement made this day of , 2008 , between TORRANCE TOWNE CENTER ASSOCIATES LLC, a California limited liability company, with its principal offices located at 2601 Airport Drive, Suite 300, Torrance, California 90505, Tax ID #47-0926055 hereinafter designated LESSOR and Royal Street Communications California, LLC, a Delaware limited liability company **(PLEASE PROVIDE FINANCIALS FOR LESSOR'S REVIEW) ,** with its principal offices located at 2913 El Camino Real #561, Tustin, CA 92782, hereinafter designated LESSEE. The LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party".

LESSOR is the owner of that certain building ("Building") with an address of _____ Pacific Coast Highway and is the ground lessee of that real property located at the corner of Pacific Coast Highway and Crenshaw Boulevard, in the City of Torrance, the County of Los Angeles, and the State of California, (the entirety of LESSOR's real property and Building are collectively referred to hereinafter as the "Property" or "Shopping Center"), and legally described in Exhibit "A" attached hereto and made a part hereof. LESSEE desires to obtain an option to lease a portion of said Property, approximately Two hundred and twenty five (225) square feet of space (the "Floor Space") and approximately fifty (50) square feet on the roof (the "Rooftop Space") of the Building for the installation, operation and maintenance of communications equipment; together with such additional space on the roof of the Building sufficient for the installation, operation and maintenance of antennas (the "Antenna Space"); together with such additional space within the Building or on the exterior of the Building, provided the use of such space does not interfere with any existing tenancy and is in a location approved by LESSOR, and on the roof of the Building for the installation, operation and maintenance of wires, cables, conduits and pipes (the "Cabling Space") running between and among the Floor Space, Rooftop Space and Antenna Space and to all necessary electrical and telephone utility sources located on the Property; together with the non-exclusive right of ingress and egress from a public right-of-way, seven (7) days a week, twenty four (24) hours a day, over the Property and in and through the Building to and from the Premises (as hereinafter defined) for the purpose of installation, operation and maintenance of LESSEE's communications facility. The Floor Space, Rooftop Space, Antenna Space and Cabling Space are hereinafter collectively referred to as the "Premises" and are as shown on Exhibit "B" attached hereto and made a part hereof.

NOW THEREFORE, in consideration of the sum of Four Thousand Dollars ($4,000.00), to be paid by LESSEE to the LESSOR, which LESSEE will provide upon full execution of this Agreement, the LESSOR hereby grants to LESSEE the right and option to lease said Premises, for the term and in accordance with the covenants and conditions set forth herein.

The option may be exercised at any time on or prior to four (4) months after the full execution of this Agreement. The time during which the option may be exercised may only be further extended by mutual agreement in writing, and the consideration for any such extension shall be One Thousand Dollars ($1,000) for each month of the extension.

This option may be sold, assigned or transferred by the LESSEE without any approval or consent of the LESSOR to the LESSEE's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market

defined by the Federal Communications Commission in which the Property is located by reason of a merger or acquisition, or to any entity which acquires or receives an interest in all or substantially all of the communication towers of the LESSEE in the market defined by the Federal Communications Commission in which the Property is located. As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of the LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of less than twenty five percent (25%) of the stock ownership, partnership interest or control of LESSEE nor a transfer of ownership of LESSEE's assets to the then owners of LESSEE upon partnership or corporate dissolution of LESSEE, shall constitute an assignment hereunder requiring the approval of LESSOR; provided however, LESSEE shall provide at least thirty (30) prior written notice of such changes to LESSOR. Notwithstanding anything to the contrary contained in this option and/or Agreement, LESSEE may assign, mortgage, pledge, hypothecate or otherwise transfer without consent its interest in this option and/or Agreement to any financing entity, or agent on behalf of any financing entity to whom LESSEE (i) has obligations for borrowed money or in respect of guaranties thereof, (ii) has obligations evidenced by loans, bonds, debentures, notes or similar instruments, or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof.

Should LESSEE fail to exercise this option or any extension thereof within the time herein limited, all rights and privileges granted hereunder shall be deemed completely surrendered, this option terminated, and LESSOR shall retain all money paid for the option, and no additional money shall be payable by either Party to the other.

LESSOR shall reasonably cooperate, at no expense to LESSOR, with LESSEE in its effort to obtain all certificates, permits and other approvals that may be required by any Federal, State or Local authorities which will permit LESSEE use of the Premises.

LESSEE may have reasonable ingress and egress to the Premises during the option period to conduct such surveys, non-evasive inspections, non-evasive structural strength analysis, soil tests directly underneath the boundaries of the Floor Space , and other activities of a similar nature as LESSEE may reasonably deem necessary, at the sole cost of LESSEE. LESSEE will notify LESSOR in writing in advance of any proposed surveys, inspections, analysis and/or tests and will coordinate the scheduling of such activities with LESSOR. A copy of any final boundary or topographic surveys, final structural analyses and/or final Phase I, Phase II and/or NEPA reports shall be provided to LESSOR for LESSOR's use and reliance at no expense to LESSOR. .

Notice of the exercise of the option shall be given by LESSEE to the LESSOR in writing by certified mail, return receipt requested. Notice shall be deemed effective on the date it is posted. On the date of such notice the following agreement shall take effect:

BUILDING AND ROOFTOP LEASE AGREEMENT

This Building and Rooftop Lease Agreement (the "Agreement" or "Lease") made this ___ _____ day of _____, 2008, between TORRANCE TOWNE CENTER ASSOCIATES LLC, a California limited liability company, with its principal offices located at 2601 Airport Drive, Suite 300, Torrance, California 90505, Tax ID #47-0926055 hereinafter designated LESSOR and Royal Street Communications California, LLC, a Delaware limited liability company with its principal offices at 2913 El Camino Real #561, Tustin, CA 92782, hereinafter designated LESSEE. LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

WITNESSETH

In consideration of the mutual covenants contained herein and intending to be legally bound hereby, the Parties hereto agree as follows:

1. PREMISES. LESSOR hereby leases to LESSEE approximately Two hundred and twenty five (225) square feet of space (the "Floor Space") and approximately Fifty (50) square feet on the roof (the "Rooftop Space") of the building (the "Building") with an address of ____ Pacific Coast Highway located within the Shopping Center at the corner of Pacific Coast Highway and Crenshaw Boulevard, in the City of Torrance, and the State of California, the underlying real property of which is legally described in Exhibit "A" attached hereto and made a part hereof (the Building and such real property are hereinafter sometimes collectively referred to as the "Property" or "Shopping Center"), for the installation, operation and maintenance of communications equipment; together with such additional space on the roof of the Building sufficient for the installation, operation and maintenance of antennas (the "Antenna Space"); together with such additional space within the Building or on the exterior of the Building, and on the roof of the Building for the installation, operation and maintenance of wires, cables, conduits and pipes (the "Cabling Space") running between and among the Floor Space, Rooftop Space and Antenna Space and to all necessary electrical and telephone utility sources located on the Property; together with the non-exclusive right of ingress and egress from a public right-of-way, seven (7) days a week, twenty four (24) hours a day, over the Property and in and through the Building to and from the Premises (as hereinafter defined) for the purpose of installation, operation and maintenance of LESSEE's communications facility. The Floor Space, Rooftop Space, Antenna Space and Cabling Space are hereinafter collectively referred to as the "Premises" and are as shown on Exhibit "B" attached hereto and made a part hereof. In the event there are not sufficient electric and telephone utility sources located within the Building or on the Property, then subject to LESSOR's prior written approval, which shall be at LESSOR's sole discretion, LESSOR may grant LESSEE and/or the local utility provider the right to install such utilities on, over and/or under the Property for LESSEE to operate its communications facility, provided the location of such utilities shall be as designated by LESSOR.

