

LEASE AGREEMENT

Lease No. 1161

This Lease Agreement made and entered into this the 3<sup>rd</sup> day of May, 2006 by and between  
T. G. BALABANIS ("Lessor"), whose address is PO BOX 3565  
MARTINSVILLE, VA 22104 24115-3565  
 and [REDACTED] ("Tenant") whose address is [REDACTED]

1. **Leased Premises.** The Lessor as owner, or authorized agent of the owner, does hereby lease and grant to the Tenant exclusive use and possession of the hereinafter described property for the erection, maintenance, repair, improvement, replacement and/or rebuilding of an outdoor advertising structure. The property constituting the leased premises is described as follows: LOT 3A, PARCEL ID: 008180019

Being a portion of the real property ("the Lessor's Tract") located at US 220 BUS. @ SOUTHERN HOST INN and described in deed recorded in Deed Book 369 at Page 598, HENRY, County Registry, which leased premises is shown on a survey map or sketch plan dated 04/07/06 and attached hereto as Exhibit "A" and incorporated herein by reference ("the Leased Premises"). The Lessor does hereby grant to the Tenant, its employees and agents, an irrevocable license during the term of this Lease Agreement to access the Leased Premises over the Lessor's Tract with labor and machinery using such routes which are practical and reasonable as determined in Tenant's sole discretion and such access shall not be obstructed by Lessor or Lessor's agents.

2. **Term: Good Faith Deposit.** The original term of this Lease Agreement shall be for a term of FOUR ( 4 ) years commencing on MAY 1, 2006 ("the Original Term") with the right to the Tenant only to extend this Lease Agreement from year to year upon the same terms and conditions. This Lease Agreement shall automatically extend itself from year to year after the Original Term hereof the total of such extensions not to exceed ZERO ( 0 ) years, unless it is terminated by Tenant at the end of the Original Term or any annual extension period by mailing written notice of such termination to the Lessor at the address above (or such alternative address provided by the Lessor to the Tenant in writing) not less than thirty (30) days prior to the end of such Original Term or annual extension period. The Lessor acknowledges that Lessor has received from Tenant the sum of \$100.00 which shall constitute a good faith, non-refundable deposit for the consideration of the rental commencement date being determined by completed construction of the outdoor advertising structure as referenced in paragraph 3 below.

3. **Rental.** The Tenant shall pay the Lessor rent totaling THREE THOUSAND Dollars (\$ 3,000.00 ) per year, the payment due upon completion of construction of the outdoor advertising structure (e.g. ready for advertising use) and every one (1) year anniversary thereafter during the Original Term and any renewal or extension term ("Annual Rental Due Date"). During the term of this Lease, rent shall be delinquent if not paid within sixty (60) days after every Annual Rental Due Date. Notwithstanding the above, Tenant may in its sole discretion make partial payments to Lessor in such amounts and in such frequencies prior to each Annual Rental Due Date as Tenant desires without such partial payments altering the Annual Rental Due Date under this Lease Agreement.

4. **Options.** During Tenant's occupancy of the Leased Premises (which includes any holdover periods), Tenant shall have first refusal option to lease the Leased Premises for an additional term, including renewals, upon the same terms and conditions as contained in any valid, acceptable bona fide lease offer Lessor may receive. Tenant shall have fifteen (15) days after receiving written notice of such lease offer from Lessor (with certified full written statement of such offer or certified copy thereof) within which time to exercise its option and mail or hand-deliver to Lessor a written Lease Agreement on the same terms and conditions. During Tenant's occupancy of the Leased Premises (which includes any holdover periods), Tenant shall have the right of first refusal to purchase the Lessor's Tract (or any portion thereof which includes the Leased Premises) upon the same terms and conditions as contained in any valid, acceptable bona fide offer Lessor may receive to purchase the Lessor's Tract (or any portion thereof which includes the Leased Premises). Tenant shall have thirty (30) days after receiving written notice of such offer from Lessor (with certified full written statement of such offer or certified copy thereof) within which time to exercise its option and mail or hand-deliver to Lessor a written Purchase Agreement on the same terms and conditions. In addition to the rental payments referenced in paragraph 3 above, the sum of One Hundred Dollars (\$100.00) shall be paid with the first rental payment to Lessor by Tenant as good and valuable consideration for the options referred to in this paragraph.

