# NORTHFIELD TOWNSHIP

# **MEMO**

To: Northfield Township Board

From: Howard Fink

**Date:** 2/4/2016

Re: Verizon Wireless Cell Phone Tower

Dear Township Board,

A few months ago, the Verizon Cell Phone tower contract was on a Workshop agenda. At that time, the board chose not to put this on as an Agenda item. Verizon has since returned and altered the contract terms, providing the township some potential for additional revenue (although has lowered the annual rent escalator). Verizon is proposing to require that any companies wishing to co-locate on the tower must negotiate a new land lease with the Township Directly. This change also allows us to have a bit more control over any co-locators.

In total, Verizon has changed the following items in the proposed lease:

- 1. Lease area reduced to 40' x 50' (from 50'x 50')
- 2. Section 22: Any additional co-locators will be required to obtain a ground lease from the township.
- 3. Section 5: Annual rent escalator changed to 2% (this was decreased from 3%).

I, along with Chief Wagner, am recommending approval of this lease. I believe that the fire department should receive the substantial benefit of the funds, as they are most in need. Chief Wagner and I recommend a 75% / 25% split, with the fire department receiving 75% of the revenue and the general fund 25%.

Sincerely,

Howard Fink, Township Manager



# LAW OFFICE OF PAUL E. BURNS

Attorneys at Law 133 West Grand River Brighton, Michigan 48116 (810) 227-5000 FAX (810) 220-5895

Paul E. Burns Bradford L. Maynes

# ATTORNEY-CLIENT PRIVILEGED CONFIDENTIAL COMMUNICATION

September 17, 2015

VIA ELECTRONIC MAIL

Northfield Township Board of Trustees Township of Northfield 8350 Main Street Whitmore Lake, Michigan 48189

Proposed Lease Agreement with New Par, d/b/a Verizon Wireless

Dear Trustees,

Re:

Our office, along with the Township Manager, has been negotiating with New Par regarding a lease proposed for a cell tower facility to be located on a portion of the Fire Station property located at 2727 E. North Territorial Road. The attached, proposed lease represents a long period of negotiation, and it is our understanding that it is not likely that New Par will further negotiate the relevant terms of the lease. The Township Manager has requested that our office prepare a legal review of the proposed lease. Please find that review below.

The proposed lease with New Par is for a 50' by 50' parcel of land located roughly northwest of the existing fire station on North Territorial Road, along with easement rights to access the parcel and bring utilities to it. Rent will be paid in monthly installments, for a total of \$16,800 annually, with an annual rent escalator of 3%. The term of the lease is for five years, with four automatic five-year extensions, unless New Par elects not to exercise the extensions. Our legal review has disclosed three paragraphs of the proposed lease that are not in keeping with our typical legal recommendations, but are not legally prohibited. Accordingly, it is a business decision for the Township as to whether these terms are acceptable given the income to be received by the Township.

# Paragraph 4 - Extensions

Paragraph 4 of the proposed lease provides as follows:

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# 4. <u>EXTENSIONS</u>.

- a. Subject to the provisions of Paragraph 4(b), below, this Agreement shall automatically be extended for four (4) 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.
- b. LESSOR may terminate the agreement, effective eighteen months after the end of the second renewal term, by giving LESSEE written notice of its intention to terminate the agreement no later than the end of the second renewal term.

It is generally our recommendation that the Township should have, at least, an equal right to terminate an agreement as New Par does. New Par is unwilling to agree to offer an identical right to terminate to the Township, but has agreed to allow the Township the ability to terminate the lease after the second five-year extension – effectively after a total of 15 years of the lease.

# Paragraph 16 - Limited Right of First Refusal

Paragraph 16 of the proposed lease provides, in relevant part, as follows:

16. LIMITED RIGHT OF FIRST REFUSAL. If LESSOR elects, during the Term to grant to a non-governmental third party, by easement or other legal instrument, an interest in and to the Premises, for the purpose of operating and maintaining communications facilities or the management thereof, with or without an assignment of this Agreement to such third party, LESSEE shall have the right of first refusal to meet any bona fide offer of transfer on the same terms and conditions of such offer. If LESSEE fails to meet such bona fide offer within thirty (30) days after written notice thereof from LESSOR, LESSOR may grant the easement or interest in the Premises to such non-governmental third person in accordance with the terms and conditions of such third party offer...