2. DELIVERY. LESSOR shall deliver the Premises to LESSEE on the Commencement Date, as hereinafter defined, in an "as-is", "where-is" condition.

3. TERM AND RENT; CONSUMER PRICE INDEX ADJUSTMENT; ELECTRICAL.

a. This Agreement shall be effective as of the date of execution by both Parties; provided, however, the initial term shall be for five (5) years and shall commence on the Commencement Date (as hereinafter defined) at which time rental payments ("Minimum Monthly Rent") shall commence and be due in the initial amount of Two Thousand Two Hundred and Fifty Dollars ($2,250.00)) per month (the "Initial Minimum Monthly Rent") to be paid on the first day of the month, in advance, to 2601 Airport Drive, Suite 300, Torrance, California 90505 or to such other person, firm or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice given in accordance with Paragraph 21 below. The Agreement shall commence upon notice of the exercise of the option, as set forth above, by LESSEE to the LESSOR in writing by certified mail, return receipt requested and shall be deemed effective on the date it is posted. In the event the date LESSEE gives notice of the exercise of the option is between the 1st and 15th of the month, the Agreement shall commence on the 1st of that month, and the Minimum Monthly Rent for that month shall be due concurrent with the notice of the exercise of the option, and if the notice is given between the 16th and 31st of the month, then the Agreement shall commence on the 1st day of the following month (either the "Commencement Date").

b. Upon the expiration of the first anniversary of the Commencement Date (the "First Lease Year"), and upon the expiration of each anniversary of the First Lease Year thereafter (a "Lease Year") to the end of any Renewal Term, the Minimum Monthly Rent applicable to each month of the new Lease Year shall be adjusted by multiplying such Minimum Monthly Rent from the immediately prior Lease Year by one hundred and four percent (104)%, except as otherwise set forth in Section 4 (c) (i) at the beginning of the second Extension term.

c. LESSOR shall, at all times during the Term, provide electrical service access and telephone service access within the Premises. If permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical meter at the Premises for the measurement of electrical power used by LESSEE's installation. If the utility company servicing the Premises does not allow, or will not provide prior to the Commencement Date, a new electrical meter to be installed for LESSEE's use, in the alternative, if permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical sub-meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the event such meter or sub-meter is installed, the LESSEE shall pay the utility directly, prior to delinquency for its power consumption, if billed by the utility, and if not billed by the utility, then the LESSEE shall reimburse the LESSOR for LESSEE's power consumption at a rate equal to LESSOR's unit cost thirty (30) days after receipt of an invoice from LESSOR indicating the usage amount based upon LESSOR's accurate reading of the sub-meter. All invoices for power consumption shall be sent by LESSOR to LESSEE at; 2913 El Camino Real #561, Tustin, CA 92782, Attn: Property Manager. LESSEE shall be permitted at any time during the Term, to install, maintain and/or provide access to and use of, as necessary (during any power interruption

at the Premises), a temporary power source, and all related equipment and appurtenances within the Premises, or elsewhere on the Property in such locations as reasonably approved by LESSOR. LESSEE shall have the right to install conduits connecting the temporary power source and related appurtenances to the Premises.

4. EXTENSIONS.

LESSEE may extend the term of this Agreement for three (3) additional terms of five (5) years each (the "Extension Term") under the following conditions:

(a) That LESSEE is conducting business operations in the Premises in accordance with the terms of this Agreement and is not, and has not ever been, in material default (which has not been cured within the applicable cure period after notice from LESSOR) under any provision of the Agreement. For the purposes hereof, default of monetary provisions of the Agreement shall be defined as any delinquency in the payment of any required sum which continues for more than ten (10) business days after LESSOR's notice of such delinquency. Notwithstanding the foregoing, if an event of default under this Agreement is outstanding beyond its applicable cure period at the time of LESSEE's exercise of an extension option or at any time prior to the first day of an Extension Term, LESSOR may elect, by notice to LESSEE, to reject LESSEE's exercise of such extension option. If LESSOR so rejects LESSEE's exercise of an extension option, such extension option and any and all subsequent extension options shall be null and void.

(b) That LESSEE shall notify LESSOR in writing of LESSEE's exercise of said option not later than one hundred eighty (180) days preceding the Expiration Date, or one hundred eighty (180) days preceding the last day of the current Extension Term, if applicable. Said notice to extend shall, upon delivery to LESSOR, be irrevocable and shall bind LESSEE to the Extension Term.

(c) If LESSEE elects to exercise an extension option, the Extension Term shall be upon and subject to all of the terms, covenants and conditions of this Agreement, including without limitation an annual Minimum Monthly Rent adjustment for the first year and each year thereafter of any Extension Term as set forth in Paragraph 3 (b) above, except as otherwise set forth below:

(i) The Minimum Monthly Rent for the second Extension Term applicable to the Premises shall be adjusted to the Prevailing Market Rate for the Premises, provided that the Minimum Monthly Rent shall in no event be less four percent (4%) greater than the Minimum Monthly Rent in effect immediately prior to the commencement of such Extension Term. As used herein, the term "Prevailing Market Rate" for the Premises shall mean the rental and all other monetary payments and escalations, including, without limitation, consumer price indexing, that LESSOR could obtain from a third party desiring to lease the Premises for the second Extension Term taking into account the size and location of the Premises, the services provided under the terms of this Agreement, the rental then being obtained for new leases of space comparable to the Premises in the locality of the Shopping Center, and all other factors that would be relevant to a third party desiring to lease the Premises for the second Extension Term in determining the rental such party would be willing

to pay therefor; provided, however, no allowance for the construction of LESSEE improvements shall be taken into account in determining Prevailing Market Rate. No later than four (4) months prior to commencement of the second Extension Term, LESSOR shall notify LESSEE of LESSOR's determination of the Prevailing Market Rate to be used to calculate the Minimum Monthly Rent for the second Extension Term. If LESSEE wishes to dispute LESSOR's determination, LESSEE shall give notice to LESSOR of LESSEE's intent to submit the matter to appraisal within thirty (30) days after receipt of notice of LESSOR's determination. If LESSEE so elects, then within fifteen (15) days after the date of LESSEE's notice of its election to submit the matter to appraisal, each party, at its cost, shall engage a real estate appraiser to act on its behalf in determining the Prevailing Market Rate for the Premises for the second Extension Term. The appraisers shall have at least five (5) years of commercial experience in the area of the Property and shall be persons who would qualify as expert witnesses over objection to give opinion testimony on the issue of the Prevailing Market Rate for the Premises in a court of competent jurisdiction. If a party does not appoint an appraiser within fifteen (15) days after the other party has given notice of the name of its appraiser, the single appraiser appointed shall be the sole appraiser and shall set the Prevailing Market Rate for the Premises for the second Extension Term. If the two appraisers are appointed by the Parties as stated in this Paragraph, such appraisers shall meet promptly and attempt to set the Prevailing Market Rate for the Premises for the second Extension Term. If such appraisers are unable to agree within thirty (30) days after appointment of the second appraiser, the appraisers shall elect a third appraiser meeting the qualifications stated in this Paragraph within ten (10) days after the last date the two appraisers are given to set the Prevailing Market Rate for the Premises. Each of the parties shall bear one-half (1/2) the cost of appointing the third appraiser and of paying the third appraiser's fee. The third appraiser shall be a person who has not previously acted in any capacity for either Party. Within thirty (30) days after the selection of the third appraiser, the majority of the appraisers shall set the Prevailing Market Rate for the Premises for the second Extension Term. If a majority of the appraisers is unable to set the Prevailing Market Rate for the Premises within the stipulated period, each appraiser shall, within fifteen (15) days thereafter, render a separate appraisal. The rental values and terms arrived at by the three appraisers shall be averaged, and the resulting average shall be deemed the Prevailing Market Rate for the Premises for the second Extension Term. If either by agreement of the Parties or by appraisal the Prevailing Market Rate is not finally determined by the commencement of the second Extension Term, LESSEE shall pay one hundred and four percent (104%) of the Minimum Monthly Rent in effect for the month immediately prior to the commencement of the second Extension Term until such time as the Prevailing Market Rate is finally determined by agreement of the Parties or by an appraiser. If the monthly Prevailing Market Rate as finally determined for the second Extension Term exceeds the monthly amount previously paid by LESSEE for the second Extension Term, LESSEE shall forthwith pay the difference to LESSOR for each of the months LESSEE paid the lesser amount. If the monthly Prevailing Market Rate as finally determined for the second Extension Term is less than the monthly amount previously paid by LESSEE for the second Extension Term, LESSEE shall nevertheless pay one hundred and four percent (104%) of the Minimum Monthly Rent in effect for the month immediately prior to the commencement of the second Extension Term, which shall be adjusted annually thereafter as set forth in Section 3 (b) ;