5. **Property.** Any outdoor advertising structure existing on the Leased Premises when this Lease Agreement is made, or placed on the Leased Premises at any time thereafter, is intended to be a permanent fixture on the property of Lessor; however, Tenant expressly is granted the right to salvage and remove all above ground components of the outdoor advertising structure owned by Tenant, related equipment and materials from the Leased Premises within ninety (90) days ("the Removal Period") after the later of the expiration of this Lease Agreement, including all renewals or extensions, or receipt of written notice from Lessor that the above ground components of the outdoor advertising structure, related equipment and materials must be unconditionally removed. Notwithstanding the receipt of a notice to remove the outdoor advertising structure, any subsequent written offers from the Lessor to negotiate the terms of a new or renewal Lease shall terminate the running of the Removal Period until Tenant is provided a new written notice of unconditional removal, wherein it is explicitly made clear that all negotiations have been concluded. In the event a new notice of removal is provided stating that negotiations are concluded, the Tenant shall have a new 90-day Removal Period to remove its structure, related equipment and materials. The rent during any holdover period shall be the same as provided in paragraph 3 above, prorated per month of occupancy.

6. **Lessor Cooperation and Agency; Permitting; Vegetation.** In the event that any governmental entity proposes or enacts a law, regulation or ordinance or takes any other action that affects the Tenant's use of the Leased Premises for outdoor advertising purposes as determined in Tenant's sole discretion, Lessor shall cooperate fully with Tenant in opposing said law, regulation, ordinance or action and in that regard, Lessor does hereby designate Tenant as Lessor's agent for purposes of signing any protest petitions or otherwise registering opposition or filing an appeal or complaint challenging such law, regulation, ordinance or governmental action. The Lessor acknowledges that at any time after Lessor executes this Lease Agreement Tenant has the

authority to apply for (on behalf of Lessor) and obtain any and all applicable governmental permits or approvals for the sign on the Leased Premises without further notice to the Lessor. Tenant may trim any trees and vegetation currently on the Leased Premises or on any property owned or controlled by Lessor as often as Tenant in its sole discretion deems appropriate to prevent or minimize obstructions to the outdoor advertising structure.

7. **Cancellation of Lease.** If the view of the Leased Premises or outdoor advertising sign erected thereon becomes partially or wholly obstructed or the advertising value impaired or diminished by reduced vehicular circulation, or the construction or use of such sign is prevented or restricted by law, or permits required to build are denied, the Tenant may immediately, at its sole option, reduce rental in direct proportion to the loss suffered as a result of such obstruction, impairment, prevention or restriction of use, or keep the Lease in force except that no rental shall accrue while such conditions continue, or cancel this Lease Agreement and receive all rent paid for the unexpired term hereof, by giving the Lessor notice in writing of such obstruction, impairment, prevention or restriction of use. This provision shall inure to the benefit of the Tenant only and shall not be construed as eliminating or reducing any rights that the Tenant may have in its reasonable investment expectations attributable to this Lease.

8. **Condemnation; Lease Renewal Expectation.** In the event of a condemnation by or direct purchase sale to a governmental agency with the power of eminent domain while Tenant occupies the Leased Premises, Tenant agrees to make no claim to any proceeds due Lessor as a result of the condemnation or sale, but retains any and all rights to pursue compensation due Tenant as result thereof under federal and/or state law, and Lessor agrees to take no action inconsistent with Tenant's rights herein stated. As a result of the relatively small size of the Leased Premises, its proximity to the highway, and/or the zoning of the Property, the parties acknowledge that there is a reasonable probability of renewals of this lease for at least the useful life of the outdoor advertising structure.

