

## B-Billboard NC, LLC

### LEASE AGREEMENT Universal Bayamón

**AS THE FIRST PARTY:** Correa, LLC a limited liability company duly organized and existing under the laws of the Commonwealth of Puerto Rico, represented herein by Mr. Joe Sederholm (hereinafter, the "**Lessor**"), owner of the property located at: PR-2 and Correa Street Intersection, Reparto Correa Development, Hato Tejas, Bayamon, with cadaster number 085-014-015-32 (hereinafter, the "**Property**"). Lessor represents and warrants that it owns the good and valid title to the Property has sufficient legal authority and power to sign this lease (hereinafter, the "**Lease**") and be bound by its terms.

**AS THE SECOND PARTY:** B Billboard NC, LLC ("hereinafter the "**Lessee**") a limited liability company organized and existing under the laws of the Commonwealth of Puerto Rico, represented in this act by Mr. Hector Horta. Lessee is a media company dedicated to outdoor advertising.

#### TERMS AND CONDITIONS

1. The Lessor grants the Lessee the exclusive rights to operate a 14 foot x 48 foot billboard, including any updates in format to the most recent technology available, (hereinafter the "**Billboard**"), within the Property for the purpose of operating the Billboard and selling advertising space therein for a term of five (5) years with three (3) five (5) year extensions to Lease under the same terms and conditions as set forth herein.
2. The Lessee will make monthly payments to the Lessor on or before the 15th day of each month in an amount equal to One Thousand Five Hundred Dollars (~~\$1,500.00~~) for the right to operate the Billboard (the "**Lease Payment**"). The Lease Payment does not include electric service which will be the responsibility of Lessee. In addition, the Lessor has the right to play in the Billboard its advertng spot which will appear a minimum of 1,000 times a day.  
*Estimated at \$800/month*  
*\$2300 including electricity*  
*plus \$200 a month electric service.*
3. During the term of this Lease, and any extensions thereof, the Lessee shall have the right of first refusal to match any offer made by a third party regarding the lease of the Property for the operation of a billboard or similar business as that of Lessee. Upon receiving a *bona fide* offer by a third party to lease the Property as set forth previously, the Lessor shall deliver to Lessee notice by certified mail with the terms and conditions of such offer. Thereafter the Lessee will have a term of fifteen (15) days, after receiving written notice, to inform the Lessor, by certified mail, if it agrees to match or reject the offer. Once said term of fifteen (15) days has elapsed, it shall the notice shall have been deemed rejected and the right of first refusal shall be extinguished.
4. The Lessee will be responsible for all permitting and compliance before any regulatory agencies with regards to the ownership and operation of the Billboard in the Property and



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covenants to comply, at all times, with any and all applicable laws and regulations, both state and federal.

5. Lessor shall provide Lessee with access rights to the Property without any obstruction or unreasonable burden or restriction in to order to be able to operate the Billboard which includes but is not limited to, installing any art, repairing, maintaining, improving or performing changes to the Billboard structure as well as its removal or replacement. Lessee will, when commercially reasonable and possible, inform the Lessor by telephone or email about any required access to the Property 48 hours in advance. Lessee will, to the extent commercially possible avoid any disruptions to Lessor's operations.
6. Any charge for electric power and any other utility that is necessary for the installation, operation, and maintenance of the "Billboard" will be sourced and paid by the Lessee.
7. The Lessee will maintain at its own cost Commercial General Liability Insurance in the amount of \$1,000,000.00 and have Lessor as an additional insured party. Lessee will protect, indemnify and hold Lessor harmless from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses imposed upon, incurred by or asserted against Lessor by reason of (a) any accident, injury to or death of persons or loss of or damage to property occurring as a direct result of the Billboard and its operation, which is not caused in whole or in part by any act or omission of Lessor; (b) any failure on the part of Lessee to perform or comply with any of the terms of this Lease; and (c) the performance of any labor or services or the furnishing of any materials or other property in respect of the Billboard.
8. The Lessor represents that the Property has no encumbrance, commitment or contract with another party that would prevent the execution of this Lease, the compliance with its terms or the present or future operation of the Billboard as currently operated. Lessor will protect, indemnify and hold Lessee harmless from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses imposed upon, incurred by or asserted against Lessor by reason of: (a) any such encumbrance, commitment or contract; (b) any accident, injury to or death of persons or loss of or damage to property occurring as a direct result of the Lessor, its tenants and their respective operations, which are not caused in whole or in part by any act or omission of Lessee; (b) any failure on the part of Lessor to perform or comply with any of the terms of this Lease; and (d) the performance of any labor or services or the furnishing of any materials or other property in respect of Property.
9. Should any controversy arise in which a court with jurisdiction and competence concludes that a third party is entitled to the lease or ownership of all or part of the leased Property, the Lessor agrees not to extend the lease to said third party beyond its original term and to enforce this Lease as soon as the prior lease expires with such third party.