(ii) The Expiration Date of the term of this Agreement shall be the expiration date of the Extension Term;

(iii)Upon determination of the Minimum Monthly Rent for any Extension Term, LESSOR and LESSEE shall execute an amendment to this Agreement which states the extension of the term and the Minimum Monthly Rent for the first year of the Extension Term; and

(iv) Each option to extend the term of this Agreement is personal to LESSEE and may not be exercised or be assigned, voluntarily or involuntarily, by or to any person or entity other than the LESSEE named in this Agreement, except in conjunction with this Agreement as permitted by Paragraph 20 below. Each option to extend the term of this Agreement herein granted to LESSEE is not assignable separate and apart from this Agreement.

5. ADDITIONAL EXTENSIONS. If at the end of the Third (3rd) five (5) year extension term this Agreement has not been terminated by either Party by giving to the other written notice of an intention to terminate it at least three (3) months prior to the end of such term, this Agreement shall continue in force upon the same covenants, terms and conditions on a month-to-month basis thereafter until terminated by either Party by giving to the other written notice of its intention to so terminate at least thirty (30) days prior to the end of such term. Minimum Monthly Rent for each such additional month-to-month term shall be equal to one hundred fifteen percent (115%) of the Minimum Monthly Rent payable with respect to the last month of the immediately preceding five (5) year term. The initial term and all extensions shall be collectively referred to herein as the "Term".

6. USE; GOVERNMENTAL APPROVALS. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto. All improvements, equipment, antennas and conduits shall be at LESSEE's expense and their installation shall be at the option of LESSEE, subject to LESSOR's prior written approval as set forth in this Agreement. LESSEE shall have the right to replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any portion thereof and the frequencies over which the equipment operates, whether the equipment, antennas, conduits or frequencies are specified or not on any exhibit attached hereto, during the Term.

It is understood and agreed that LESSEE's ability to use the Premises is contingent upon its obtaining after the execution date of this Agreement all of the certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities as well as a satisfactory building structural analysis which will permit LESSEE use of the Premises as set forth above. LESSOR shall reasonably cooperate with LESSEE at no expense to LESSOR in LESSEE's effort to obtain such approvals. In the event that (i) any of such applications for such Governmental Approvals should be finally rejected prior to the Commencement Date; (ii) any Governmental Approval issued to LESSEE is

prematurely canceled or is otherwise withdrawn or terminated unilaterally by a governmental authority through no fault, action or omission of LESSEE; (iii) LESSEE determines that such Governmental Approvals may not be obtained in a timely manner prior to the Commencement Date; (iv) LESSEE determines that any building structural analysis is unsatisfactory prior to the Commencement Date; (v) LESSEE determines that the Premises is no longer technically compatible for its use prior to the Commencement Date; or (vi) LESSEE, in its sole discretion, determines that it will be unable to use the Premises for its intended purposes prior to the Commencement Date, LESSEE shall have the right to terminate this Agreement Notice of LESSEE's exercise of its right to terminate shall be given to LESSOR in writing by certified mail, return receipt requested, and shall be effective upon the mailing of such notice by LESSEE, or upon such later date as designated by LESSEE. All rentals paid to said termination date shall be retained by LESSOR.

7. MAINTENANCE.

a. During the Term, LESSEE will maintain the non-structural portions of the Premises in good operating condition and repair, reasonable wear and tear excepted, but excluding any items which are the responsibility of LESSOR pursuant to Paragraph 7.b below.

b. During the Term, LESSOR shall, in its reasonable business judgment maintain, in good operating condition and repair, the structural elements of the Building and the Premises, and all Building systems (including, but not limited to, the foundations, exterior walls, structural condition of interior bearing walls, exterior roof fire sprinkler and/or standpipe and hose or other automatic fire extinguishing system, fire hydrants, parking lots, walkways, parkways, driveways, landscaping, fences, signs and utility systems serving the common areas) and the common areas, but excluding any items which are the responsibility of LESSOR pursuant to Paragraph 7.a above.

8. PERSONAL PROPERTY TAXES AND ASSESSMENTS. During the Term hereof, LESSEE shall cause all personal property taxes, assessments and other charges levied upon or against any of LESSEE's fixtures and personal property situated in, on or about the Premises to be levied or assessed separately from the Premises and to be paid before the same become a lien upon the Premises; provided, however, if for any reason such taxes, assessments, or other charges shall not be separately assessed, LESSEE shall nevertheless pay the same as set forth therein, or reimburse LESSOR therefor, as additional rent, all within ten (10) business days following receipt of billing thereof.

9. INDEMNIFICATION. Subject to Paragraph 10 below, LESSEE shall indemnify, defend (by counsel reasonably acceptable to the LESSOR), protect and hold LESSOR free and harmless and each of LESSOR's partners, owners, , members, directors, officers, employees, contractors, agents, ground lessors, lenders, attorneys, and successors and assigns (collectively, "LESSOR Entities"), free and harmless from and against any and all claims, liabilities, penalties, forfeitures, judgments, costs, damages, demands, losses or expenses (including attorneys' fees) (collectively "Claims") related to any death of or personal injury to any person or property damage resulting from or arising out of the negligence or willful misconduct of LESSEE, or LESSEE's partners, owners, members, directors, officers, employees, contractors, agents, lenders, attorneys and successor and assigns (collectively, "LESSEE

Entities"), except to the extent such Claims resulted from or arose out of the negligence or willful misconduct of LESSOR or of the LESSOR Entities.

10. INSURANCE.

A. CASUALTY INSURANCE. During the Term hereof, LESSOR shall keep the buildings and improvements within which the Premises are contained insured against loss or damage by fire, with extended coverage, sprinkler leakage, special extended perils (all risk), Inflation Guard Endorsement, vandalism and malicious mischief endorsements, or their equivalents, and with such additional endorsements and covering such additional perils, including, but not limited to, earthquake and flood insurance, as LESSOR elects to maintain from time to time in LESSOR's sole discretion. Such insurance shall be obtained from such insurance companies as LESSOR shall select, and in amounts determined from time to time by LESSOR in LESSOR's sole discretion, but in no event less than ninety percent (90%) of the replacement cost of the building and structures insured, with loss payable to LESSOR and to any authorized encumbrancer of LESSOR (with standard mortgagee loss payable clause), in accordance with their respective interests. If the Agreement is terminated as a result of damage by fire or casualty as set forth in this Agreement, all insurance proceeds shall be paid to and retained by LESSOR, subject to the rights of any authorized encumbrancer of LESSOR.