9. **Lessor's Representations.** Unless specifically stated otherwise herein, the Lessor represents and warrants that Lessor is either the owner or authorized agent of the owner of the Leased Premises, has full authority to make this Lease Agreement and covenants that Lessor will not permit the Leased Premises, any portion of the Lessor's Tract or any other property owned or controlled by Lessor within a two thousand foot radius of Tenant's outdoor advertising structure, to be used for advertising purposes or permit Tenant's sign to be obstructed. Subject to Tenant's option rights referred to above and prior to any transfer of Lessor's interest in the Leased Premises, Lessor agrees to give Tenant notice of such transfer or and to make such transfer expressly subject to this Lease Agreement. In the event Tenant decides not to exercise its option referred to above, Lessor agrees to deliver promptly to Tenant the name and address of Lessor's transferee and to deliver to such transferee written notice of the existence of this Lease Agreement and a copy thereof. Lessor understands that the terms of this Lease are proprietary and confidential and that Tenant would be damaged by the unauthorized disclosure of the terms. As a result, Lessor agrees not to disclose the terms of this Lease to any third party. This confidentiality provision shall survive the termination of this Lease.

10. **Entire Agreement; Beneficial Parties; Notices; Memorandum of Lease.** It is expressly understood that neither the Lessor nor the Tenant is bound by any oral stipulations, oral representations or verbal agreements not printed or written in this Agreement. This Agreement shall inure to the benefit of and be binding upon the personal representatives, successors and assigns of the parties hereto. The Lessor and Tenant agree that this lease shall not be assignable to any governmental entity or other entity with the power of eminent domain. The provisions herein are intended for the mutual benefit of Lessor and Tenant, their personal representatives, successors and assigns. Notice under this Lease Agreement shall be deemed effective upon depositing same in the care and custody of the U.S. Postal system deliverable to the applicable address referred to above for each party. A memorandum of this Lease Agreement shall be recorded at the county registry where the Leased Premises is located.

11. **Miscellaneous**

Accepted this \_\_\_\_\_ day of \_\_\_\_\_


TENANT:   


By: \_\_\_\_\_  
GENERAL MANAGER

**Lessor:**

T. G. BALABANIS, OWNER

(Print Name)

(Signature) 

PO BOX 3565, MARTINSVILLE VA 24115

(Address)

(Social Security or Fed ID #)

Phone - Home: 276-638-1527 Work: 276-666-1527

Fax: 276-656-1577 Email: [trproperties@mail.com](mailto:trproperties@mail.com)

STATE OF VIRGINIA  
COUNTY OF HENRY

MEMORANDUM OF LEASE  
LEASE NO. 1161

This Memorandum of Lease, made and entered into and between T. G. BALABANIS  
("Lessor") and [REDACTED]  
("Tenant") with an office located at [REDACTED]

The parties have entered into a certain lease agreement dated \_\_\_\_\_, 20 06  
("Lease Agreement"), which Lease Agreement is hereby incorporated into and made a part of this  
Memorandum of Lease.

Under the Lease Agreement, the Lessor rents to Tenant the following described property:  
LOT 3A, PARCEL ID: 008180019  
Being a portion of the real property ("the Lessor's Tract") located at: E/S 220 BUS. @ SOUTHERN HOST INN  
and described in deed recorded in Deed Book 369, at Page 598,  
HENRY County Registry, which leased premises is shown on a survey or map prepared  
by HENRY COUNTY GIS dated, 04/07/2006 and kept on file at the  
corporate office of the Tenant referred to above, said survey or map being incorporated herein by  
reference ("the Leased Premises"). The Lessor does hereby grant to the Tenant, its employees and  
agents, an irrevocable license during the term of this Lease Agreement to access the Leased Premises  
over the Lessor's Tract with labor and machinery using such routes which are practical and reasonable  
as determined in Tenant's sole discretion.