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10. This Lease may be registered in the Registry of the Property and transferable in case that the Lessor proceeds to sell the property. The expenses and notarial fees related to the elevation to public deed of this Lease, as well as the registration in the Registry of the Property shall be borne by the Lessee.
11. Likewise, the Lessee shall proceed to cancel this Lease in the Registry of the Property, at its own cost upon the expiration or earlier termination of the Lease.
12. If all or any substantial part of the Property shall be taken or appropriated by any public or quasi-public authority under the power of eminent domain, or conveyance in lieu of such appropriation, Lessee shall have the right, at its option, at any time within thirty (30) days after such taking, to: (i) terminate this Lease, if such taking or appropriation shall be so substantial as to materially interfere with Lessee's use and occupancy of the Property or; (ii) require Lessor to provide an alternate location for the Billboard acceptable to Lessee if any is available. If Lessee elects not to terminate this Lease, the Lease Payment thereafter to be paid shall be adjusted on a fair and equitable basis under the circumstances. Lessee shall be entitled to participate in any income, rent, award, or any interest whatsoever in or upon any such sum, which may be paid or made in connection with any such public or quasi-public use or purpose with respect to Lessee's rights under the Lease, trade fixtures and moving expense.
13. The parties agree and acknowledge that the Billboard is the sole and absolute property of the Lessee, provided however, that upon the termination of the Lease Lessee shall be responsible for removing only such Billboard structures that are above ground, it being further agreed, that Lessee shall not remove the Billboard's foundation or any below ground structures installed by Lessee (or its predecessors) on the Property. The Lessee shall have the right at any time to remove, replace or upgrade the Billboard without Lessor consent as long as such action are not in violation to the terms of this Lease. Lessor shall not alter in any way the Billboard or any surrounding areas to the extent such alteration negatively affect the visibility and/or operation of the Billboard.
14. The Lessee or its members may assign, encumber and/or transfer all their rights and obligations under this Lease to any party without consent or notice to the Lessor. The terms and conditions under this Lease will be applicable to all assignees, acquirers, heirs, and successors of the parties, and the Lessee undertakes to deliver a copy thereof to their assignees, acquirers, heirs and successors.
15. The Lessee shall refrain from making or allowing to have made any modifications and/or improvements to the Property other than those modifications necessary for the installation and operation of the Billboard without the prior written consent of the Lessor. Any modification, alteration, improvement or change, made with the consent of the Lessor, will remain for the benefit of the Lessor at the end of this lease without the latter being obliged to pay any sum to the Lessee for such improvements unless otherwise agreed between the parties before of any modification.



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16. The Lessee reserves the right to cancel this Lease in the eventuality that:  
(i) Lessee submits (60) day advance written notice to the Lessor, (ii) the visibility of the Billboard is totally or partially obstructed due to structural or natural changes or of any other nature by part of the Lessor or by the owners of the adjacent properties, or (iii) the billboard is vacant (without advertisements) for three (3) months or more per year; or (iv) that vehicular traffic (as measured by the Puerto Rico Department of Transportation and Public Works ) of the road that runs in front of the Billboard has been reduced, modified, diverted or redirected by more than ten percent (10%) from its present condition; or (v) the Billboard cannot be constructed or operated due to the legal objection of any interested party in this case, including government agencies, competitors, neighbors, among others; or (vi) the operation of the Billboard is impeded by any injunction or legal procedure against Lessor or Lessee. The Lessee may also terminate this Lease in the event that the Billboard is totally or partially destroyed by an event of Force Majeure.
17. The Lessee agrees that all the advertisements displayed on the Billboard conform to local and federal laws and regulations applicable to the Billboard's operation.
18. The Lessee is an independent contractor and agrees to comply with all laws local and federal permitting and legal requirements and to provide evidence thereof upon the request of Lessor.
19. BREACH - if any party is in default with any of its obligations under this Lease (a) for a period of twenty (20) days after receiving written notice from the other party by certified mail, return receipt requested, regarding a breach that can be corrected by payment of money, or (b) for a period of thirty (30) days after receiving written notice from the other party by certified mail, return receipt requested, regarding any other breach of its obligations under this Lease, then, in such cases, the party that is not in breach may proceed to pursue any remedy available in law against the party that is in breach including, but not limited to, the termination of this Lease. If a non-monetary breach cannot be cured within a term of 30 days due to its nature, this Lease may not be terminated so long as the party that is in default begins to take any action aimed at correcting the breach within of said term of 30 days and continues to pursue diligently said efforts to completely correct said breach.
20. The parties agree that if at any time this Lease is terminated in accordance with the provisions set forth herein, the Lessee shall be responsible for removing the Billboard sixty (60) days.
21. NOTIFICATIONS - the parties agree that all notifications regarding this Lease will be made in writing by any means that includes acknowledgment of receipt (ie certified mail) and by email to the addresses indicated at the end of this Agreement. If there is any change in the addresses included herein, it will be the responsibility of the party that





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changes its address to notify the other. Failure to do so will result in any communication being considered duly notified by remittal to the last address that has been notified.

22. This Lease contains all the terms and conditions agreed to by the parties hereto with respect to the Property for the purposes described herein and supersedes and replaces any previous agreement or contract between the parties in this regard. Any amendment or modification to this Lease must be in writing and signed by both parties.



DATE: June 19th, 2019

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