LESSEE shall not knowingly do or permit anything to be done in or upon the Premises, or bring or keep anything therein, or use the Premises in a manner, which increases the rate of casualty insurance upon any building, or any other property or equipment of LESSOR, over the rate in effect for the operations on the Property at the commencement of the Term of this Agreement, or which invalidates or otherwise terminates any such insurance policies. If, by reason of any failure of LESSEE to comply with the provisions of this Agreement, the rate of casualty insurance on any building, or on any other property or equipment of LESSOR, or of any other lessee or sublessee of LESSOR shall be higher than it otherwise would be, LESSEE shall reimburse LESSOR, within fifteen (15) days after notice by LESSOR, for that part of the insurance premium paid by LESSOR which shall have been charged because of such failure by LESSEE and an invoice from the insurer substantiating the amount of such increase and that such increase is directly the result of LESSEE's use of the Premises.

B. CONTENTS INSURANCE. During the Term hereof, LESSEE shall, at LESSEE's sole cost and expense, carry insurance covering all of the items of Lessee's leasehold improvements, alterations, additions or improvements, trade fixtures, and personal property in, on or upon the Premises, in an amount equal to the full replacement cost thereof, providing protection against any peril included within the classification fire and extended coverage, together with insurance against sprinkler damage, vandalism and malicious mischief. LESSEE shall also carry and maintain, at its sole cost and expense, machinery insurance on the systems exclusively serving the Premises, if any. If the said objects and the damage that may be caused by or result from them are not covered by LESSEE's fire and extended coverage, then such insurance shall be in the amount of One Hundred Thousand and No/100 Dollars ($100,000.00).

C. LIABILITY INSURANCE. LESSEE shall, at LESSEE's cost and expense, at all times during the Term of this Agreement, maintain and carry for the joint benefit, and in the names of LESSEE and LESSOR, as coinsureds, with cross liability endorsement, property

damage and personal liability insurance by the terms of which LESSEE and LESSOR shall be indemnified against liability for damage or injury to property or person (including death) occurring on the Premises, or any part thereof, or arising from the ownership, use, occupancy or maintenance thereof, or arising directly or indirectly from any act or omission of LESSEE or the LESSEE Entities. The liability insurance to be maintained by LESSEE shall also insure performance of all of LESSEE's hold harmless, defense, protection and indemnity obligations under this Agreement. Such insurance shall be carried and maintained on the minimum basis of Two Hundred Fifty Thousand and No/100 Dollars ($250,000.00) for damage to property, Three Million and No/100 Dollars ($3,000,000.00) for personal injury to one person and Three Million and No/100 Dollars ($3,000,000.00) for personal injury in any one accident. The limits of all insurance required to be carried by LESSEE pursuant to this Agreement may be met with an umbrella policy and shall be subject to periodic increases once per Term or Extension Term based upon inflation, increased liability awards, recommendation of professional insurance advisers, and other relevant factors. However, in no event shall the limits of any insurance to be obtained by LESSEE limit the liability of LESSEE under this Agreement.

D. POLICY FORM. All insurance carried by LESSEE hereunder shall be written by insurance companies authorized to do business in the state in which the Premises are located, with a "General Policy Holder's Rating" of at least the greater of (i) any minimum rating requirement of the Master Lessor or any lender of LESSOR, or (ii) a B+ as listed in the most current issue of Best's Insurance Guide. All such policies shall name LESSOR and any ground lessor and encumbrancer of LESSOR as an additional insured. If LESSEE fails to maintain any policy required to be maintained under this Agreement by LESSEE, LESSOR may elect, in addition to all other remedies available to LESSOR at law, in equity, or under this Agreement, to maintain such policy at LESSEE's expense, and LESSEE shall reimburse LESSOR therefor upon demand. Each insurance policy shall provide that such policy cannot be cancelled, modified, or reduced in scope without thirty (30) days prior written notice to LESSOR and to any superior lessor, mortgagee or trust deed holder of whom the insurer has been notified in writing. Certificates of insurance shall be delivered to LESSOR prior to the Term Commencement Date and thereafter certificates shall be delivered to LESSOR within twenty (20) days prior to the expiration of such policy. All certificates of insurance delivered to LESSOR must specify thereon the amount of the deductible, if any. In the event LESSEE fails to procure, maintain and/or pay for any insurance required to be carried hereunder, LESSOR shall have the right, but not the obligation, to procure same and pay the premiums therefor, in which event LESSEE shall repay LESSOR all sums paid by LESSOR upon demand.

11. LIMITATION OF LIABILITY. Except for indemnifications specifically set forth in this Agreement, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

12. INTERFERENCE. LESSEE agrees to install equipment of the type and frequency which will not cause interference which is measurable in accordance with then existing industry standards to any equipment of LESSOR or other lessees of the Property or governmental agencies or the nearby airport which exist on or near the Property at any time prior

to or after the date this Agreement is executed by the Parties. LESSEE also agrees to reasonably cooperate with any carriers that LESSOR is currently in negotiations with that have been identified by LESSOR to LESSEE. In the event any of LESSEE's equipment causes such interference, then after LESSOR has notified LESSEE in writing of such interference, LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference. LESSOR shall not be entitled to terminate this Agreement or relocate the equipment as long as LESSEE is making a diligent, good faith effort to remedy the interference issue in a timely manner and provided LESSEE indemnifies, defends (by counsel reasonably acceptable to LESSOR), protects and holds LESSOR free and harmless and each of the LESSOR Entities, free and harmless from and against any and all Claims resulting or arising from such interference, except to the extent such Claims resulted from or arose out of the negligence or willful misconduct of LESSOR, or the LESSOR Entities . Notwithstanding anything to the contrary in this Agreement, LESSOR shall have the right to terminate this Agreement, if such interference has not been corrected within sixty (60) days of LESSOR's delivery of written notice to LESSEE. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and therefore, LESSOR shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.

13. REMOVAL AT END OF TERM. LESSEE shall, upon expiration of the Term, or within thirty (30) days after any earlier termination of the Agreement, remove all of its equipment, conduits, fixtures and all personal property and restore the Premises to its original condition, reasonable wear and tear and that which is not caused by LESSEE excepted. LESSOR agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of LESSEE shall remain the personal property of LESSEE and LESSEE shall have the right and obligation to remove the same, whether or not said items are considered fixtures and attachments to real property under applicable Laws. If such time for removal causes LESSEE to remain on the Premises after termination of this Agreement, LESSEE shall pay rent at the then existing monthly rate, until such time as the removal of the building, antenna structure, fixtures and all personal property are completed. In no event shall such removal occur later than thirty (30) days following the termination of the Agreement. During such thirty (30) day removal period, LESSEE shall pay LESSOR the monthly rent that was in effect immediately prior to expiration or earlier termination of this Agreement.

14. HOLDOVER. LESSEE has no right to retain possession of the Premises or any part thereof beyond the expiration of that removal period set forth in Paragraph 13 herein. If LESSEE shall hold over for any period after the expiration of that removal period set forth in Paragraph 13 herein, LESSOR may, at LESSOR's option, treat LESSEE as a month to month, and then the rent then in effect payable from and after the time of the expiration of that removal period set forth in Paragraph 13 shall be increased to two hundred percent (200%) of the rent applicable during the month immediately preceding such expiration or earlier termination. If LESSEE fails to surrender the Premises after the expiration of that removal period set forth in Paragraph 13 herein, LESSEE shall indemnify, defend (by counsel reasonably acceptable to LESSOR), protect and hold LESSOR free and harmless and each of the LESSOR Entities, free and harmless from and against any and all Claims resulting or arising from such failure to timely surrender the Premises, except to the extent such Claims resulted from or arose out of the negligence or willful misconduct of LESSOR or of the LESSOR Entities.

