

## Lease Agreement

Date: March 17<sup>th</sup> 2003

Property Tax ID #: 233-016-576-62-000

Contract Number: 03-02-303

New or  Renewal

Lessor: TSC PR - Family Partnership #2, LTD

Lessee: QMC Media d/b/a VIU Media

The Lessor leases to the Lessee (the "Agreement") the following property for the purpose that the Lessee will install one (1) outdoor advertising structure with one or more commercial advertisements or any other equipment permitted by law. The advertisement space will have the following measurements: 14' x 48' with tri-vision ads and front illumination (the "Outdoor Advertising Structure") (See Exhibit A) and will be installed at the mutually agreed upon location set forth in Exhibit B (the "Leased Property").

The legal description and recording information of the land where the Leased Property is located is as follows (the "Main Parcel"): (See Exhibit C).

The Leased Property is located in: Carr. #2 Km 152.8 Bo Algarrobo, in the city of Mavaguez, Puerto Rico.

### 1. Lease Payment

*RAS*  
In consideration for the right to use the Leased Property and place the Outdoor Advertising Structure described herein, the Lessee will pay to the Lessor fixed rent in an amount equal to One Dollar (\$1) per annum and additional rent ("Additional Rent") equivalent to twenty five percent (25%) of Collected Advertising Revenues (defined as one hundred percent (100%) of moneys collected from clients for the use of the advertising space in the Outdoor Advertising Structure). The Lessor will have audit rights to all advertising contracts signed by the Lessee for the Outdoor Advertising Structure. A copy of said contracts will be delivered to the Lessor within ten (10) business days after Lessee receives a written request to that effect. The Lease Payment will be made quarterly as follows: March 20<sup>th</sup>, June 20<sup>th</sup>, September 20<sup>th</sup>, December 20<sup>th</sup> and will include a report of the contracts and Collected Advertising Revenues billed for that period.

### 2. Term of the Agreement

The Lessee rents the Leased Property to place the Outdoor Advertising Structure for an initial term of ten (10) years starting on the earlier of one hundred and fifty (150) days after signing this Agreement or the beginning of the construction of the Outdoor Advertising Structure. Furthermore, under the terms of this Agreement, the Lessee has two renewal options for an additional five (5) years each under the same terms and conditions of this Agreement. Such renewal will be considered automatic except in the case that the Lessee notifies Lessor in writing, thirty (30) days prior to termination of the original ten (10) years, or prior to the finalization of any of the applicable renewal terms, of its intent not to renew this Agreement. In the event that this Agreement is renewed by the Lessee, all the terms and conditions of the Agreement will continue in place for each of said renewal terms. For a period of one (1) year upon conclusion of the term of this Agreement, including any renewal or additional term, the Lessee will have the right of first refusal to match any other offer that the Lessor has received from a third party for the lease of the Leased Property or Main Parcel for the same or a similar use as that contemplated herein. In the case that the Lessor receives a good faith offer from a third party during such one-year period the Lessee will have a thirty (30) day period following the date that such offer has been made by the Lessor, to accept or reject the terms and conditions presented by said offer.

3. Fee simple title, Access to Leased Property, and Indemnity

The Lessor hereby acknowledges to have fee simple title ("pleno dominio") of the Leased Property described herein and represents it has the required legal authority to execute this Agreement. The Lessee will have free and complete access to the Leased Property through the Main Parcel for purposes of the construction, operation and maintenance of the Outdoor Advertising Structure and its accessories and for the installation of the advertisements in the Outdoor Advertising Structure. The Lessee indemnifies and holds harmless the Lessor of all and any responsibility for any loss or damage caused to persons and/or property during the term hereof with respect to the operation installation, construction and maintenance or removal of the Outdoor Advertising Structure. The Lessor indemnifies and holds the Lessee harmless from any damage caused by any act or omission of the Lessor in the Leased Property.