(emphasis added). Broad rights of first refusal are generally disfavored, as they greatly limit the marketability of real estate. Additionally, a broad right of first refusal can have substantial value in addition to the value of a lease. In the present instance, our office and the Township Manager have negotiated with New Par to greatly limit the scope of the Limited Right of First Refusal by adding the emphasized language, above, to minimize the above concerns.

## Paragraph 22 - Assignment

Paragraph 22 of the proposed lease provides, in relevant part, as follows:

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22. <u>ASSIGNMENT</u>. 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 ... 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...

Generally, it is our recommendation that leases contain very limited ability for the lessee to assign the lease without the unilateral approval of the Township, so that the Township may maintain entire control over who it has business relationships with.

Subject to the concerns set forth above, if the Township makes the business decision to accept the above terms in exchange for the negotiated lease payments, the proposed lease is in a legally acceptable form for adoption.

Please contact our office if you have any questions in this regard.

Very truly yours,

Bradford L. Maynes

cc: Mr. Howard Fink

JC3666-13

Draft Date: January 11, 2016

#### LAND LEASE AGREEMENT

This Agreement, made this day of		20	between	Northfield
Township, a Michigan municipal corporation, with its prin	cipal mailing address	of <b>8350</b>	Main Street,	Whitmore
Lake, Michigan 48189, hereinafter designated LESSOR an	id New Par, a Dela	ware par	tnership d/b	/a Verizon
Wireless, with its principal office located at One Verizon W	Vay, Mail Stop 4AW	100, Bas	king Ridge, 1	New Jersey
07920 (telephone number 866-862-4404), hereinafter designa	ated LESSEE. The L	ESSOR a	ind LESSEE a	are at times
collectively referred to hereinafter as the "Parties" or individual	ly as the "Party".			

1. <u>PREMISES</u>. LESSOR hereby leases to LESSEE a portion of that certain parcel of property (the entirety of LESSOR's property is referred to hereinafter as the Property), located at **2727 E. North Territorial Road, Whitmore Lake, Washtenaw County, Michigan 48189**, and being described as an **50' by 40' parcel containing approximately two thousand square feet** (the "Land Space"), together with the non-exclusive right (the "Rights of Way") for ingress and egress, seven (7) days a week twenty-four (24) hours a day, on foot or motor vehicle, including trucks over or along a **thirty (30') foot wide right-of-way and a ten (10') foot wide right-of-way** extending from the nearest public right-of-way, **North Territorial Road**, to the Land Space, and for the installation and maintenance of utility wires, poles, cables, conduits, and pipes over, under, or along one or more rights of way from the Land Space, said Land Space and Rights of Way (hereinafter collectively referred to as the "Premises") being substantially as described herein in Exhibit "A" attached hereto and made a part hereof. The Property is also shown on the Tax Map of the **Township of Northfield as Tax Parcel Id No: B-02-27-100-003** and is further described in **Liber 1542, Page 137 of the Washtenaw County Register of Deeds**.

In the event any public utility is unable to use the Rights of Way, the LESSOR hereby agrees to grant an additional right-of-way either to the LESSEE or to the public utility at no cost to the LESSEE, provided, however, that the location of the additional rights-of-way, if any, shall be as reasonably designated by LESSOR.

2. <u>SURVEY</u>. LESSOR also hereby grants to LESSEE the right to survey the Property and the Premises, and said survey shall then become Exhibit "B" which shall be attached hereto and made a part hereof, and shall control in the event of boundary and access discrepancies between it and Exhibit "A". Cost for such work shall be borne by the LESSEE.

