

AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE (“LEASE”), effective as of the 1st day of September, 2025, between the **CITY OF HAMPTON, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia ("Lessor" or the “City”), and **ADAMS OUTDOOR ADVERTISING, LIMITED PARTNERSHIP, also known as AOA, Limited Partnership**, a Minnesota limited partnership authorized to transact business in Virginia ("Lessee"), recites and provides:

The City is the owner of certain parcels of land located in the City of Hampton, Virginia (the “**Property**”), described on **Exhibit “A”** attached hereto (the “**Plat**”). The City wishes to lease a portion of the Property to the Lessee as highlighted in yellow on the Plat (the “**Leased Premises**”), and the Lessee wishes to lease the Leased Premises from the City for the operation and maintenance of two off-premise outdoor advertising signs.

WITNESSETH:

For and in consideration of the terms hereinafter set forth, the City hereby demises and leases the Leased Premises, together with the Structures (as hereinafter defined) thereon, to the Lessee and the Lessee takes and leases the Leased Premises from the City subject to and in accordance with the provisions hereof.

1. **Term:** This Lease is for a term of five (5) years, commencing on September 1, 2025 and expiring on August 31, 2030 (“**Term**”), unless sooner terminated as provided herein.

2. Rent:

(a) **Amount Adjustments:** As consideration for this Lease, Lessee shall pay Landlord rent (“**Rent**”) in the amounts and in the manner described herein.

(1) For the period from September 1, 2025 until August 31, 2026, Lessee shall pay Lessor, as rent, One Hundred Thousand and 00/100 Dollars (\$100,000.00).

(2) The amount of Rent to be paid each lease year during the **second, third, fourth and fifth year of the Term shall be equal to the amount paid in the last full calendar year immediately prior to the commencement of such lease year times one hundred three percent (103%).** The day that the Rent increase becomes effective shall be referred to as the “**Rent Adjustment Date.**” The first Rent Adjustment Date shall be September 1, 2026.

(b) **Time of Payment:** On the first day of each year's term of this Lease, the Lessee shall pay in advance the full annual Rent for the current lease year. In the event of a termination of this Lease for any reason other than the Lessee's uncured default, any unearned prepaid Rent shall be refunded to the Lessee. Rent shall be paid without prior demand or notice by the City by check mailed, postage prepaid to the Lessor at City of Hampton Department of Finance, 22 Lincoln Street, Hampton, Virginia 23669.

3. **City Use of Lessee Signs:** The Lessee agrees to enter into a Public Service Agreement ("PSA") with the City to allow the City to advertise its sponsored events on Lessee's off-premise outdoor advertising signs with Interstate exposure located in Hampton throughout the Term of this Lease. A copy of the PSA is attached hereto as **Exhibit "B"**.

4. **Permitted Use:** The Leased Premises is to be used solely for the following uses: erecting, operating, maintaining, repairing, modifying and reconstructing two (2) outdoor advertising structures with two (2) panels on each structure (the "**Structures**"). Lessor also hereby grants Lessee the following exclusive rights: a) a license for reasonable access over and across the Property to and from Lessee's Structures and North King Street; b) the right to maintain an unobstructed view of the advertising copy of the Structures by passing motorists, including but not limited to, the right to trim and remove any trees and other vegetation as often as Lessee in its sole discretion deems appropriate to prevent obstructions within the areas shown as the two "Site Line Vista Areas" highlighted in blue on the Plat; and c) the right to connect utilities to Lessee's Structures. Any other use thereof will constitute a breach of this Lease, in which event Lessor shall have the right to terminate this Lease in accordance with Section 12 of this Lease. No harmful or noxious activity is permitted and the Lessee and Lessor agree not to commit waste. The parties agree to cooperate in the event of a potential development of the Property.

5. **Structures:** All Structures erected by or for the Lessee or its predecessors-in-interest on the Property shall at all times be and remain the property of the Lessee and may be removed by the Lessee in accordance with Section 19 of this Lease, notwithstanding that such Structures are intended by Lessor and Lessee to be permanently affixed to the Property. Similarly, all license and permit rights relating to the use of the Property for outdoor advertising purposes are and shall at all times be and remain the property of the Lessee.