The Tenant rents the Leased Premises for the purposes of erecting, maintaining, repairing,  
improvement, replacing and rebuilding one (1) outdoor advertising structure.

Under the Lease Agreement, the maximum period of tenancy constituting the Original Term  
and any renewal terms is 4 years commencing on MAY 1, 20 06.

Under the Lease Agreement, Lessor has granted to Tenant a first refusal option to lease the  
Leased Premises beyond the maximum period of tenancy for additional terms in the event a bona fide  
offer of lease is received from a third party. Additionally, the Lessor has granted to Tenant a right of first  
refusal to purchase the Lessor's Tract (or any portion thereof which includes the Leased Premises) in the  
event that Lessor receives a bona fide offer to purchase the Lessor's Tract (or any portion thereof which  
includes the Leased Premises).

Under the Lease Agreement, Lessor covenants and agrees not to permit the Leased Premises, any  
portion of the Lessor's Tract or any other property owned or controlled by Lessor within a two thousand  
foot radius of Tenant's outdoor advertising structure(s) to be used for advertising purposes or permit  
Tenant's sign(s) to be obstructed.

IN WITNESS WHEREOF, the parties have caused this instrument to be duly executed this  
the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

**CORPORATE LESSOR:**

\_\_\_\_\_  
Corporate Name  
By: \_\_\_\_\_  
President

Attest: \_\_\_\_\_  
Secretary (Corporate Seal)

**INDIVIDUAL LESSOR or LLC:**

\_\_\_\_\_  
(Name and Title) T. G. BALABANIS, OWNER (SEAL)  
\_\_\_\_\_  
(Name and Title) (SEAL)

**ACKNOWLEDGEMENT**

[PERSONAL ATTEST]

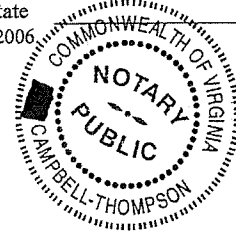
State of ~~North Carolina~~ Virginia  
County of City of Martinsville

I, [REDACTED], Notary Public of the State and County aforesaid, do hereby certify that J G BALABANIS, personally appeared before me and acknowledged the execution of the foregoing instrument.  
 Personally known to me  
 Produced satisfactory evidence of identity

Driver's License No. \_\_\_\_\_ State \_\_\_\_\_  
Witness my hand and official seal, this the 3<sup>rd</sup> Day of MAY, 2006

[REDACTED]

Notary Public  
My Commission Expires: 10-31-2008



Seal or Stamp

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[CORPORATE ATTEST]

State of North Carolina  
County of \_\_\_\_\_

I, \_\_\_\_\_, Notary Public for said County and State, certify that \_\_\_\_\_ personally came before me this day and acknowledged that he is \_\_\_\_\_ of, \_\_\_\_\_, a corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its \_\_\_\_\_ sealed with its corporate seal and attested  
 Personally known to me  
 Produced satisfactory evidence of identity

Driver's License No. \_\_\_\_\_ State \_\_\_\_\_  
Witness my hand and official seal, this the \_\_\_\_\_ Day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
Sign  
\_\_\_\_\_  
Print  
Notary Public  
My Commission Expires: \_\_\_\_\_

Seal or Stamp

\*\*\*\*\*

[LLC ATTEST]

State of North Carolina  
County of \_\_\_\_\_

I, \_\_\_\_\_ a Notary Public of the State and County aforesaid do hereby certify that \_\_\_\_\_, manager of \_\_\_\_\_, LLC, a limited liability company, personally appeared before me this day and acknowledged the due execution of The foregoing instrument on behalf of the company.  
 Personally known to me  
 Produced satisfactory evidence of identity

Driver's License No. \_\_\_\_\_ State \_\_\_\_\_  
Witness my hand and official seal, this the \_\_\_\_\_ Day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
Sign  
\_\_\_\_\_  
Print  
Notary Public  
My Commission Expires: \_\_\_\_\_

Seal or Stamp