#### 3. TERM; RENTAL.

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 shall commence and be due at a total annual rental of Sixteen Thousand Eight Hundred Dollars (\$16,800.00) to be paid in equal monthly installments on the first day of the month, in advance, to LESSOR at the notice address below 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 23 below. The Agreement shall commence based upon the date LESSEE commences installation of the equipment on the Premises, or on the first day of January, 2017, whichever occurs first. In the event the date of commencing installation of equipment is determinative and such date falls between the 1st and 15th of the month, the Agreement shall commence on the 1st of that month and if such date falls between the 16th and 31st of the month, then the Agreement shall commence on the 1st day of the following month (either of the foregoing or January 1, 2017, if applicable, being the "Commencement Date"). LESSOR and LESSEE agree that they shall acknowledge in writing the Commencement Date in the event the Commencement Date is based upon the date LESSEE commences installation of the equipment on the Premises. In the event the Commencement Date is the fixed date set forth above, there shall be no written acknowledgement required. LESSOR and LESSEE acknowledge and agree that initial rental payment(s) shall not actually be sent by LESSEE until forty-five (45) days after the Commencement Date or after a written acknowledgement confirming the Commencement Date, if such an acknowledgement is required. By way of illustration of the preceding sentence, if the Commencement Date is January 1 and no written acknowledgement confirming the Commencement Date is required, LESSEE shall send to the LESSOR the rental payments for January 1 and February 1 by February 15, and if the Commencement Date is

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January 1 and a required written acknowledgement confirming the Commencement Date is dated January 14, LESSEE shall send to the LESSOR the rental payments for January 1 and February 1 by February 28.

Upon agreement of the Parties, LESSEE may pay rent by electronic funds transfer and in such event, LESSOR agrees to provide to LESSEE bank routing information for such purpose upon request of LESSEE.

b. LESSOR hereby agrees to provide to LESSEE certain documentation (the "Rental Documentation") evidencing LESSOR's interest in, and right to receive payments under, this Agreement, including without limitation: (i) documentation, acceptable to LESSEE in LESSEE's reasonable discretion, evidencing LESSOR's good and sufficient title to and/or interest in the Property and right to receive rental payments and other benefits hereunder; (ii) a complete and fully executed Internal Revenue Service Form W-9, or equivalent, in a form acceptable to LESSEE, for any party to whom rental payments are to be made pursuant to this Agreement; and (iii) other documentation requested by LESSEE in LESSEE's reasonable discretion. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. The Rental Documentation shall be provided to LESSEE in accordance with the provisions of and at the address given in Paragraph 23. Delivery of Rental Documentation to LESSEE shall be a prerequisite for the payment of any rent by LESSEE and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments until Rental Documentation has been supplied to LESSEE as provided herein.

Within fifteen (15) days of obtaining an interest in the Property or this Agreement, any assignee(s), transferee(s) or other successor(s) in interest of LESSOR shall provide to LESSEE Rental Documentation in the manner set forth in the preceding paragraph. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, any assignee(s) or transferee(s) of LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. Delivery of Rental Documentation to LESSEE by any assignee(s), transferee(s) or other successor(s) in interest of LESSOR shall be a prerequisite for the payment of any rent by LESSEE to such party and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments to any assignee(s), transferee(s) or other successor(s) in interest of LESSOR until Rental Documentation has been supplied to LESSEE as provided herein.

## 4. EXTENSIONS.

- a. Subject to the provisions of Paragraph 4(b), below, this Agreement shall automatically be extended for four (4) 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.
- b. LESSOR may terminate the agreement, effective eighteen months after the end of the second renewal term, by giving LESSEE written notice of its intention to terminate the agreement no later than the end of the second renewal term.
- 5. <u>RENTAL INCREASES</u>. The annual rental throughout the initial term described in Paragraph 3 and any Extensions described in Paragraph 4 shall increase at a rate of **2% annually**.
- 6. <u>ADDITIONAL EXTENSIONS</u>. If at the end of the fourth (4th) 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 for a further term of five (5) years and for five (5) year terms thereafter until terminated by either Party by giving to the other written notice of its intention to so terminate at least three (3) months prior to the end of such term. Annual rental for each such additional five (5) year term shall be equal to the annual rental payable with respect to the immediately preceding five (5) year term. The initial term and all extensions shall be collectively referred to herein as the "Term".
- 7. TAXES. LESSEE shall have the responsibility to pay any personal property, real estate taxes, assessments, or charges owed on the Property which LESSOR demonstrates is the result of LESSEE's use of the