6. **Condition of Premises:** It is the intention of the parties that the aforementioned Leased Premises are let in their present condition and without involving any expense, guarantee or other obligation on behalf of the Lessor in connection with the condition of the Leased Premises

7. **Insurance:** The Lessee shall provide public liability insurance, carrying limits for personal injury or death of \$1,000,000.00 for each person, and \$2,000,000.00 for each accident and insurance against property damage in the amount of \$100,000.00.

All policies of insurance required herein must be written by insurance companies licensed to conduct business of insurance in Virginia, and acceptable to the City, and must carry the provision that the insurance will not be canceled or materially modified without thirty (30) days prior written notice to the City. The Lessee must provide a certificate evidencing the existence of insurance to the City's Director of Risk Management annually without demand.

8. **Maintenance/Alterations:** Lessee agrees to maintain the Leased Premises in a reasonable condition, normal wear and tear excepted, and to warn the Lessor of any defect or dangerous condition of which the Lessee has or acquires knowledge. Any structural alterations to the Structures shall be performed in compliance with all applicable federal, state and local laws and ordinances including, but not limited to, the zoning ordinance of the City of Hampton.

9. **Utilities/Taxes:** The Lessee agrees to pay for all utilities servicing or associated with the Leased Premises. In addition to Rent, the Lessee shall timely pay all ad valorem personal property and real estate taxes with respect to the Leased Premises and/or the Structures.

10. **No Liens or Encumbrances:** The Lessee must keep, or cause to be kept, the Leased Premises free and clear of all liens and encumbrances of every kind whatsoever. If any lien is filed or purportedly filed against the Leased Premises or any other property owned by the City, as a result of any act or omission of the Lessee, upon the written request of the City, the Lessee must cause the same to be released of record within ten (10) days after the Lessee receives such written request.

11. **Vacation in Event of Casualty:** In the event that the Leased Premises becomes untenable by reason of flood, landslide or any other natural cause not within the control of the Lessee, Lessee may remove the Structures and vacate the Leased Premises, and the Rent shall abate upon the date such vacation occurs with any prepaid Rent being refunded by the Lessor to the Lessee. In such event the parties shall stand mutually absolved from any liability one to the other by reason of such cause. It is agreed between the parties that the occupancy by the Lessee of the Leased Premises and the payment of Rent do not create any liability on the Lessor to maintain, improve or protect the Leased Premises in any way, and there is no implied warranty of fitness extended this Lease by the Lessor.

12. **Termination:** Prior to the expiration of the Term described in Paragraph 1 hereof, this Lease may be terminated by either party in the event of default of any of the terms of this Lease, provided written notice of such default has been given by certified mail to the defaulting party. The defaulting party shall have thirty (30) days from the date such notice is mailed in which to cure the default. In addition, after the expiration of thirty-six (36) months of the Term the Lessor may at any time terminate this Lease if, in the Lessor's good faith determination, the Structures are interfering with, or not

compatible with, any proposed development of the Leased Premises or the Property by written notice to Lessee specifying the termination date, which shall be not less than sixty (60) days from the date such notice is mailed. Upon termination of this Lease, the Lessee shall remove the Structures and equipment at Lessee's sole cost and expense, in accordance with Section 19 of this Lease.

13. **Subletting Prohibited:** Lessee shall not sublease the Leased Premises or any part thereof.

14. **Entry by Lessor during Lease:** Lessor reserves the right of entry upon the Leased Premises for itself, its agents or assigns for the purpose of making surveys, or of examining and testing the site and its soil for future construction purposes, including the right to perform test borings on the Leased Premises, provided that any such activities shall not interfere with or damage the Structures in any manner.