15. RIGHTS UPON SALE. Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property or the Building thereon to a purchaser other than LESSEE, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Building and or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, such sale or grant of an easement or interest therein shall be under and subject to this Agreement and any such purchaser or transferee shall recognize LESSEE's rights hereunder under the terms of this Agreement.

16. QUIET POSSESSION. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall have quiet possession of the Premises.

17. AUTHORITY. LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, that LESSOR has full authority to enter into and execute this Agreement. LESSEE represents and warrants to LESSOR as of the execution date of this Agreement, that LESSEE has full authority to enter into and execute this Agreement.

18. INTEGRATION. It is agreed and understood that this Agreement contains all agreements, promises and understandings between LESSOR and LESSEE and that no verbal or oral agreements, promises or understandings shall be binding upon either LESSOR or LESSEE in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing signed by the Parties or in a written acknowledgment in the case provided in Paragraph 3. In the event any provision of the Agreement is found to be invalid or unenforceable, such finding shall not affect the validity and enforceability of the remaining provisions of this Agreement. The failure of either Party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such Party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity.

19. GOVERNING LAW. This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the Laws of the State in which the Property is located.

20. ASSIGNMENT. This Agreement may be sold, assigned or transferred by the LESSEE without any approval or consent of the LESSOR to the LESSEE's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission 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 the LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder. Notwithstanding anything to the contrary contained in this Agreement, LESSEE may assign, mortgage, pledge, hypothecate or otherwise transfer without consent its interest in this Agreement to any financing entity, or agent on behalf of any financing entity to whom LESSEE (i) has obligations for borrowed money or in respect of guaranties thereof, (ii) has obligations evidenced by loans,

bonds, debentures, notes or similar instruments, or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof.

21. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: Torrance Towne Center Associates, LLC
Attn: Norman La Caze
2601 Airport Drive, Suite 300
Torrance, California 90505

LESSEE: Royal Street Communications California, LLC
2913 El Camino Real #561
Tustin, CA 92782
Attn: Property Manager
Telephone: 714 730-3100
Facsimile: 714 730-3201

With a copy to: Royal Street Communications
7557 Rambler Road, Suite 700
Dallas, TX 75231
Attn: Property Manager

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

22. SUCCESSORS. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.

23. FINANCING. It is mutually understood and acknowledged that LESSOR may, from time to time, finance the construction of, and/or improvements within, the Shopping Center, and that a bank, savings and loan, or other lender, or lenders, must approve this Agreement, and that prior to granting approval, such lenders may request that this Agreement be amended or modified. provided that neither the term hereof nor the size or location of the Premises shall be altered, and provided that LESSEE's obligation to pay rent or additional rent shall not be increased, and provided that LESSEE's rights under this Agreement shall not be materially diminished, LESSEE shall execute any such reasonable amendment or modification of this Agreement as may be requested at any time and from time to time by any lender or lenders. If LESSEE fails to consent to any such amendment or modification, LESSOR, at its option, and in addition to any other remedies available to LESSOR at law, in equity, or under this Agreement, may cancel and terminate this Agreement on thirty (30) days prior written notice to LESSEE, thereby releasing LESSOR from any further liability to LESSEE hereunder.

24. SUBORDINATION, ATTORNMENT AND NONDISTURBANCE, TITLE OF LESSOR. This Agreement and all of the rights of LESSEE hereunder are and shall be subject and subordinate to the lien of any ground lease, mortgage or deed of trust now existing, or which hereinafter may be placed, on the Premises, or any part thereof, on the Building in which the Premises is located, or on any other portion of the Shopping Center, and to any and all renewals, modifications, consolidations, replacements, extensions, or substitutions of any such ground lease, mortgage or deed of trust (all of which are hereinafter termed the "ground lease" or "mortgage or deed of trust") provided, nevertheless, each or all of such ground leases, mortgages or deeds of trust shall contain provisions to the effect that so long as LESSEE is not in default under this Agreement, no termination of any such ground lease, and no foreclosure of the lien of any such mortgage or deed of trust, shall impair LESSEE's right to quiet possession of the Premises pursuant to the provisions of this Agreement.

Such subordination shall be automatic, without the execution of any further subordination agreement by LESSEE. Notwithstanding the foregoing, upon LESSOR's written request and within fifteen (15) days thereafter, LESSEE agrees to execute, acknowledge, and deliver a reasonable subordination agreement in form satisfactory to LESSOR, provided that such agreement acknowledges that this Agreement remains in full force and effect, recognizes LESSEE's right to nondisturbance and quiet enjoyment of the Premises so long as LESSEE is not in default under this Agreement, and only contains true and accurate statements. If LESSEE shall fail to do so, LESSOR may, in addition to any other remedies for breach of covenant hereunder, execute, acknowledge and deliver such agreement as agent or attorney-in-fact of LESSEE. LESSEE hereby irrevocably constitutes and appoints LESSOR as LESSEE's attorney-in-fact for such purpose, and LESSEE agrees that such appointment is coupled with an interest and is irrevocable.

LESSEE shall, in the event of a sale or assignment of LESSOR's interest in the Premises, or in the event of any proceedings brought for the foreclosure of any mortgage or deed of trust whether pursuant to judicial foreclosure, power of sale, or otherwise, or in the event of termination of any ground lease, attorn to the purchaser or ground lessor, as the case may be, and recognize such purchaser or ground lessor as LESSOR under this Agreement. The foregoing provisions shall inure to the benefit of any such purchaser or ground lessor and shall be self-operative upon any such sale, ground lease, termination, assignment or foreclosure, without requiring any further instrument to give effect to such provisions. LESSEE, however, upon demand of any purchaser, ground lessor, mortgagee under any mortgage, or beneficiary under any deed of trust, agrees to execute, from time to time, an instrument in confirmation of the foregoing provisions, reasonably satisfactory to any such purchaser, ground lessor, beneficiary, or mortgagee, as the case may be, in which LESSEE shall acknowledge such attornment and shall set forth the terms and conditions of its tenancy, which shall be the same as those set forth herein, and which terms and conditions shall apply for the remainder of the term of this Agreement, provided that such instrument acknowledges that this Agreement remains in full force and effect, recognizes LESSEE's right to non-disturbance and quiet enjoyment of the Premises so long as LESSEE is not in default under this Agreement, and only contains true and accurate statements. Nothing contained in this Paragraph 24 shall be construed to impair any right otherwise exercisable by any such ground lessor, purchaser, beneficiary or mortgagee.

LESSOR covenants that as of the date hereof there are no liens upon its estate other than (a) the effect of covenants, conditions, and restrictions, easements, mortgages or deeds of trust,

any ground lease of record, any rights of way of record, and any other matters or documents of record, including but not limited to any declaration of covenants, conditions and restrictions hereinafter referred to as the Agreements (it being understood that the Agreements shall not prevent LESSEE from using the Premises for the Permitted Use of the Premises); (b) the effect of any zoning laws of the City, County and State where the Shopping Center is situated, and (c) general and special taxes not delinquent. LESSEE agrees that (i) as to its leasehold estate it, and all persons in possession or holding under it, will conform to and will not violate the terms of the aforementioned Agreements or said matters of record and (ii) this Agreement is subordinate to the Agreements and any amendments or modifications thereto; provided however if any Agreements are not of record as of the date hereof, then this Agreement shall automatically become subordinate to the Agreements upon recordation of said Agreements; ; and LESSEE further agrees to execute and return to LESSOR within ten (10) business days after written demand therefore by LESSOR, an agreement in recordable form subordinating this Agreement to said Agreements.

