

9003 University Ave Northeast Lease Agreement

This Lease Agreement (“Lease”) is entered into this ____ day of _____, 2012, by and between the Blaine Economic Development Authority, a municipal corporation under the laws of the State of Minnesota, (“Lessor”), and Clear Channel Outdoor Inc. (“Lessee”), a corporation of the State of Delaware.

In consideration of the undertakings contained in this Lease and other good and valuable consideration, the receipt of which is acknowledged, Lessor leases and grants to Lessee rights for the purposes set forth in this Lease, including the rights of possession, a 35ft x 20 ft area depicted on Exhibit A attached hereto (“Property”) and non-exclusive rights of ingress and egress across the real estate located at 9003 University Ave Northeast to access the Property. .

1. The term of this Lease shall be five(5) years and shall be extended from year-to-year at the end of the Term upon the terms and conditions then in effect, unless terminated by either party by written notice to the other party ninety (90) days prior to the end of the Term or any extension. The term of this Lease shall commence on May 1,2012 (“Commencement Date”). 2. Yearly Rent for the 5-year Term shall be shall be paid annually, on or before the 15th day of May, according to the following table:

| Term | Annual Rental Rate |
|------------------------------|---------------------------|
| May 1, 2012 - April 30, 2013 | \$ 2,500.00 |
| May 1, 2013 -April 30, 2014 | \$ 2,500.00 |
| May 1, 2014 - April 30, 2015 | \$ 3,500.00 |
| May 1, 2015 - April 30, 2016 | \$ 3,500.00 |
| May 1, 2016 –April 30, 2017 | \$ 3,500.00 |

3. In consideration for the rent paid , Lessee shall have the right, at its expense, to maintain on the Property outdoor advertising structures and displays, communication equipment on the displays and lighting connections and equipment (all personal property and fixtures installed by or on behalf of Lessee is collectively referred to as “Equipment”). Lessor further grants Lessee and such other individuals or companies as Lessee shall nominate, including the local electric company, such additional rights or easements as are necessary to construct, illuminate, maintain, operate, remove, or replace the equipment. Lessor further grants Lessee and such other individuals or companies as Lessee shall nominate, the right to ingress and egress over the Property, and the right to maintain the visibility of the advertising display face(s) free of obstructive vegetation and structures for the initial term and for all extensions and period of refusal rights. Upon termination of the Lease, Lessee shall remove all of its equipment and structures from the Property without causing damage to the Property or other tenant, reasonable wear and tear accepted. Lessee shall be responsible for any other costs, including attorney’s fees,

for such removal. Only Lessee's employees and other authorized persons may have access to or upon the structures and Equipment.

4. Lessee shall be entitled to reasonable access to the Property. Lessee shall not use the Property in any way that interferes with the existing use by the Lessor or tenants or licensees of Lessor holding rights to such Property.

5. Lessee shall maintain the Property and outdoor advertising structures in a proper operating, safe and secure condition. All costs associated with the maintenance and repair of the outdoor advertising structures, including painting shall be paid by Lessee. Lessee shall maintain, at its own expense, any equipment on or attached to the outdoor advertising structure in a safe condition, in good repair to the satisfaction of the Lessor and so as not to conflict with the use or lease of the Property and surrounding areas. Lessee shall have sole responsibility for the maintenance, repair and security of its equipment, personal property, outdoor advertising structures and leasehold improvements and shall keep the same in good repair and condition to the satisfaction of the Lessor during the Lease term. Lessee shall keep the Property free of debris and anything of a dangerous, noxious or offensive nature which could create a fire or other hazard, undue vibration, heat or noise or interference.

6. Lessee shall pay utility charges for its use of the Property which utilities shall be separately metered. If at any time, (a) electrical service is unavailable or interrupted; (b) Lessee's advertising copy becomes entirely or partially obscured or destroyed; (c) the premises become unsafe or unsightly, in Lessee's sole judgment, for the maintenance of the Lessee's advertising copy thereon; (d) the value of the premises for advertising purposes diminishes by more than fifty (50%) percent; (e) there is a diversion, reduction or change in directional flow of traffic from the street or streets adjacent to or leading to or past the subject premises; (f) Lessee is unable to obtain necessary permits for the maintenance of such signs as the Lessee may desire to maintain; (g) Lessee is prevented by governmental authority maintaining such signs as the Lessee may so desire maintain; or, (h) such activity becomes unprofitable, within the sole judgment of Lessee, then, and in such event above (a) through (h), at the option of Lessee, this Lease shall be amended, or shall terminate.