15. **Indemnification:** The Lessee shall indemnify and save harmless the City its officers, employees and agents against, any and all liability, loss, costs, obligations and causes of action, expenses, fines, penalties, claims, suits, demands, reasonable attorney's fees, expenses of litigation, expert witness fees, judgments, administrative proceedings and other incidental expenses (collectively called "Claims"), resulting from (i) injury or death of any person or damage to property occurring on or about the Leased Premises or arising in conjunction with the use and/or occupancy of the Structures and/or the Leased Premises, caused by Lessee or Lessee's officers, employees or agents; or (ii) the breach, violation or nonperformance of any covenant, condition, or agreement in this Lease set forth and contained on the part of the Lessee to be fulfilled, kept observed and performed. This hold harmless and indemnity provision shall survive and remain in effect notwithstanding any termination, cancellation or expiration of this Lease or Lessee's tenancy under this Lease.

16. **Damage Resulting from Certain City Activities:** Notwithstanding Paragraph 15 of this Agreement, the Lessee will not hold the Lessor liable for any damage to its person or property by reason of the demolition, or of examining and testing the site and its soil for future construction purposes, including the right to perform test borings on the Leased Premises as provided in Section 14 of this Lease.

17. **Condemnation:** In the event that all or any part of the Property is acquired or sought to be acquired by any entity or person possessing or acting on behalf of any entity possessing the power of eminent domain, whether by condemnation or sale in lieu thereof, Lessee shall be entitled, in its sole and absolute discretion, to : a) contest the acquisition; b) reconstruct any of its Structures on the remaining property of the Lessor; provided that such reconstruction does not deprive Lessor of its reasonable use of the remainder of the Property for redevelopment; and/or c) recover damages and compensation for the fair market value of its leasehold and Structures taken or impacted by the acquisition. The City covenants and agrees not to institute eminent domain

proceedings affecting the Property or the Leased Premises and the Structures during the term of this Lease.

18. **Lessee's Sole Rights are Under this Lease:** The Lessee acknowledges and agrees that it has no right to possession of the land covered by this Lease except as granted hereby and expressly terminates, revokes and annuls any and all other agreements.

19. **Removal of Fixtures:** Upon expiration or other termination of this Lease, the Lessee shall remove the Structures and all fixtures owned by Lessee from the Leased Premises. The Lessee will be given sixty (60) days to remove such items and to disconnect existing utilities. In the event the Lessee fails or refuses to remove such fixtures, structures, and signs from the Leased Premises within that sixty (60) day period, the Lessor shall remove the Structures and fixtures and charge all costs of removal to the Lessee.

20. **Notice, Demand or Communication:** Any notice, demand or request by either party hereto to the other shall be sent by United States mail, and dispatched by certified or registered mail, postage pre-paid, return receipt requested, and (1) in the case of a notice or communication to the Lessee is addressed as follows: Leasing Manager, Adams Outdoor Advertising, 5547 E. Virginia Beach Blvd., Norfolk, Virginia 23502, and (2) in the case of a notice or communications to the Lessor is addressed as follows: City Manager, 22 Lincoln Street, Hampton, Virginia 23669, with copy to Director of Economic Development, City of Hampton, 1 Franklin Street, Suite 600, Hampton, Virginia 23669. The notice shall be deemed given upon the earlier of: a) the date that said notice is delivered and received by a person at the address specified above; or b) the date that is three (3) days after mailing (postage prepaid) by certified mail, return receipt requested, to such address. Either Lessee or Lessor may change or amend the applicable mailing address upon prior written notice to the other party, delivered as provided in this Section.

21. **Quiet Enjoyment; Representations:** The City warrants and agrees the Lessee, on paying Rent and other charges due hereunder and performing all of the Lessee's other obligations pursuant to this Lease, shall and may peaceably and quietly have, hold, and enjoy the Leased Premises for the full Term, free from molestation, eviction, or disturbance by the City or by any other person(s) lawfully claiming to be the same. If ownership of the Property changes, the City shall promptly notify Lessee of such change and shall furnish the new owner with a copy of this Lease. The City agrees not to enter into any lease or other relationship with any of Lessee's competitors for the erection, operation or maintenance of any outdoor advertising structure on the Property or on any adjacent property.

22. **Waiver.** No failure by the Lessor to insist upon the strict performance of any covenant, duty, or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of performance of any such covenant, duty, or condition or of any right or remedy consequent upon a breach thereof.