4. Maintenance and Improvements

The Lessee will maintain the Outdoor Advertising Structure and the advertisements installed in the Outdoor Advertising Structure in good condition. The Lessee will have the right to, from time to time, make improvements and/or replace or reconstruct, partially or totally, the Outdoor Advertising Structure, if necessary. The plans and specifications for the Outdoor Advertising Structure and any improvements thereto or replacements thereof, shall be subject to the prior written approval of Lessor; which approval shall not be unreasonably withheld, delayed, or conditioned. Lessee shall cause its contractors to maintain such insurance, including, without limitation, statutory workmen's compensation insurance, as Lessor may reasonably require.

5. Termination

2AS  
a) In the event that the Lessee is unable to obtain the permits required by law for the installation of the Outdoor Advertising Structure, or its installation or the content of the advertising is prohibited by any provision of the law or regulation or any order issued by a governmental agency, this Agreement may be cancelled by the Lessee, and in such case the Lessee will be responsible for the removal of the Outdoor Advertising Structure or the advertisement

b) The Lessee shall have the right to terminate this Agreement if, prior to the date which is ninety (90) days after the date hereof, the Lessee determines during an inspection that the Leased Property is not adequate for the construction, installation or operation of the Outdoor Advertising Structure due to the presence of such factors as: existing visual interference; the commercial viability of the location; existence of relevant obligations, limitations, restrictions, liens or encumbrances on the Leased Property or Main Parcel, or issues pertaining to the ownership of the Leased Property or Main Parcel including, but not limited to third parties' rights to encumbrances or right of way or the registration of this Agreement in the corresponding Property Registry and/or relevant issues related to the construction permits or zoning of the Leased Property or Main Parcel or any and all other matters related to licenses and/or permits.

c) Once constructed, the Lessee reserves the right to cancel this Agreement in the event that the visual area of the Outdoor Advertising Structure is for any reason totally or partially obstructed. The Lessee may also, at its option, terminate this Agreement in the event that a Force Majeure completely or partially destroys the Outdoor Advertising Structure. The Lessor and the Lessee shall each have the right to terminate this Agreement if the Outdoor Advertising Structure remains vacant (without paying advertisements) for a period of six (6) or more months during any twelve-month period. In the event that the Lessor or Lessee exercises these options, the Lessee remains responsible for the removal of the Outdoor Advertising Structure from the Leased Property.

6. Taxes

The Lessor shall be responsible for the payment of all personal or property taxes attributable to or imposed on the Leased Property. The property taxes attributable to the Outdoor Advertising Structure will be paid by the Lessee.

7. Documentation

The Lessor agrees to provide, at Lessee's expense, any and all documentation necessary to permit the Lessee to obtain all necessary permits to install the Outdoor Advertising Structure, any public utility (electricity and/or telephone), title studies and any other study that the Lessee may consider reasonably necessary or convenient in order to establish that the intended use of the Leased Property is compatible with the engineering specifications and required governmental permits.

8. Contract Recording

The Lessor agrees to execute and deliver the necessary documentation for the registration of this Agreement in the corresponding Property Registry (including but not limited to, converting this Agreement to a public instrument or deed). The cost of such registration, and any eventual cancellation of record, shall be paid by the Lessee. For the duration of this Agreement, the Lessor may not take any action that shall adversely affect the legal status of the Leased Property or Main Parcel with respect to the installation and use of the Outdoor Advertising Structure in the Leased Property.

9. Interference

*RAS*  
The Lessor will not use, nor permit the use by its tenants, concessionaires, employees, guests or agents, of any part of the Leased Property in any manner that will interfere with the access to the Outdoor Advertising Structure or the visual area thereof. Any such interference shall be considered a material default by the Lessor and Lessor shall be responsible for the immediate cure of said interference after having received prior written notification from the Lessee. The Lessor acknowledges that any continued interference may result in irreparable damages to the Lessee, and therefore, the Lessee has the right, along with any other means available by law or equity, to place an injunction to prohibit said interference or immediately terminate this Agreement by written notification to the Lessor.

