

## COMMERCIAL PROPERTY LEASE

**COPY**

for the property at

123/125 North Saginaw, Pontiac, Michigan

THIS LEASE, made this 14 day of August 2000, by and between FIRST PARKER REALTY L.L.C. c/o Post Office Box 163, Bloomfield Hills, Michigan 48303-0163, hereinafter referred to as the LESSOR, and COAST TO COAST TELECOMMUNICATIONS INC., a Delaware Corporation, 5850 Dixie Highway, Clarkston, Michigan 48346, hereinafter referred to as LESSEE.

WITNESSETH, LESSOR, in consideration of the rents to be paid and the covenants and agreements to be performed by the LESSEE, does hereby lease the following described premises situated in the City of Pontiac, County of Oakland, State of Michigan, described as; a commercial building located at 123/125 North Saginaw, containing approximately 9,364 square feet and an adjacent parking area of 3,000 square feet.

TERM: The term of the this Lease shall be for SIXTY (60) months from and after the first day of August 2000.

RENT: LESSEE shall pay to LESSOR during the continuance of this Lease for rent of said premises for said term, a base rental in the amount of THREE HUNDRED SEVENTY NINE THOUSAND EIGHT HUNDRED FIVE & 00/100 (\$ 379,805.00) in lawful money of the United States payable in monthly installments in advance, upon the first day of each and every month as follows:

Month 1 through 60	\$ 6,330.00
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All rental payments shall be mailed and made payable to:

FRANKLIN MANAGEMENT COMPANY  
Post Office Box 44047  
Detroit, Michigan 48244-0047

Furthermore, in the event any payments are not received by the first of the month, LESSOR may impose a late fee in the amount of \$200.00.

The LESSEE hereby hires the said premises for the said term as above mentioned and covenants well and truly to pay or cause to be paid, without any deduction or set-off whatsoever, unto LESSOR at the dates and times above mentioned.

INSURANCE: In addition to the base rental hereinbefore specified, LESSEE agrees to pay as additional rental any increase of premiums for insurance against loss by fire that may be charged during the term of this lease on the amount of insurance now carried by LESSOR on the premises and on the improvements situated on said premises, resulting from the business carried on in the leased premises by LESSEE or the character of its occupancy, whether or not LESSOR has consented to the same.

INDEMNIFICATION BY LESSEE: LESSEE agrees to indemnify and hold harmless LESSOR from any liability for damages to any person or property in, on or about said leased premises from any cause whatsoever; and LESSEE will procure and keep in effect during the term hereof public liability and property damage insurance for the benefit of LESSOR in the sum of Five Hundred Thousand & 00/100 (\$500,000.00) for damages resulting to one person and One Million & 00/100 (\$1,000,000.00) for damages resulting from one casualty, and Five Hundred Thousand & 00/100 (\$500,000.00) property damage insurance resulting from one occurrence. LESSEE shall deliver said policies to LESSOR and upon LESSEE'S failure to do so LESSOR may at his option obtain such insurance and the cost thereof shall be paid as additional rent due and payable upon the next ensuing rent day.

REAL ESTATE TAXES: In addition to the base monthly rental herein before specified and beginning at the third year of the lease term, LESSEE agrees to pay as additional rental any increase above base year 2000, of any and all real property taxes and assessments without limitation during each subsequent lease year.

**ASSIGNMENT:** LESSEE covenants not to assign or transfer this Lease or hypothecate or mortgage the same or sublet said premises or any part thereof without the written consent of the LESSOR. Any assignment, transfer, hypothecation, mortgage or without said written consent shall give the LESSOR the right to terminate this Lease and to re-enter and repossess the leased premises. LESSOR agrees not to unreasonably withhold consent, reserving however, the right to determine the reasonable conditions that shall be imposed with respect to same. LESSOR hereby agrees that LESSEE may enter into co-location agreements with third parties with or without installation charges or monthly recurring fees payable solely and exclusively to LESSEE, from time to time, and such third parties may locate their electronic equipment in such premises, without prior notice to LESSOR.