This Lease may be terminated by the Lessor, if the City Council determines in its reasonable discretion that the sign structure has fallen into a state of disrepair so that it constitutes a safety hazard to its citizens, Lessee shall have the right to cure the state of disrepair within sixty (60) days notice from Lessor. In the event Lessee cures the safety hazard, the Lease shall not be terminated.

Upon termination of this Lease for any reason, Lessee shall remove the equipment from the Property. The Lessee shall continue to pay rent pursuant to this Lease during any period of time when any portions of the Equipment remain on the Property. Lessee shall also repair any damage to the Property caused by such removal, other than normal wear and tear, at Lessee's sole cost and expense. Any portion of the Lessee's Equipment

which are not removed within one hundred eighty (180) days after termination shall become the Property of Lessor.

7. All permits, licenses, structures, displays, advertising copy, equipment and other materials placed upon the Property by Lessee are Lessee's trade fixtures, trade names and trademarks, and shall be and remain Lessee's exclusive personal property, and may be removed by Lessee at any time prior to or within one hundred eighty (180) days after the termination of this Lease or any extension of this Lease. Only Lessee's employees and other authorized person may have access to or upon the structures and Equipment. Without Lessee's prior written consent, Lessor agrees that no liens or encumbrances may be placed upon or be permitted to remain upon Lessee's personal property.

8. Lessee agrees to indemnify, defend and hold harmless Lessor and its elected officials, officers, employees, agents, and representatives, from and against any and all claims, costs, losses, expenses, demands, actions, or causes of action, including reasonable attorneys' fees and other costs and expenses of litigation, which may be asserted against or incurred by the Lessor or for which the Lessor may be liable which arise from the negligence, willful misconduct, or other act of Lessee or its employees, agents, contractors, invitees, or licensees, which occur in the performance of this Lease or occur during the term of this Lease, because of the installation, operation, use, maintenance, repair, removal or presence of the Lessee's Equipment on the Property, provided same is not due to the negligence or willful default of Lessor. Lessee also agrees to indemnify, defend, and hold harmless Lessor from any action involving permits for outdoor advertising devices. The Lessee also warrants that all copyrighted material to be displayed on the outdoor advertising devices during the term of the Lease has been duly licensed or authorized by the copyright owners or their representatives. The Lessee shall indemnify the Lessor for and defend the Lessor against any and all claims, losses or expenses, incurred because of unauthorized use of copyrighted material. If Lessee fails or neglects to defend such actions, Lessor may defend the same and any expenses (including reasonable attorneys' fees) which it may pay or incur in defending said actions, as well as the amount of any judgment or settlement which it may be required to pay, shall promptly be reimbursed by Lessee.

9. This Lease shall only be assignable by Lessor or Lessee with the written consent of the other party to the Lease Agreement, which consent shall not be unreasonably withheld. If the other party consents, it shall be binding upon the heirs, executors, personal representatives, successors and assigns of both Lessor and Lessee. If this Lease is assigned or the real property is sold, Lessor shall notify Lessee immediately of said assignment or sale prior to the assignment or sale taking place. Lessor also agrees to provide the new owner written notice of the existence of this Lease and to deliver a copy of this Lease to the new owner. In the event Lessor shall decide during the term of this Lease to sell the Property, Lessee shall be entitled for sixty (60) days to acquire the premises on the terms and conditions in said notice.

10. In the event that any part of the Property is acquired by any entity directly or indirectly having or having been delegated the power of eminent domain, Lessor and Lessee shall each maintain their claims for compensation for the loss of their respective interests herein.

11. Lessor represents and warrants that it is the owner or title holder of the Property or the agent of such owner or title holder and has full authority to execute this Lease and agrees to indemnify and save harmless Lessee from any and all claims and/or liability caused by a breach of this warranty.