10. Property Rights over the Outdoor Advertising Structure

a) The Lessor acknowledges that, except as provided in sub-section (b) below, the Lessee is and will be the absolute owner of the Outdoor Advertising Structure to be installed in the Leased Property (including but not limited to the corresponding governmental permits) and that the Lessee will maintain the control and supervision as to how the Outdoor Advertising Structure is constructed, operated and maintained, and upon as to how the advertisements are installed in such Outdoor Advertising Structure. Except as provided in sub-section (b) below, the Outdoor Advertising Structure will be and continue to remain completely as the exclusive property of the Lessee and the sub-lessees, concessionaires and clients of the Lessee, and the Lessee and its sub-lessees, concessionaires and clients will have the right to remove, from time to time, any structure and equipment, movable or immovable belonging to them, which is located on the Leased Property, whether it be during the term of the Agreement or after the expiration date or termination of said Agreement.

b) The parties agree that if at any time this Agreement is terminated in accordance with its provisions, the Lessee shall be responsible for the removal of the Outdoor Advertising Structure from the Leased Property, and Lessee, shall, upon such expiration, repair any damages to the Leased Property and or Main Parcel resulting from such removal and return the used surface area of the Leased Property to the Lessor in the same condition as on the date hereof.

11. Insurance

The Lessee will provide the Lessor a copy of its Commercial General Liability Insurance for an amount no less than one million dollars (\$1,000,000). The Lessor will appear as additional insured in said policy.

12. Exclusivity

The Lessor acknowledges that during the term of this Agreement, the Lessee will have the exclusive right to place outdoor advertising and/or advertisements (other than those of the shopping mall) in the Leased Property and the Main Parcel.

13. Advertisement

The Lessee will not place any advertisement on the Outdoor Advertising Structure that competes:

- (i) with any of the Lessor's owned or managed shopping malls in Puerto Rico, or
- (ii) with the business of any anchor tenant of the shopping mall, as defined in Exhibit D, or immediately adjacent to the Main Parcel or that
- (iii) relates to an adult book store, theatre or amusement facility or any other type of facility that sells or displays pornographic materials.

14. Estoppels, Non-Disturbance and Attornment

*RAS*  
*[Signature]*  
a) The Lessor and the Lessee each agrees, from time to time, with prior written notice of at least thirty (30) days by the other, to execute and deliver to the requesting party or any other person or entity specified thereby an estoppel certificate certifying that on the date of said certificate:

- (i) this Agreement is valid and enforceable;
- (ii) the requesting party has not defaulted with any of the terms, conditions or obligations as specified in the Agreement or, if any such default exists, a description of the nature of such default;
- (iii) the commencement date of term of this Agreement and of any renewal terms
- (iv) if true, that the amount of the quarterly Lease Payment is up to date under the Agreement;  
and
- (v) a copy of this Agreement and its amendments is included as an attachment to the certificate.

(b) Upon request, Lessor shall use commercially reasonable efforts to obtain from the holder of any mortgage or deed of trust now or hereafter encumbering the Leased Property and or Main Parcel a non-disturbance and attornment agreement in form reasonably satisfactory to Lessor and Lessee, providing that so long as Lessee is not in default under this Agreement, its rights as Lessee there under shall not be terminated and its possession of the Leased Property shall not be disturbed by the mortgagee or trustee or by any proceedings on the debt which any such mortgage or deed of trust secures, and that any sale at foreclosure shall be subject to this Agreement.

15. Default

Notwithstanding the provisions of Section 5 above, if either party is in default under this Agreement for a period of (a) ten (10) days following receipt of notice from the non-defaulting party with respect to a default which may be cured solely by the payment of money, or (b) thirty (30) days following receipt of notice from the non-defaulting party with respect to any other default then, in either event, the non-defaulting party may pursue any remedies available to it against the defaulting party under applicable law, including, but not limited to, the right to terminate this Agreement. If the non-monetary default may not reasonably be cured within a thirty (30) day period, this Agreement may not be terminated if the defaulting party commences action to cure the default within such thirty (30) day period, and proceeds with due diligence to fully cure the default; provided that such cure period does not exceed ninety (90) days.