**BANKRUPTCY OR INSOLVENCY:** LESSEE agrees that if the estate created hereby shall be taken in execution, or by other process of law, or if LESSEE shall be declared bankrupt or insolvent, according to law, or any receiver be appointed for the business and property of LESSEE, or if any assignment shall be made of LESSEE'S property for the benefit of creditors, then and in such event this Lease may be cancelled at the option of LESSOR.

**RIGHT TO MORTGAGE:** LESSOR reserves the right to subject and subordinate this Lease at all times to the lien of any mortgage or mortgages now or hereafter placed upon LESSOR'S interest in the said premises and on the land and buildings of which the said premises are a part or upon any buildings hereafter placed upon the land of which the leased premises form a part. And LESSEE covenants and agrees to execute and deliver upon demand such further instrument or instruments subordinating this Lease to the lien of any such mortgage or mortgages as shall be desired by LESSOR and any mortgagees or proposed mortgagees and hereby appoints LESSOR the attorney-in-fact of LESSEE to execute and deliver any such instrument or instruments for and in the name of LESSEE. This paragraph shall be self-operative and no further instrument required.

**USE AND OCCUPANCY:** It is understood and agreed between the parties hereto that said premises during the continuance of this Lease shall be used and occupied for office, telephone switching center, and warehouse and for no other purpose or purposes without the written consent of LESSOR, and that LESSEE will not use the premises for any purpose in violation of any law, municipal ordinance or regulation, and that on any breach of this agreement, LESSOR may at his option terminate this Lease forthwith and re-enter and repossess the leased premises.

**FIRE:** It is understood and agreed that if the premises hereby leased be damaged or destroyed in whole or in part by fire or other casualty during the term thereof, LESSOR will repair and restore the same to good tenable condition with reasonable dispatch, and that the rent herein provided for shall abate entirely in case the entire premises are untenable and pro rata for the portion rendered untenable, in case a part only is untenable, until the same shall be restored to a tenable condition; provided, however, that if LESSEE shall fail to adjust his own insurance or to remove his damaged goods, wares, equipment or property within a reasonable time, and as a result thereof the repairing and restoration is delayed, there shall be no abatement of rental during the period of such resulting delay, and provided further that there shall be no abatement of rental if such fire or other cause damaging or destroying the leased premises shall result from the negligence or willful act of LESSEE, his agents or employees, and provided further that if LESSEE shall use any part of the leased premises for storage during the period of repair a reasonable charge shall be made thereof against LESSEE, and provided further that in case the leased premises, or the building of which they are a part, shall be destroyed to the extent of more than one-half of the value thereof, LESSOR may at his option terminate this Lease forthwith by written notice to LESSEE.

**REPAIRS AND ALTERATIONS:** LESSOR after receiving written notice from LESSEE and having reasonable opportunity to obtain the necessary workmen therefor agrees to keep in good order and repair the roof and the four outer walls of the demised premises, but not the doors, door frames, the window glass, window casings, window frames and windows or any of the appliances or appurtenances of said doors or window casings, window frames and windows, or any attachment thereto or attachments to said building or premises used in connection therewith, including all electrical devices, heating and cooling equipment and plumbing fixtures within the demised premises. LESSEE further covenants and agrees that he will, at his expense, during the continuation of this Lease, keep the said premises and every part thereof in as good repair and at the expiration of the term yield and deliver up the same in like condition as when taken, reasonable use and wear thereof and damage by the elements excepted. LESSOR hereby agrees that all equipment installed in and improvements made to the premises by LESSEE shall be and at all times remain the sole and exclusive property of LESSEE or such co-location third parties, and shall not under any circumstances be deemed to become a fixture or addition to the premises. LESSEE does, however, agree to remove all such items at the end of any applicable lease term, or within 30 days of any earlier termination, and if any damage to the premises is caused thereby, repair and restore the premises to its original condition, reasonable wear and tear excepted, including drill core holes and structural modifications. LESSEE shall cause to be discharged any liens of record that may be filed against the demised premises resulting from actions of LESSEE, his agents or employees. *LESSOR AGREES TO SIGN SUCH DOCUMENTS AS IS REASONABLY REQUESTED BY LESSEE'S EQUIPMENT VENDORS OR CO-LOCATORS CONFIRMING SAME.*