25. DEFAULT.

a. In the event there is a breach by LESSEE with respect to any of the provisions of this Agreement or its obligations under it, including the payment of rent, LESSOR shall give LESSEE written notice of such breach. After receipt of such written notice, LESSEE shall have ten (10) business days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach, provided LESSEE shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSEE commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion.

b. In the event there is a breach by LESSOR with respect to any of the provisions of this Agreement or its obligations under it, LESSEE shall give LESSOR written notice of such breach. After receipt of such written notice, LESSOR shall have thirty (30) days in which to cure any such breach, provided LESSOR shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSOR commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion.

26. REMEDIES. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Premises are located.

27. MASTER LEASE. LESSOR and LESSEE acknowledge and agree that notwithstanding the designation of this Agreement as a "Lease", it is a "Sublease", "LESSOR" is a "SUBLESSOR", and "LESSEE" is a "SUBLESSEE", LESSOR is the lessee under a ground lease ("Master Lease") with the City of Torrance ("MASTER LESSOR"), which Master Lease collectively covers the Premises and other property in the Shopping Center. This Agreement is

subject to and subordinate to the Master Lease and shall be subject to and subordinate to any future amendments thereto. If any of the rights or benefits given to LESSEE under this Agreement exceed the rights or benefits given to LESSOR, as lessee under the Master Lease, such right or benefits given to LESSEE shall be modified and limited to the rights or benefits given to the LESSOR under the Master Lease, as it is the understanding of the Parties that the LESSOR cannot convey to LESSEE any greater rights than the LESSOR has under the Master Lease.

In the event for any reason whatsoever the Master Lease is terminated prior to the expiration of the Term of this Agreement, this Agreement may be terminated, at the option of the MASTER LESSOR, as of the date the Master Lease is terminated.

LESSEE covenants and agrees to comply with and shall not violate any of the terms of the Master Lease, whether or not a provision exists in this Agreement requiring LESSEE to so comply except that LESSEE's obligations and covenants to pay rent, additional rent and other charges (and the use of the Premises) shall be governed by this Agreement and shall be considered satisfied to the extent and in such amount that rent and other charges are paid by LESSEE to LESSOR. LESSEE shall indemnify, defend (by counsel reasonably acceptable to LESSOR), protect and hold LESSOR free and harmless and each of the LESSOR Entities free and harmless from and against any and all Claims resulting or arising from any failure by LESSEE or the LESSEE Entities to perform or comply with LESSEE's obligations under this Agreement or the Master Lease, except to the extent such Claims resulted from or arose out of the negligence or willful misconduct of LESSOR or of the LESSOR Entities.

28. ESTOPPEL CERTIFICATES; SUBORDINATION.

Lessee agrees at any time upon not less than ten (10) business days prior written request of LESSOR, to execute, acknowledge and deliver to LESSOR a statement in writing in such form reasonably required by LESSOR or by any lender or ground lessor of LESSOR, certifying that this Agreement is unmodified and in full force and effect and that LESSOR is not in default (or if modified, in full force and effect as modified and stating the modifications, or if there is any default; stating such default), and the dates to which rental or other sums have been paid in advance, it being intended that any such statement delivered pursuant to this Paragraph 28 may be relied upon by any prospective purchaser, ground lessor, mortgagee or beneficiary. If Lessee fails to so deliver any requested statement within such ten (10) business day period, LESSOR and any prospective purchaser, encumbrancer or ground lessor may conclusively presume that this Agreement is unmodified and in full force and effect, that LESSOR is not in default hereunder, and that no rental or other sums have been paid more than one (1) month in advance. LESSEE shall also deliver to any prospective ground lessor or prospective lender of LESSOR, within fifteen (15) days after LESSOR's request therefore, LESSEE's latest financial statements, and such specific subordination agreements as may be required by such ground lessor or lender.

29. RELOCATION of CELL SITE.

LESSOR, may relocate LESSEE to another location on the LESSOR's Property (herein referred to as the "Alternate Property"), provided

i. the Alternate Property is similar to LESSEE's current Premises in size and is reasonably compatible for LESSEE's use;

ii. LESSOR shall pay all reasonable costs incurred by LESSEE for relocating LESSEE's equipment from the Premises to a mutually agreeable site and improving the Alternate Property so that the Alternate Property is substantially similar to the original Premises, including all costs incurred to obtain all of the certificates, permits and other approvals that may be required by any Federal, State or Local authorities as well as any satisfactory soil boring tests which will permit LESSEE use of the Alternate Property as set forth in Paragraph 6 hereinabove;

iii. LESSOR shall give LESSEE at least six (6) months written notice before requiring LESSEE to relocate; and

iv. LESSEE's service will not be materially interrupted or diminished and LESSEE shall be allowed if necessary to place a temporary cell site and antenna structure on LESSOR's Property during relocation.

30. LESSOR'S RIGHT TO REDEVELOP. Notwithstanding anything to the contrary in Paragraph 29, anytime after execution of this Agreement, if LESSOR requires the Premises in conjunction with a redevelopment, remodel, expansion or demolition of the Premises, Building, or Shopping Center, the LESSEE will have the option of either (a) terminating this Agreement nine (9) months following written notice to the LESSOR or (b) electing to relocate its Premises at LESSEE's sole cost and expense to the proposed rooftop of the replacement structure at the Shopping Center, with LESSOR using commercially reasonable efforts to accommodate temporary facilities during any construction period (which shall in no event interfere with any construction). If such temporary facilities cannot be reasonably provided/agreed to, LESSEE shall either terminate this Agreement or cease operations until such time as the replacement structure is available for LESSEE's improvements, provided, however, that in no event under this Paragraph 30 shall LESSEE be required to terminate this Agreement or cease operations less than nine (9) months following written notice by LESSOR to LESSEE of LESSOR's inability to provide agreed upon temporary facilities. Upon permanent relocation of the Premises pursuant to Paragraph 29 or 30, the Parties shall execute an amendment to the Agreement which redefines the Premises and which deletes the existing Exhibit B and replaces it with a revised Exhibit B. Except as otherwise provided in this Paragraph 30 all other terms and conditions of the Agreement shall remain in full force and effect upon relocation of the Premises.

31. ENVIRONMENTAL.

LESSEE shall at all times and in all respects comply with all Hazardous Material Laws (as defined below) relating to industrial hygiene, environmental protection and the use, analysis, generation, emission, manufacture, storage, disposal or transportation of any Hazardous Material (as defined below).

LESSEE shall indemnify, defend (by counsel reasonably acceptable to LESSOR), protect, and hold LESSOR free and harmless, and each of the LESSOR Entities free and harmless from and against any and all Claims for death of or injury to any person or damage to any property whatsoever, resulting or arising from (i) the presence in, on, under or about the Premises or Property of any Hazardous Materials due to LESSEE's use of the Premises, including without limitation LESSEE's or LESSEE's Entities' use, analysis, storage, transportation, disposal, release, threatened release, discharge or generation of Hazardous Materials to, in, on, under, about or from the Premises or the Property, or (ii) LESSEE's failure to comply with any Hazardous Material Laws, except to the extent such Claims resulted from or arose out of the negligence or willful misconduct of LESSOR, or the LESSOR Entities. LESSEE's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any investigation (including consultants' and attorneys' fees and testing) required or necessary repair, remediation, restoration, cleanup or detoxification or decontamination of the Premises and/or the Property and the preparation and implementation of any closure, remedial action or other required plans in connection therewith, and shall survive the expiration or earlier termination of the Term of the Agreement. For purposes of the release, defense, protection, hold harmless and indemnity provisions hereof, any acts or omissions of LESSEE, or the LESSEE Entities or others acting for or on behalf of LESSEE (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to LESSEE.