12. Lessee shall carry adequate insurance to protect the parties against any and all claims, demands, actions, judgments, expenses, and liabilities which may arise out of or result directly or indirectly from Lessee's use of the Property. The applicable policy shall list the Lessor as an additional insured and shall provide that it will be the primary coverage. The insurance coverage must include, at least, Comprehensive General Liability Insurance Coverage, including premises/operation coverage, bodily injury, property damage, independent contractor's liability, and contractual liability coverage, in a combined single limit of not less than One Million (\$1,000,000.00) Dollars per occurrence, subject to One Million (\$1,000,000.00) Dollars aggregate. Lessee may satisfy this requirement by underlying insurance plus an umbrella policy. Lessee shall also maintain the worker's compensation insurance required by law.

13. Lessor gives Lessee its permission and limited power of attorney for the purpose of performing every act deemed necessary by Lessee to apply for and secure, at Lessee's own expense and for Lessee's sole benefit and control, the state and local building, sign and electrical permits relating to signs, necessary to maintain and modify the advertising sign structures on the Property. Lessee understand that it is subject to all federal, state or county regulations, rules and laws.

14. Lessee further understands that its outdoor advertising structure must be in conformance at all times with Section 34.03 Non-Conforming Signs of the City of Blaine's Sign Ordinance that is in effect as of the date of this Lease. Lessee's outdoor advertising sign structures shall not contain any of the following advertisement content:

- (a) Any political candidate or political party, any political action committee, or any organization attempting to endorse any political candidate, political party or political cause;
- (b) Any tobacco products or the use thereof, including, but not limited to, cigarettes, chewing tobacco, cigars, and any advertisement that tends to promote the use or consumption of tobacco products;
- (c) Any alcoholic beverages or the use thereof, including, but not limited to, beer, wine, intoxicating liquor, and any advertisement that tends to promote the use or consumption of alcohol;

- (d) Any form of adult entertainment, including, but not limited to, adult bookstores, strip clubs, and any advertisement that tends to promote establishments that permit the sale or display of sexually explicit materials;
- (e) Any full or partial nudity; and

15. All notices required to be sent under this Lease shall be by certified mail, return receipt requested, to the following:

Lessor: Bryan Schafer, Director of Community Development
Blaine City Hall
10801 Town Square Drive
Blaine, MN 55449

Lessee: Clear Channel Outdoor, Inc.
3225 Spring Street Northeast
Minneapolis, MN 55413

16. The parties agree that there are no prior or contemporaneous oral agreements pertaining to the matters described in this Lease and that this Lease supersedes all prior written agreements pertaining to the Property by and between Lessor and Lessee. Lessor acknowledges that this Lease and the interests and easements contained in this Lease run with the land. The Lease embodies the entire agreement between the parties and may not be modified in any respect, except in writing, signed by the parties.

17. Lessor and Lessee agree that each paragraph of this Lease is severable from the remainder and, if any portion of this Lease is declared to be void or unenforceable, the remainder of the Lease shall continue in full force and effect.

18. Upon request, the parties agree to execute a recordable memorandum of this Lease and further agree to execute any documents necessary to effectuate this Lease, including any documents necessary for the assignment of this Lease or to effectuate its purposes.

19. Lessee understands and agrees that Lessor has the right to develop the remaining portion of the lot outside of the Property. Lessor agrees that any new development shall not infringe on the Property, restrict access to the Property, or block the street view of the Property/Sign from University Avenue .

20. Each party covenants and warrants to the other that (a) it has full right, power and authority to execute this Lease and has the power to grant all right hereunder; (b) its

execution and performance of this Lease will not violate any laws, ordinances, covenants, or the provisions of any mortgage, lease or other agreement binding on said party; and (c) the execution and delivery of this Lease and the performance of its obligations hereunder, have been duly authorized by all necessary personnel or corporate officers and do not violate any provisions of law or the party's certificate of incorporation or bylaws or any other arrangement, provision of law or court order or decree.

LESSOR:

Blaine Economic Development Authority

LESSEE:

Clear Channel Outdoor, Inc.

By: _____

Dated

Its: Executive Director

By: _____

Dated

Its:

By: _____

Dated

Its:

h:\community development\planning\pc case files\2008\08-38 billboard rfp\draft aquatore park lease agreement july 09.doc

Exhibit A