**CARE OF PREMISES BY LESSEE:** LESSEE shall not perform any acts or carry on any practices which may injure the building or be a nuisance or menace to other lessees in the building and shall keep the premises under his control (including adjoining sidewalks, drives, streets, alleys, or yards) clean and free from rubbish, dirt, snow

*Handwritten initials: "AKL" inside a circle, with "MWC" written below it.*

and ice at all times, and it is further agreed that in the event LESSEE shall not comply with these provisions, LESSOR may enter upon said premises and have rubbish, dirt and ashes removed and the side walks cleaned in which event LESSEE agrees to pay all charges that LESSOR shall pay for hauling rubbish, ashes and dirt, or cleaning walks. Said charges shall be paid to LESSOR by LESSEE as soon as bill is presented to him. LESSEE shall at his own expense under penalty of forfeiture and damages promptly comply with all lawful laws, orders, regulations or ordinances of all municipal, County and State authorities affecting the premises hereby leased and the cleanliness, safety, occupation and use of same. LESSOR shall not be responsible or liable to LESSEE for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to or connected with the premises hereby leased or any part of the building of which the leased premises are a part or for any loss or damage resulting to LESSEE or his property from bursting, stoppage or leaking of water, gas, sewer or steam pipes. LESSEE shall keep and maintain the demised premises free and clear from contamination and will fully indemnify and hold LESSOR harmless therefrom. As used herein, the term "Contamination" shall mean any alleged or actual release, spill or discharge of Hazardous Material, any condition created by, or arising from, in whole or in part, by LESSEE, its officers, directors, employees, agents or contractors. As used herein, the term "Hazardous Materials" shall mean any substances, including, but not limited to, chemical and radioactive substances and asbestos, the management, packaging, labeling, handling, discharge, release, emission, removal, storage, transport, treatment, disposal, use or reuse of which is regulated or required to be regulated under the provision of any federal, state, or local law, ordinance, rule or regulation, including, but not limited to, hazardous substances as defined under the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Solid Waste Disposal Act, the Federal Toxic Substance Control Act, the Federal Insecticide, Fungicide and Rodenticide Act, the Michigan Environmental Response Act, the Michigan Hazardous Waste Management Act, the Michigan Solid Waste Management Act, and the Michigan Water Resources Commission Act, or any other law or ordinance or regulation of any material and substance that may impose a threat or risk of harm to human health or the environment or of contamination of soils, geologic materials or air, or the surface or groundwaters, at, under or about the demised premises.

**CONDITION OF PREMISES:** LESSEE acknowledges that he has examined the said leased premises prior to the making of this Lease, and knows the condition thereof, and that no representations as to the condition or state of repairs thereof have been made by LESSOR, or his agent, which are not herein expressed, and LESSEE hereby accepts the leased premises in their present condition at the date of execution of this Lease.

**OPTION TO RENEW:** Providing that LESSEE has not been in a non-curred default of this Lease, LESSOR hereby grants to LESSEE the option to renew this Lease for three(3) additional five year terms at the same terms and conditions except that the monthly base rental shall be adjusted to reflect the increase in the U.S. Consumer Price Index from the date of Lease inception to the date of any renewal or extension. Provided that the maximum increase in any given year shall not exceed three percent (3%) LESSEE shall notify LESSOR in writing of their intent to exercise each option period at least ninety(90) days prior to end of any current lease term.

**RE-RENTING:** LESSEE hereby agrees that for a period commencing 90 days prior to the termination of this lease, LESSOR may show the premises to prospective Tenants, and 60 days prior to the termination of this Lease, may display in and about said premises and in the windows thereof, the usual and ordinary "TO RENT" signs.

**HOLDING OVER:** It is hereby agreed that in the event of LESSEE herein holding over after the termination of this lease, thereafter the tenancy shall be from month to month in the absence of a written agreement to the contrary.

**GAS, WATER, HEAT, ELECTRICITY:** LESSEE will pay all charges made against said leased premises for gas, water, heat and electricity during the continuance of this Lease, as the same shall become due commencing the date LESSOR tenders possession to LESSEE.