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Premises and/or the installation, maintenance, and operation of the LESSEE's improvements, and any sales tax imposed on the rent (except to the extent that LESSEE is or may become exempt from the payment of sales tax in the jurisdiction in which the Property is located), including any increase in real estate taxes on the Property which LESSOR demonstrates arises from the LESSEE's improvements and/or LESSEE's use of the Premises. LESSOR and LESSEE shall each be responsible for the payment of any taxes, levies, assessments and other charges imposed including franchise and similar taxes imposed upon the business conducted by LESSOR or LESSEE at the Property. Notwithstanding the foregoing, LESSEE shall not have the obligation to pay any tax, assessment, or charge that LESSEE is disputing in good faith in appropriate proceedings prior to a final determination that such tax is properly assessed provided that no lien attaches to the Property. Nothing in this Paragraph shall be construed as making LESSEE liable for any portion of LESSOR's income taxes in connection with any Property or otherwise. Except as set forth in this Paragraph, LESSOR shall have the responsibility to pay any personal property, real estate taxes, assessments, or charges owed on the Property and shall do so prior to the imposition of any lien on the Property.

LESSEE shall have the right, at its sole option and at its sole cost and expense, to appeal, challenge or seek modification of any tax assessment or billing for which LESSEE is wholly or partly responsible for payment. LESSOR shall reasonably cooperate with LESSEE at LESSEE's expense in filing, prosecuting and perfecting any appeal or challenge to taxes as set forth in the preceding sentence, including but not limited to, executing any consent, appeal or other similar document. In the event that, as a result of any appeal or challenge by LESSEE, there is a reduction, credit or repayment received by the LESSOR for any taxes previously paid by LESSEE, LESSOR agrees to promptly reimburse to LESSEE the amount of said reduction, credit or repayment. In the event that LESSEE does not have the standing rights to pursue a good faith and reasonable dispute of any taxes under this paragraph, LESSOR will pursue such dispute at LESSEE's sole cost and expense upon written request of LESSEE.

- USE; GOVERNMENTAL APPROVALS. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto. A security fence consisting of chain link construction or similar but comparable construction may be placed around the perimeter of the Premises at the discretion of LESSEE (not including the access easement). All improvements, equipment, antennas and conduits shall be at LESSEE's expense and their installation shall be at the discretion and option of LESSEE. 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 it 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 satisfactory soil boring tests which will permit LESSEE's use of the Premises as set forth above. LESSOR shall cooperate with LESSEE in its effort to obtain such approvals and shall take no action which would adversely affect the status of the Property with respect to the proposed use thereof by LESSEE. 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 soil boring tests are unsatisfactory; (v) LESSEE determines that the Premises is no longer technically compatible for its use; or (vi) LESSEE, in its sole discretion, determines that the use the Premises is obsolete or unnecessary, 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.
- 9. <u>INDEMNIFICATION</u>. Subject to Paragraph 10 below, LESSEE shall indemnify and hold LESSOR harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of LESSEE, its employees, contractors or agents, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of the other Party, or its employees, contractors or agents.

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#### 10. INSURANCE.