16. Condemnation

PA5  
If all or any part of the Leased Property, or any necessary easement for access, egress or utilities to the Leased Premises is taken in condemnation proceedings or by exercise of any right of eminent domain or other action by governmental authorities having the legal right and authority to exercise said rights (any such matters herewith referred to as a "taking"), and if said taking in the reasonable discretion of Lessee renders the Leased Property unusable for its intended purpose, then, at Lessee's sole option, this Agreement may be terminated and expire and there shall be no further Lease Payments, except Lease Payments which may have accrued and/or be due and payable as of the effective date of termination. Anything herein to the contrary notwithstanding, Lessor and Lessee shall have the right to participate in any such condemnation proceedings for the purpose of protecting their rights and interest hereunder. Each party participating shall pay its own expenses therein. Lessee shall be entitled to receive the award related to the Outdoor Advertising Structure and any infrastructure built by Lessee and related to said Outdoor Advertising Structure. If this lease shall continue after such taking, this lease shall remain unaffected.

17. Assignment

The Lessee may not assign, hypothecate, pledge, and/or transfer any of its rights and obligations under this Agreement to another party without the prior written consent of the Lessor, which shall not be unreasonably withheld, conditioned or delayed. Such consent by the Lessor will not be required in the event that: (i) such an assignment or transfer is to a related entity of the Lessee, (ii) Lessee sells or merges substantially all of its assets or stock to or with another party, or (iii) the assignment or hypothecation is related to a financing transaction with a financial institution. The terms and conditions under this Agreement shall be applicable to all the assignees, acquirers, heirs and successors of the parties and the parties agree to deliver a copy of the same to its assignees, acquirers, heirs and successors.

19. Preferential Pricing

Lessor will have the option to, through the Lessee, offer to any new tenants (after the signing of this Agreement) of the Leased Property, and Lessee agrees to honor any such offer, advertising space in the Outdoor Advertising Structure for a price equal to ten (10%) percent less than the average advertising rates attained by the Lessee for the Outdoor Advertising Structure in the Leased Property.

20. Use of Vacant Space

The Lessor will have the right to use vacant space (i.e. any one of the 14' x 48' ads) in the Outdoor Advertising Structure to advertise the Main Parcel (i.e. University Plaza) at no cost other than the cost of printing the artwork and its installation. Said vacant space can only be used to advertise the Main Parcel and not any of its tenants and will be limited to up to four (4) postings a year.

21. Miscellaneous

a) This Agreement, including its Exhibits, contains all the terms and conditions agreed by the Lessor and the Lessee with respect to the lease of the Leased Property for the purposes described herein and it replaces any previous agreement or contract between the parties to that respect. Any amendment or modification to this Agreement shall be in writing and executed by both parties.

b) The Lessor and the Lessee agree that all notifications under this Agreement shall be carried out by certified mail with signed receipt to the addresses indicated at the end of this Agreement (or to any other address that the party to be notified has designated through proper notification as established in this paragraph to the person from whom said notification originates).

c) If any provision of this Agreement or the application of any such provision to any person or circumstance shall be held invalid, illegal; or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not effect any other provision hereof.

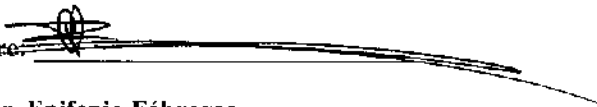
d) The titles to each section of this Agreement are used for reference only and do not form an integral part of this agreement.

*12/5*  
e) This Agreement will be governed, construed and interpreted according to the laws of the Commonwealth of Puerto Rico.

~~12/5~~  
f) This Agreement may be executed in one or more counterparts, all of that shall be considered one and the same Agreement, and shall become effective when one or more such counterparts have been signed by each of the parties and delivered to the other party.

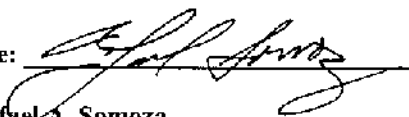
**IN WITNESS HEREOF, the contracting parties sign this Agreement on the day and year that appears written at the beginning of this Agreement.**

**LESSOR: TSC PR – Family Partnership #2, LTD**

**Authorized Signature:** 

**By: Mr. Epifanio Fábregas**  
**Title: Vice President**  
**Telephone: (787) 745-4805 / (787) 745-4740**  
**Address: Consolidated Medical Plaza**  
**Suite 306 – Box 028**  
**201 Gautier Benítez Ave.**  
**Caguas, PR 00725**