Without limiting the foregoing, if the presence of any Hazardous Material on the Premises or the Property is caused or permitted by LESSEE or by any LESSEE Entities or by others acting for or on behalf of LESSEE as set forth in the prior paragraph, and results in any contamination of the Premises or the Property, LESSEE shall promptly take all actions at its sole expense as are necessary to return the Premises and the Property to the condition existing prior to the introduction of any such Hazardous Material.

Provided, however, LESSEE shall not take any remedial action in response to the presence of any Hazardous Materials in or about the Premises or the Property nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Material in any way connected with the Premises or the Property, without first notifying LESSOR of LESSEE's intention to do so and affording LESSOR ample opportunity to appear, intervene or otherwise appropriately assert and protect LESSOR's interest with respect thereto.

LESSEE shall immediately notify LESSOR in writing of its knowledge of: (i) any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed or threatened on the Premises or Property pursuant to any Hazardous Material Laws; (ii) any claim made or threatened by any person against LESSEE related to the Premises, and/or the Premises and/or the Property, relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claimed to result from any Hazardous Material; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Material in, emanating from, or removed from the Premises or the Property, including any complaints, notices, warnings or asserted violations in connection therewith. LESSEE shall also provide to LESSOR as promptly as possible, and in any event within five (5) business days after LESSEE first receives or sends the same, with copies of all claims, reports, complaints, notices, citations,

report warnings or asserted violations relating in any way to Hazardous Materials on the Premises or the Property, or LESSEE's use thereof, or involving failure by LESSEE to comply with any Hazardous Material Law, or the Premises or the Property to comply with any Hazardous Material Law. LESSEE shall promptly deliver to LESSOR copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Material removed from the Premises and/or the Property.

LESSEE shall, within five (5) business days after receipt of LESSOR's written request, provide LESSOR with copies of all documents and information, including, but not limited to, permits, registrations, manifests, applications, reports and certificates, evidencing LESSEE's compliance with any Hazardous Material Law specified by LESSOR.

LESSEE shall at its own expense procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals related to Hazardous Materials at the Premises and/or Property, including without limitation all Hazardous Material Laws, required for LESSEE's use of the Premises, and any construction in the Premises for the Permitted Use, including, without limitation, the disposal of vapors from the Premises and discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Premises. Except as discharged into the sanitary sewer in strict accordance and conformity with all applicable Hazardous Material Laws, LESSEE shall cause any and all Hazardous Material removed from the Premises to be removed and transported solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes, except as otherwise required by Hazardous Material Laws. LESSEE shall in all respects handle, treat, deal with and manage any and all Hazardous Material in, on under or about the Premises in total conformity with all applicable Hazardous Material Laws and prudent industry practices regarding management of such Hazardous Material.

Notwithstanding any of the foregoing, LESSOR's prior written approval of all such actions and the contractors to be used by LESSEE in complying with this Paragraph 31 and all Hazardous Materials Laws at the Premises shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or the Property.

Upon expiration or earlier termination of the Term of the Agreement, LESSEE shall cause all Hazardous Material to be removed from the Premises and transported for use, storage or disposal in accordance and compliance with all applicable Hazardous Material Laws and in accordance with the requirements of this Agreement.

LESSOR and LESSOR's lender(s) shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times for the purpose of inspecting the condition of the Premises and for verifying compliance by LESSEE with this Agreement and all Hazardous Material Laws, and to employ experts and/or consultants in connection therewith and/or to advise LESSOR with respect to LESSEE's activities, including but not limited to the installation, operation, use, monitoring, maintenance, or removal of any Hazardous Material or storage tank on or from the Premises. Except in the case of an emergency, LESSOR and LESSOR's lender(s), experts and/or consultants shall not alter, damage, move, disrupt, turn off, adjust or otherwise affect or impair the continuous operation of LESSEE's facilities. The costs

and expenses of any such inspections shall be paid by the Party requesting same, unless a default or breach of this Agreement, violation of Law, or a contamination, caused or materially contributed to by LESSEE is found to exist or be imminent, or unless the inspection is requested or ordered by a governmental authority as the result of any such existing or imminent violation or contamination. In any such case, LESSEE shall upon request reimburse LESSOR or LESSOR's lender, as the case may be, for the costs and expenses of such inspections.

It shall not be unreasonable for LESSOR to withhold its consent to any proposed transfer of the Agreement if (i) the proposed transferee's anticipated use of the Premises involves the generation, storage, use, treatment, or disposal of Hazardous Material; (ii) the proposed transferee has been required by any prior lessor, lender, or governmental authority to take remedial action in connection with Hazardous Material contaminating a property if the contamination resulted from such transferee's actions or use of the property in question; or (iii) the proposed transferee is subject to an enforcement order issued by any governmental authority in connection with the use, disposal, or storage of a Hazardous Material.

As used herein, the term "Hazardous Material" means any oil, flammable explosive, asbestos, ureaformaldehyde, radioactive material, vapor, solvent, or waste, contaminated or polluting materials, hazardous or toxic substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government. The term Hazardous Material includes, without limitation, any material or substance which is (i) defined as "hazardous waste", "extremely hazardous waste", or "restricted hazardous waste", under Sections 25115, 25117 or 15122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law) (ii) defined as a "Hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a Hazardous material", "Hazardous substance", or "Hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "Hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum (vi) asbestos, (vii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (viii) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. Section 1317), (ix) defined as a "Hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903), or (x) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq. (42 U.S.C. Section 9601).

As used herein, the term "Hazardous Material Laws" means any applicable federal, state or local laws, rules, ordinances or regulations relating to any Hazardous Material affecting the Premises or the Property, whether in effect as of the date hereof or hereinafter enacted including, without limitation, Proposition 65 of the State of California, California Assembly Bill 3713 and the laws, rules, ordinances, and regulations referred to in Paragraph 31. In no event shall LESSOR's compliance with or performance of voluntary measures of any Law governing

Hazardous Materials with respect to any portion of the Shopping Center entitle LESSEE to any damages from LESSOR, relieve LESSEE of the obligations to pay any sum due under the Agreement or perform any other of LESSEE's obligations hereunder, or give LESSEE the right to terminate or cancel the Agreement, or constitute or be construed as constructive or other eviction of LESSEE or interference with LESSEE's right of quiet enjoyment of the Premises.

32. CASUALTY. In the event of damage by fire or other casualty to the Building or the Premises that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if the Property or Building is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, then LESSEE or LESSOR may, at any time following such fire or other casualty, provided LESSOR has not completed the restoration required to permit LESSEE to resume its operation at the Premises, terminate this Agreement upon fifteen (15) days prior written notice to LESSOR or LESSEE as the case may be. . Any such notice of termination shall cause this Agreement 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 Agreement and the Parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Agreement. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which LESSEE's use of the Premises is impaired.

33. CONDEMNATION. In the event of any condemnation of all or any portion of the Property, this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If as a result of a partial condemnation of the Premises or Building, LESSEE, is unable to use the Premises for the purposes intended hereunder, or if such condemnation may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, LESSEE may, at its option, terminate this Agreement to be exercised in writing within fifteen (15) days after one party shall have given the other party 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 Agreement as of the date the condemning authority takes such possession. LESSEE may on its own behalf make a claim in any condemnation proceeding involving the Premises for losses related to the equipment, conduits, fixtures, its relocation costs and its damages and losses (but not for the loss of its leasehold interest). Any such notice of termination shall cause this Agreement 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 Agreement and the Parties shall make an appropriate adjustment as of such termination date with respect to payments due to the other under this Agreement. If neither party terminates this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion as the rentable floor area of the Premises taken bears to the total rentable floor area of the Premises. In the event that this Agreement is not terminated by reason of such condemnation, LESSOR shall repair any damage to the Premises caused by such condemning authority.