- a. The Parties hereby waive and release any and all rights of action for negligence against the other which may hereafter arise on account of damage to the Premises or to the Property, resulting from any fire, or other casualty of the kind covered by standard fire insurance policies with extended coverage, regardless of whether or not, or in what amounts such insurance is now or hereafter carried by the Parties, or either of them. These waivers and releases shall apply between the Parties and they shall also apply to any claims under or through either Party as a result of any asserted right of subrogation. All such policies of insurance obtained by either Party concerning the Premises or the Property shall waive the insurer's right of subrogation against the other Party.
- b. LESSOR and LESSEE each agree that, at its own cost and expense, each will maintain commercial general liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$500,000 for damage or destruction to property in any one occurrence. LESSOR and LESSEE each agree that it will include the other Party as an additional insured.
- 11. <u>LIMITATION OF LIABILITY</u>. Except for indemnification pursuant to Paragraphs 9 and 29, 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. INTENTIONALLY OMITTED.

- 13. <u>INTERFERENCE</u>. LESSEE agrees to install equipment of the type and frequency which will not cause harmful interference, which is measurable in accordance with then existing industry standards, to any equipment of LESSOR or other lessees of the Property which existed on the Property prior to the date this Agreement is executed by the Parties. In the event any after-installed LESSEE's equipment causes such interference, and after LESSOR has notified LESSEE in writing of such interference, LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference, including but not limited to, at LESSEE's option, powering down such equipment and later powering up such equipment for intermittent testing. In no event will LESSOR be entitled to terminate this Agreement or relocate the equipment as long as LESSEE is making a good faith effort to remedy the interference issue. LESSOR agrees that LESSOR and/or any other tenants of the Property who currently have or in the future take possession of the Property will be permitted to install only such equipment that is of the type and frequency which will not cause harmful interference, which is measurable in accordance with then existing industry standards, to the then existing equipment of LESSEE. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and, therefore, either Party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.
- days after any earlier termination of this Agreement, remove its building(s), antenna structure(s) (except footings), 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 (as defined in Paragraph 33 below). 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 or on the existing monthly pro-rata basis if based upon a longer payment term, until such time as the removal of the building, antenna structure, fixtures and all personal property are completed.
- 15. <u>HOLDOVER</u>. 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, unless the Parties are negotiating a new lease or lease extension in good faith. In the event that the Parties are not in the process of negotiating a new lease or lease

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extension in good faith, LESSEE holds over in violation of Paragraph 14 and this Paragraph 15, 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 equal to the rent applicable during the month immediately preceding such expiration or earlier termination.

- 16. <u>LIMITED RIGHT OF FIRST REFUSAL</u>. If LESSOR elects, during the Term to grant to a non-governmental third party, by easement or other legal instrument, an interest in and to the Premises, for the purpose of operating and maintaining communications facilities or the management thereof, with or without an assignment of this Agreement to such third party, LESSEE shall have the right of first refusal to meet any bona fide offer of transfer on the same terms and conditions of such offer. If LESSEE fails to meet such bona fide offer within thirty (30) days after written notice thereof from LESSOR, LESSOR may grant the easement or interest in the Premises to such non-governmental third person in accordance with the terms and conditions of such third party offer. For purposes of this Paragraph, any transfer, bequest or devise of LESSOR's interest in the Property as a result of the death of LESSOR, whether by will or intestate succession, or any conveyance to LESSOR's family members by direct conveyance or by conveyance to a trust for the benefit of family members shall not be considered a transfer of the Property for which LESSEE has any right of first refusal. For the purposes of this Paragraph, any transfers to governmental entities shall not be considered a transfer of the Property for which LESSEE has any right of first refusal.
- 17. RIGHTS UPON SALE. Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property 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 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. To the extent that LESSOR grants to a third party by easement or other legal instrument an interest in and to that portion of the Property occupied by LESSEE for the purpose of operating and maintaining communications facilities or the management thereof and in conjunction therewith, assigns this Agreement to said third party, LESSOR shall not be released from its obligations to LESSEE under this Agreement, and LESSEE shall have the right to look to LESSOR and the third party for the full performance of this Agreement.
- 18. <u>QUIET ENJOYMENT</u>. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Premises.
- 19. <u>TITLE</u>. LESSOR represents and warrants to LESSEE, as of the execution date of this Agreement, and covenants during the Term that LESSOR is seized of good and sufficient title and interest to the Property and has full authority to enter into and execute this Agreement. LESSOR further covenants, during the Term, that there are no liens, judgments or impediments of title on the Property or affecting LESSOR's title to the same and that there are no covenants, easements or restrictions which prevent or adversely affect the use or occupancy of the Premises by LESSEE as set forth above.
- 20. <u>INTEGRATION</u>. 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 this 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 this 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.
- 21. <u>GOVERNING LAW</u>. 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.