**LESSEE : QMC MEDIA (D/B/A VIU Media)**

**Authorized Signature:** 

**By: Rafael A. Somoza**  
**Title: CEO**  
**Telephone/Fax 787-620-1800 /787-620-1801**  
**Address: Corona Commercial Park**  
**Calle Progreso #54, Piso 3**  
**Santurce, PR 00909-2522**

EXHIBIT A  
OUTDOOR ADVERTISING STRUCTURE MODEL

*RAS*

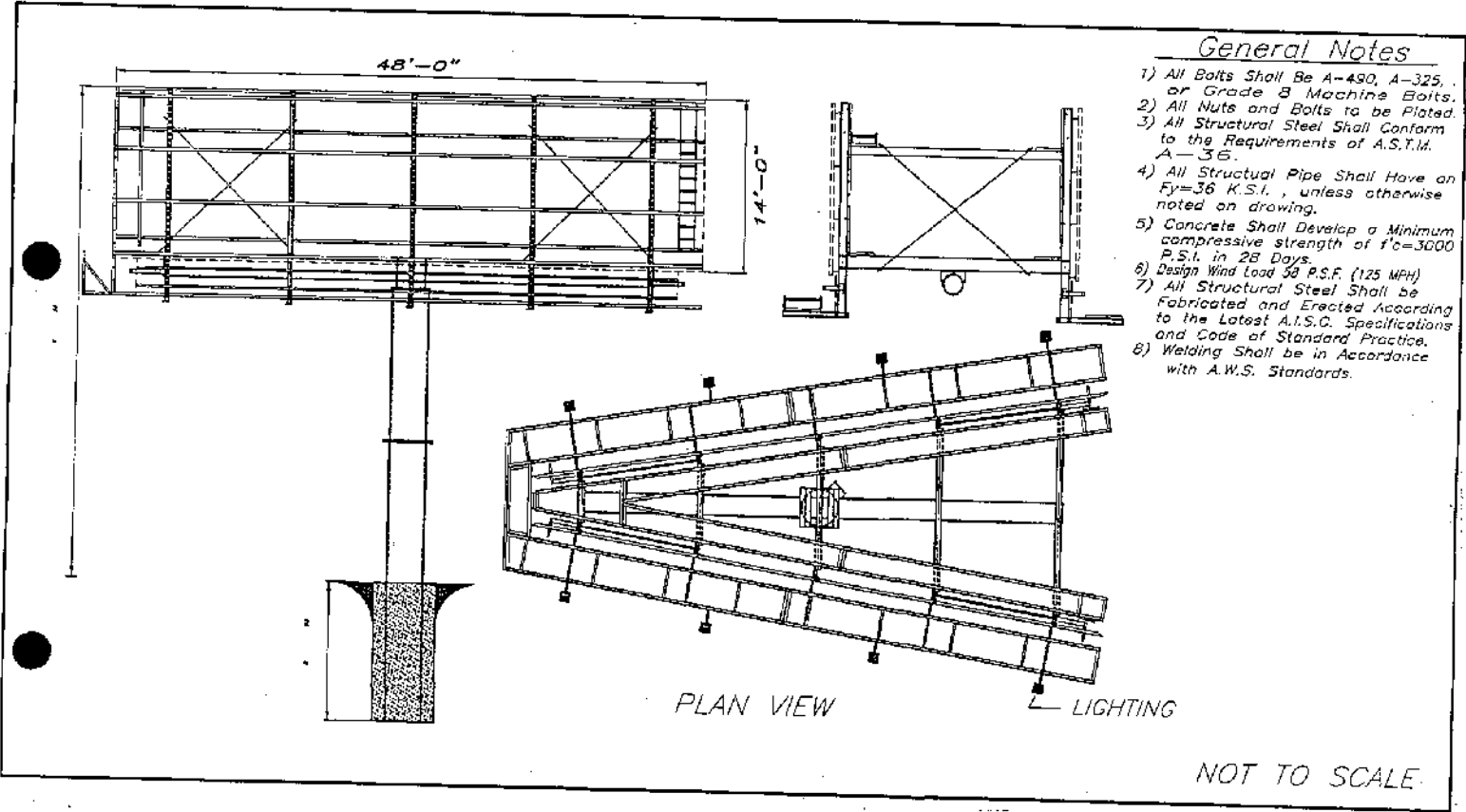
*[Handwritten scribble]*



**EXHIBIT B**  
**LOCATION OF OUTDOOR ADVERTISING STRUCTURE**

*RAS*

**MODEL STRUCTURE  
14' X 48' BILLBOARD**



General Notes

- 1) All Bolts Shall Be A-490, A-325, or Grade B Machine Bolts.
- 2) All Nuts and Bolts to be Plated.
- 3) All Structural Steel Shall Conform to the Requirements of A.S.T.M. A-36.
- 4) All Structural Pipe Shall Have an  $F_y=36$  K.S.I., unless otherwise noted on drawing.
- 5) Concrete Shall Develop a Minimum compressive strength of  $f'_c=3000$  P.S.I. in 28 Days.
- 6) Design Wind Load 30 P.S.F. (125 MPH)
- 7) All Structural Steel Shall be Fabricated and Erected According to the Latest A.I.S.C. Specifications and Code of Standard Practice.
- 8) Welding Shall be in Accordance with A.W.S. Standards.

Exhibit A

*RAS*

La forma y/o modelo final de la estructura podrá variar de acuerdo a las condiciones del terreno