34. SUBMISSION OF AGREEMENT/PARTIAL INVALIDITY/AUTHORITY. The submission of this Agreement for examination does not constitute an offer to lease the Premises

and this Agreement becomes effective only upon the full execution of this Agreement by the Parties. If any provision herein is invalid, it shall be considered deleted from this Agreement and shall not invalidate the remaining provisions of this Agreement. Each of the Parties hereto warrants to the other that the person or persons executing this Agreement on behalf of such Party has the full right, power and authority to enter into and execute this Agreement on such Party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement.

35. APPLICABLE LAWS. LESSEE shall, with respect to the condition of the Premises, and with respect to LESSEE's occupancy of the Premises, and at LESSEE's sole cost and expense, comply with (a) (i) all applicable laws,rules,regulations, and ordinances of all state, federal, municipal and local governments; (iii) all covenants, conditions and restrictions and easements of record; (iv), all zoning and land use regulations of all state, federal, municipal and local governments; (v) all permits of record; (vi) all building codes of all state, federal, municipal and local governments (including, without limitation, the Americans with Disabilities Act and Hazardous Material Laws); and (viii) all requirements of any applicable reasonable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect (collectively "Laws") relating solely to LESSEE's specific and unique nature of use of the Premises (other than general office use); and (b) all building codes of all state, federal, municipal and local governments requiring modifications to the Premises due to the improvements being made by LESSEE in the Premises.

36. RULES AND REGULATIONS.

The Rules and Regulations attached to this Agreement as Exhibit "C" are hereby specifically incorporated into and made a part of this Agreement. LESSOR reserves the right from time to time to amend and supplement said Rules and Regulations and to adopt additional Rules and Regulations, provided such amendments, supplements and additions do not prohibit or materially interfere with LESSEE's rights granted under the terms of this Agreement. Notice of such additional Rules and Regulations, and of such amendments and supplements, shall be given to LESSEE. LESSEE agrees to comply with and observe all Rules and Regulations, and all amendments and supplements thereto, provided such amendments and supplements do not prohibit or materially interfere with LESSEE's rights granted under the terms of this Agreement. LESSEE's failure to observe and comply with all Rules and Regulations, and all amendments and supplements thereto as required herein, shall constitute a material breach and default under this Agreement. In the event of any conflict between any Rules and Regulations and this Agreement, the provisions of the Rules and Regulations shall prevail. LESSOR shall have no obligation or responsibility to LESSEE to enforce the provisions of any leases or other agreements with any other lessees or occupants of the Shopping Center, and LESSOR shall not be liable to LESSEE for any damages caused by any failure of such other lessees or occupants to comply with the Rules and Regulations in effect from time to time, or to otherwise comply with the terms of their leases or other occupancy agreements.

37. LESSOR'S INSPECTION.

(1) LESSEE agrees to permit LESSOR, or the authorized representatives of LESSOR, to enter the Premises at all reasonable times upon prior telephonic notice (except in the event of an emergency which shall not require prior telephonic notice) for the purposes of (a) inspecting the Premises, (b) making such repairs or reconstruction required or permitted by LESSOR, and (c) performing any work therein that may be necessary by reason of Lessee's default under the terms of this Agreement, all without prior written notice to Lessee. Except in the event of an emergency, LESSOR and LESSOR's authorized representatives shall not alter, damage, move, disrupt, turn off, adjust or otherwise affect or impair the continuous operation of LESSEE's facilities. Nothing herein shall imply any duty upon the part of LESSOR to do any such work which, under the provisions of this Agreement, Lessee may be required to perform, and the performance thereof by LESSOR shall not constitute a waiver of Lessee's default in failing to perform such work. In the event LESSOR makes any repairs or maintenance following LESSEE's failure to complete the same, the cost thereof shall be paid to LESSOR with the next installment of rent hereunder following written notice and reasonable proof of the cost thereof from LESSOR to LESSEE.

(2) LESSOR is hereby given the right during usual business hours upon prior telephonic notice (except in the event of an emergency which shall not require prior telephonic notice) to enter the Premises and to exhibit the same to any prospective ground lessor, purchaser or lender, provided LESSOR and any ground lessor, purchaser or lender does not alter, damage, move, disrupt, turn off, adjust or otherwise affect or impair the continuous operation of LESSEE's facilities (except in the event of an emergency).

38. REMAINDER OF SHOPPING CENTER. LESSEE acknowledges and agrees that LESSEE shall have no right of control, regulation, approval or disapproval with respect to the use or development of that portion of the Shopping Center which is not included within the Premises. It is understood by LESSEE that LESSOR may not now or in the future own all of the Shopping Center which is not included within the Premises. LESSEE agrees not to cancel this Agreement, reduce or abate LESSEE's rental and other obligations hereunder, or pursue any other available remedies for any violation of this Agreement occurring by virtue of any act or omission on or with respect to any property not owned by LESSOR.

39. ATTORNEYS' FEES. In the event that legal proceedings are brought or commenced to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party all costs and expenses of such proceedings, including actual attorneys' fees, whether or not any proceedings are prosecuted to judgment.

40. SURVIVAL. The provisions of the Agreement relating to indemnification from one Party to the other Party shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration for a period of four (4) years.

41. CAPTIONS. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

42. COUNTERPARTS. This Agreement may executed by the Parties in separate counterparts, each of which when taken together, shall be deemed one and the same original Agreement.

43. TITLE TO LESSEE'S FACILTIES. Title to LESSEE's facilities and any equipment placed on the Premises by LESSEE shall be held by LESSEE. All of LESSEE's facilities shall remain the property of LESSEE and are not fixtures. LESSEE has the right to remove all LESSEE's facilities at its sole expense on or before the expiration or termination of this Agreement. If requested by LESSOR, LESSEE shall, at its sole cost and expense, remove all of LESSEE's facilities and equipment upon expiration or termination of this Agreement for any reason. Upon removal of any of LESSEE's facilities or equipment, LESSEE shall restore the Premises, Building and Shopping Center to the conditions they were in immediately prior to the Commencement Date of this Agreement, normal wear and tear excepted. LESSOR acknowledges that LESSEE may enter into financing arrangements including promissory notes and financial and security agreements for the financing of LESSEE's facilities (the "Collateral") with a third party financing entity and may in the future enter into additional financing arrangements with other financing entities. In connection therewith, LESSOR(i) disclaims any interest in the Collateral, as fixtures or otherwise, whether arising at law or otherwise, including, but not limited to any statutory landlord's lien ; and (ii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any rent due or to become due and that such Collateral may be removed at any time without recourse to legal proceedings, provided however the party removing such Collateral, shall do so at its sole cost and expense, and shall restore the Premises, Building and Shopping Center to the conditions they were in immediately prior to the Commencement Date of this Agreement, normal wear and tear excepted.

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

"LESSOR"

TORRANCE TOWNE CENTER ASSOCIATES LLC,
a California limited liability company

BY: TORRANCE VENTURE 2003 LLC,
a California limited liability company

BY: AIRPORT VENTURE 2002 LLC,
a California limited liability company

By: _____

Its: _____

LESSEE:

Royal Street Communications California, LLC,
a Delaware limited liability company

By:_____

Its:_____

EXHIBIT "A"

DESCRIPTION OF PROPERTY

Legal to be provided by Title Company

EXHIBIT "B"

SITE PLAN OF ROOFTOP SPACE, FLOOR SPACE ANTENNA SPACE AND CABLING SPACE

Drawings to be provided by LESSEE

EXHIBIT "C"

RULES AND REGULATIONS

Rules and Regulations to be attached by LESSOR