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22. <u>ASSIGNMENT</u>. 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. LESSEE reserves all rights to lease, sublease, or license space on the tower to third party additional users. All future third party additional users shall seek ground space from LESSOR in a separate agreement and pay LESSOR directly for such ground space, whether or not the collocation would physically require additional ground space or not. Utility providers are not considered additional users under this paragraph. Ground layout and space to such third party additional users requires LESSEE's consent, not to be unreasonably withheld, conditioned or delayed. Any sublease that is entered into by LESSEE shall be subject to the provisions of this Agreement and shall be binding upon the successors, assigns, heirs and legal representatives of the respective Parties hereto.

23. <u>NOTICES</u>. 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: Northfield Township

8350 Main Street

Whitmore, Michigan 48189

LESSEE: New Par, a Delaware partnership

d/b/a Verizon Wireless

180 Washington Valley Road Bedminster, New Jersey 07921 Attention: Network Real Estate

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

- 24. <u>SUCCESSORS</u>. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.
- SUBORDINATION AND NON-DISTURBANCE. LESSOR shall obtain, not later than fifteen (15) days following the execution of this Agreement, a Non-Disturbance Agreement, as defined below, from its existing mortgagee(s), ground lessors and master lessors, if any, of the Property. At LESSOR's option, this Agreement shall be subordinate to any future master lease, ground lease, mortgage, deed of trust or other security interest (a "Mortgage") by LESSOR which from time to time may encumber all or part of the Property or right-of-way; provided, however, as a condition precedent to LESSEE being required to subordinate its interest in this Agreement to any future Mortgage covering the Property, LESSOR shall obtain a non-disturbance and attornment agreement for LESSEE's benefit in the form reasonably satisfactory to LESSEE, containing the terms described below (the "Non-Disturbance Agreement"), and shall recognize LESSEE's right to remain in occupancy of and have access to the Premises as long as LESSEE is not in default of this Agreement beyond applicable notice and cure periods. The Non-Disturbance Agreement shall include the encumbering party's ("Lender's") agreement that, if Lender or its successor-in-interest or any purchaser of Lender's or its successor's interest (a "Purchaser") acquires an ownership interest in the Property, Lender or such successor-in-interest or Purchaser will (1) honor all of the terms of this Agreement, (2) fulfill LESSOR's obligations under this Agreement, and (3) promptly cure all of the then-existing LESSOR defaults under this Agreement. Such Non-Disturbance Agreement must be binding on all of Lender's participants in the subject loan (if any) and on all successors and assigns of Lender and/or its participants and on all

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Purchasers. In return for such Non-Disturbance Agreement, LESSEE will execute an agreement, for Lender's benefit, in which LESSEE (1) confirms that the Agreement is subordinate to the Mortgage or other real property interest in favor of Lender, (2) agrees to attorn to Lender if Lender becomes the owner of the Property and (3) agrees to accept a cure by Lender of any of LESSOR's defaults, provided such cure is completed within the deadline applicable to LESSOR. In the event LESSOR defaults in the payment and/or other performance of any mortgage or other real property interest encumbering the Property, LESSEE may, at its sole option and without obligation, cure or correct LESSOR's default and, upon doing so, LESSEE shall be subrogated to any and all rights, titles, liens and equities of the holders of such mortgage or other real property interest and LESSEE shall be entitled to deduct and setoff against all rents that may otherwise become due under this Agreement the sums paid by LESSEE to cure or correct such defaults.

26. <u>RECORDING</u>. 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 of Lease is for recording purposes only and bears no reference to commencement of either the Term or rent payments.