Exhibit B

28

SIGNALIZED INTERSECTION

P.R. #2 HIGHWAY EUCENIO M. DE HOSTOS AVENUE

60.00m

60.00m

14.00m

14.00m

KM. 183.4

TURNING LANE

ACCELERATION LANE

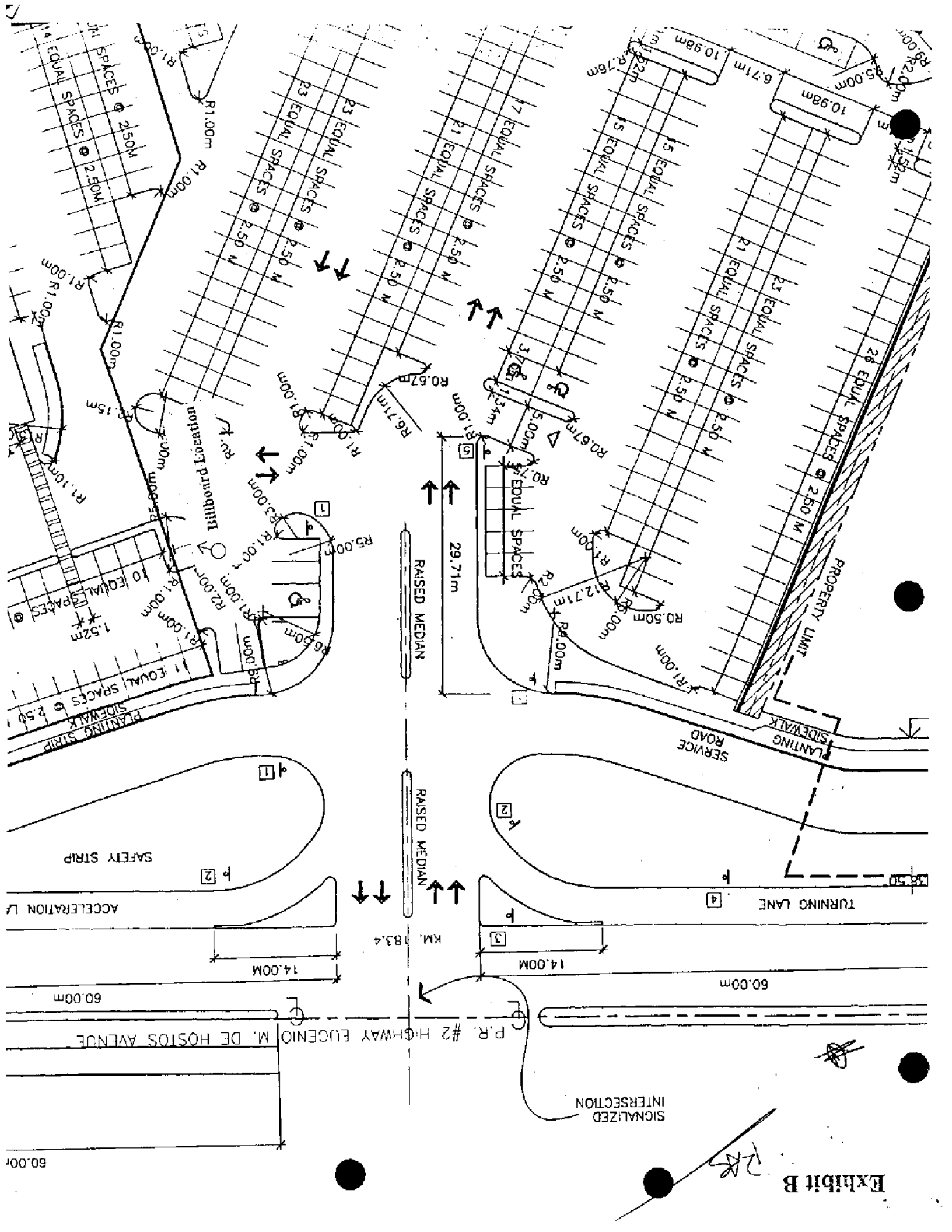
RAISED MEDIAN

RAISED MEDIAN

SERVICE ROAD

PLANTING SIDEWALK

PROPERTY LIMIT



**EXHIBIT C**  
**LEGAL DESCRIPTION OF LEASED PROPERTY**

**RUSTICA:** Porción de terreno radicado en el Barrio Algarrobo de Mayagüez con una cabida de cinco punto siete cero tres dos (5.7032) cuerdas equivalente a veintidos mil cuatrocientos dieciséis punto uno dos ocho nueve (22,416.1289) metros cuadrados, colindando por el Norte en ciento ochenta punto dos uno uno siete (180.2117) metros cuadrados con José Juan Martínez Ginorio; por el Sur en ciento sesenta y tres punto seis seis tres nueve (163.6639) metros cuadrados con la Quebrada de Oro; por el Este con un establecimiento de comida rápida conocido como McDonald's, con la parcela identificada como el solar número un (1) en el plano de inscripción y con solar dedicado a uso público; y por el Oeste en noventa y siete punto dos seis nueve dos (97.2692) metros cuadrados con la Quebrada de