No waiver shall extend to any future such breaches nor prejudice any rights or remedies in regard thereof.

23. **Remedies:** The rights and remedies of either of the parties hereto shall not be mutually exclusive, and the exercise of one or more of the provisions hereof shall not preclude the exercise of any other provision hereof.

24. **Severability:** Any provision of this Lease which may be determined to be invalid or any applicable law which supersedes any provisions hereof shall not affect the validity of the balance of this Lease, and the remaining provisions shall be enforced as if the invalid provisions were deleted.

25. **Assignment:** This Lease may not be assigned by the Lessor or the Lessee without prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.

26. **Entire Agreement.** This Lease contains all covenants, terms, provisions, and agreements between the Lessor and the Lessee, relating in any manner to the demise of the Leased Premises and other matters set forth in this Lease. No prior agreement or understanding with respect to the same will be valid or of any force or effect, and no covenant, term, provision or agreement of this Lease may be altered, changed, modified or deleted, except in a writing signed by the Lessor and the Lessee. No representation, inducement, understanding or anything of any nature whatsoever made, stated or represented on behalf of either party hereto, either orally or in writing, has induced the other party to enter into this Lease, except as expressly set forth in this Lease.

27. **Governing Law; Interpretation/Venue.** This Lease shall be interpreted in accordance with and governed by the laws of the Commonwealth of Virginia. The language in all parts of this Lease shall be interpreted according to its fair meaning and not more strictly for or against the City or the Lessee. The parties hereto designate the Circuit Court of the City of Hampton for purposes of all litigation and venue.

28. **Counterparts; Authorized Signatures, Binding Effect.** This Lease may be executed in counterparts, each of which may be delivered via facsimile or other electronic means and shall be deemed to be an original, and such counterparts shall constitute one and the same instrument. Each person signing this Lease represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Lease, and bind the party represented. The Parties further agree to accept electronic signatures, as authorized in Code of Virginia Title 59.1, Chapter 42.1, et. seq., the Virginia Uniform Electronic Transactions Act. The provisions of this Lease shall bind and benefit the successors and assigns of the parties hereto.

29. **Memorandum of Lease**. The parties hereto shall execute and acknowledge a memorandum of lease for the purpose of recording the same in the Clerk's Office of the Circuit Court of the City of Hampton, Virginia in the form attached hereto as **Exhibit "C"**. The expense of recordation shall be borne by the Lessee. Upon a termination of this Lease for any reason, both the Lessor and the Lessee shall execute a document, in recordable form, confirming that this Lease is null and void.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their respective duly authorized representatives the day and year first above written.

CITY OF HAMPTON, VIRGINIA

By _____
City Manager/Authorized Designee

COMMONWEALTH OF VIRGINIA
CITY OF HAMPTON, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by _____, City Manager/Authorized Designee, of the City of Hampton, Virginia, on its behalf. She/He is personally known to me.

Notary Public

My commission expires: _____

Notary Registration Number: _____

APPROVED AS TO CONTENT:

APPROVED AS TO FINANCES:

Dept. Economic Development

Director of Finance

**APPROVED AS TO
RISK MANAGEMENT:**

**APPROVED AS TO FORM &
LEGAL SUFFICIENCY:**

Director of Risk Management

City Attorney's Office

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

**ADAMS OUTDOOR
ADVERTISING, LIMITED PARTNERSHIP
(a/k/a AOA, Limited Partnership)**

By: Adams Outdoor GP, LLC,
Its: Managing General Partner

By: _____
Richard Zecchino

Its: Chief Legal Officer & Vice President of Real Estate

Date: _____

State/Commonwealth of _____
City/County of _____, to-wit:

Subscribed and sworn to before me this _____ day of _____, 2025, by
_____, on behalf of Adams Outdoor GP, LLC,
Managing General Partner, of Adams Outdoor Advertising, Inc. He/She is personally
known to me or has produced _____ as identification.

Notary Public

My commission expires: _____

Notary Registration Number: _____

[END OF SIGNATURES.]