#### 27. 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 fifteen (15) 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. Notwithstanding the foregoing to the contrary, it shall be a default under this Agreement if LESSOR fails, within five (5) days after receipt of written notice of such breach, to perform an obligation required to be performed by LESSOR if the failure to perform such an obligation interferes with LESSEE's ability to conduct its business on the Property; provided, however, that if the nature of LESSOR's obligation is such that more than five (5) days after such notice is reasonably required for its performance, then it shall not be a default under this Agreement if performance is commenced within such five (5) day period and thereafter diligently pursued to completion.
- 28. <u>REMEDIES</u>. Upon a default, the non-defaulting Party may, at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefor. 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 under the Laws or judicial decisions of the state in which the Premises is located; provided, however, LESSOR shall use reasonable efforts to mitigate its damages in connection with a default by LESSEE. If LESSEE so performs any of LESSOR's obligations hereunder, the full amount of the reasonable and actual cost and expense incurred by LESSEE shall immediately be owing by LESSOR to LESSEE, and LESSOR shall pay to LESSEE, upon demand, the full undisputed amount thereof with interest thereon from the date of payment at the

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greater of (i) ten percent (10%) per annum, or (ii) the highest rate permitted by applicable Laws. Notwithstanding the foregoing, if LESSOR does not pay LESSEE the full undisputed amount within thirty (30) days of its receipt of an invoice setting forth the amount due from LESSOR, LESSEE may offset the full undisputed amount due, including all accrued interest, against all fees due and owing to LESSOR until the full undisputed amount, including all accrued interest, is fully reimbursed to LESSEE.

- 29. ENVIRONMENTAL. LESSEE shall hold LESSOR harmless and indemnify LESSOR from and assume all duties, responsibility and liability, at LESSEE's sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs, or damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to any environmental or industrial hygiene conditions arising out of or in any way related to the activities of LESSEE conducted on the Property, unless such environmental conditions are not caused or contributed to by LESSEE, or its agents or contractors.
- 30. CASUALTY. In the event of damage by fire or other casualty to the 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 may, at any time following such fire or other casualty and 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. 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 was 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.
- 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 Property, LESSEE, in LESSEE's sole discretion, 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 LESSEE's option to be exercised in writing within fifteen (15) days after LESSOR shall have given LESSEE 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 was 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 LESSEE does not terminate 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 area of the Premises taken bears to the total rentable area of the Premises. In the event that this Agreement is not terminated by reason of such condemnation, LESSOR shall promptly repair any damage to the Premises caused by such condemning authority.
- 32. <u>SUBMISSION OF AGREEMENT/PARTIAL INVALIDITY/AUTHORITY</u>. 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.

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- 33. <u>APPLICABLE LAWS</u>. During the Term, LESSOR shall maintain the Property in compliance with 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"). LESSEE shall, in respect to the condition of the Premises and at LESSEE's sole cost and expense, comply with: (a) all 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 on the Premises.
- 34. <u>SURVIVAL</u>. The provisions of this 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.
- 35. <u>CAPTIONS</u>. 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.

[remainder of this page intentionally blank; signatures appear on following page]

Site # 144 – North Territorial & Spencer	
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IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year first above written.

	LESSOR: Northfield Township
WITNESS	By:
	Its:
	Date:
	LESSEE: New Par, a Delaware partnership d/b/a Verizon Wireless By: Verizon Wireless (VAW) LLC, its general partner
	By:
WITNESS	Lynn Ramsey Its: Vice President – Field Network
	Date:

Draft Date: January 11, 2016

#### Exhibit "A"

(Legal Description of Property and Premises)

#### Legal Description of Property (taken from title commitment)

Real property in the Township of Northfield, County of Washtenaw, State of Michigan, described as follows:

Beginning at the North 1/4 corner of Section 27, Town 1 South, Range 6 East, Northfield Township, Washtenaw County, Michigan; thence North 85°42'40" East, 356.79 feet along the North line of said Section; thence along the center line of O'Connor Drain, South 64°38' East, 52.36 feet, South 59°51'30" East 265.75 feet, South 66°38'30" East 103.83 feet, South 60°30' East 157.64 feet, South 80°13' East 134.15 feet, South 85°27' East 84.46 feet, South 87°41' East 124.11 feet and South 79°23' East 140.80 feet; thence South 1°43'30" East 747.00 feet along the East line of the West 1/2 of the Northeast 1/4 of said Section; thence North 64°22'50" West 1502.41 feet along the centerline of N. Territorial Road; thence North 1°41'40" West 405.61 feet along the North-South 1/4 line of said Section, being part of the West 1/2 of the Northeast 1/4 of said Section 27.

Commonly Known As: 2727 East North Territorial Road, Whitmore Lake, Michigan 48189

Tax Parcel Id No: B-02-27-100-003

#### **Legal Description of Premises**

Commencing at the North 1/4 corner of Section 27, T1S, R6E, Northfield Township, Washtenaw County, Michigan, said corner being located S 85°42'40" W 2671.22 feet from the Northeast corner of said Section 27; thence S 01°41'40" E 405.61 feet along the North-South 1/4 line of said Section 27; thence S 64°22'50" E 927.50 feet (also being the centerline of East North Territorial Road, 66 feet wide); thence N 25°37'10" E 115.00 feet; thence N 08°40'07" E 75.00 feet; thence N 25°37'10" E 168.26 feet to the POINT OF BEGINNING:

thence N 64°22'50" W 22.50 feet;

thence N 25°37'10" E 40.00 feet;

thence S 64°22'50" E 50.00 feet;

thence S 25°37'10" W 40.00 feet;

thence N 64°22'50" W 27.50 feet to the POINT OF BEGINNING; being a part of the Northeast 1/4 of Section 27, T1S, R6E, Northfield Township, Washtenaw County, Michigan; and containing 2,000 sq. ft. or 0.046 acres, more or less; subject to easements and restrictions of record, if any;

[continued on following page]

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## Exhibit "A" – continued from previous page

Together with a 30 foot wide easement for ingress, egress and public utilities, the centerline of said easement is described as follows:

Commencing at the North 1/4 corner of Section 27, T1S, R6E, Northfield Township, Washtenaw County, Michigan, said corner being located S 85°42'40" W 2671.22 feet from the Northeast corner of said Section 27; thence S 01°41'40" E 405.61 feet along the North-South 1/4 line of said Section 27; thence S 64°22'50" E 927.50 feet (being the centerline of East North Territorial Road, 66 feet wide) to the POINT OF BEGINNING:

thence N 25°37'10" E 115.00 feet;

thence N 08°40'07" E 75.00 feet;

thence continuing N 25°37'10" E 168.26 feet to the POINT OF ENDING; being a part of the Northeast 1/4 of Section 27, T1S, R6E, Northfield Township, Washtenaw County, Michigan; except any part taken, deeded or used for public road purposes; and subject to easements and restrictions of record, if any;

Together with a 10 foot wide easement for public utilities, the centerline of said easement is described as follows:

Commencing at the North 1/4 corner of Section 27, T1S, R6E, Northfield Township, Washtenaw County, Michigan, said corner being located S  $85^{\circ}42'40"$  W 2671.22 feet from the Northeast corner of said Section 27; thence S  $01^{\circ}41'40"$  E 405.61 feet along the North-South 1/4 line of said Section 27; thence S  $64^{\circ}22'50"$  E 927.50 feet (also being the centerline of East North Territorial Road, 66 feet wide); thence N  $25^{\circ}37'10"$  E 115.00 feet; thence N  $08^{\circ}40'07"$  E 75.00 feet; thence N  $25^{\circ}37'10"$  E 60.00 feet to the POINT OF BEGINNING:

thence S 64°22'50 W 87.00 feet to the POINT OF ENDING; being a part of the Northeast 1/4 of Section 27, T1S, R6E, Northfield Township, Washtenaw County, Michigan; subject to easements and restrictions of record, if any.

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Exhibit "B"

(See attached Survey)