Oro. Enclava (i) un edificio de una planta con un área de sesenta y un mil novecientos cinco (61,905) pies cuadrados para propósitos comerciales, (ii) un edificio con un área de tres mil quinientos (3,500) pies cuadrados para propósitos comerciales y (iii) área de estacionamiento.

*RJB*  
*[Signature]*

**EXHIBIT D**  
**ANCHOR TENANT DEFINITIONS**

- Walgreens
- Almacens Pitusa or any other tenant with an area in excess of twenty thousand (20,000) square feet.

*RAS*

~~*[scribble]*~~

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday		
March		17	18	19	20	21	22	6	
	23	24	25	26	27	28	29	7	
	29	30	31					3	16
April				1	2	3	4	3	
	4	5	6	7	8	9	10	7	
	11	12	13	14	15	16	17	7	
	18	19	20	21	22	23	24	7	
	25	26	27	28	29	30		6	30
May							1	1	
	2	3	4	5	6	7	8	7	
	9	10	11	12	13	14	15	7	
	16	17	18	19	20	21	22	7	
	23	24	25	26	27	28	29	7	
	30	31						2	31
June			1	2	3	4	5	5	
	6	7	8	9	10	11	12	7	
	13	14	15	16	17	18	19	7	
	20	21	22	23	24	25	26	7	
	27	28	29	30				4	30
July					1	2	3	3	
	4	5	6	7	8	9	10	7	
	11	12	13	14	15	16	17	7	
	18	19	20	21	22	23	24	7	
	25	26	27	28	29	30	31	7	31
August	1	2	3	4	5	6	7	7	
	8	9	10	11	12			5	12
								150	150