**ADVERTISING DISPLAY:** It is further agreed that all signs and advertising displayed in and about the premises shall be such only as advertise the business carried on upon said premises, and that LESSOR shall control the character and size thereof, and that no sign shall be displayed excepting such as shall be approved in writing by LESSOR, and that no awning shall be installed or used on the exterior of said building unless approved in writing by LESSOR.

**ACCESS TO PREMISES:** LESSOR shall have the right to enter upon the leased premises at all reasonable hours for the purpose of inspecting the same. If LESSOR deems any repairs necessary he may demand that LESSEE make the same and if LESSEE refuses or neglects forthwith to commence such repairs and complete the same with reasonable dispatch LESSOR may make or cause to be made such repairs and shall not be responsible to LESSEE for any loss or damage that may accrue to this stock or business by reason thereof, and if LESSOR make or causes to be made such repairs LESSEE agrees that he will forthwith on demand pay to the LESSOR the cost thereof together with a 15% administrative fee.

**DEFAULT BY TENANT;** LESSOR may pursue its remedies for default by LESSEE, only if the following conditions occur. If LESSEE shall default in payment of any rental payments as provided in this Lease and shall not cure such default within ten (10) days after LESSOR's written demand therefore, or if LESSEE shall default in the performance of any other terms, conditions, or covenants as provided in this Lease and shall not cure, or initiate a diligent effort to cure, such default within thirty (30) days after LESSOR'S written demand therefore. Notwithstanding anything else in this agreement to the contrary, LESSOR shall give LESSEE written notice of any claimed default specifying the agreement language that LESSEE claims is in default and those steps that if taken by LESSEE will constitute a cure acceptable to LESSOR.

**RE-ENTRY:** In case any rent shall be due and unpaid or if default by made in any of the covenants herein contained, or if said leased premises shall be deserted or vacated, then it shall be lawful for LESSOR, his certain attorney, heirs, representatives and assigns, to re-enter into, re-possess the said premises and LESSEE and each and every occupant to remove and put out.

**QUIET ENJOYMENT:** LESSOR covenants that the said LESSEE, on payment of all the aforesaid installments and performing all the covenants aforesaid, shall and may peacefully and quietly have, hold and enjoy the said demised premises for the term aforesaid.

**EXPENSES-DAMAGES RE-ENTRY:** In the event that LESSOR shall, during the period covered by this lease, obtain possession of said premises by re-entry, summary proceedings, or otherwise, LESSEE hereby agrees to pay LESSOR the expense incurred in obtaining possession of said premises, and also all expenses and commissions which may be paid in and about the letting of the same, and all other damages including legal fees and attorney fees.

**REMEDIES NOT EXCLUSIVE:** It is agreed that each and every of the rights, remedies and benefits provided by this lease shall be cumulative, and shall not be exclusive of any other of said rights, remedies and benefits, or of any other rights, remedies and benefits allowed by law.

**WAIVER:** One or more waivers of any covenant or condition by LESSOR shall not be construed as a waiver of a further breach of the same covenant or condition.

**DELAY OF POSSESSION:** It is understood that if LESSEE shall be unable to enter into and occupy the premises hereby leased at the time above provided, by reason of the said premises not being ready for occupancy, or by reason of the holding over of any previous occupant of said premises, or as a result of any cause or reason beyond the direct control of LESSOR, LESSOR shall not be liable in damages to LESSEE therefor, but during the period the LESSEE shall be unable to occupy said premises as hereinbefore provided, the rental therefor shall be abated and LESSOR is to be the sole judge as to when the premises are ready for occupancy. Understanding that LESSEE is in possession of the premises, except for an area of 3,324 square feet, currently occupied by a department of the State of Michigan, a monthly rental credit of \$2,797 shall be given by LESSOR until this space is vacated.

**NOTICES:** Whenever under this Lease a provision is made for notice of any kind it shall be deemed sufficient notice and service thereof if such notice to LESSEE is in writing addressed to the Office of the President of LESSEE at his last known Post Office Address or at the leased premises and deposited in the mail with postage prepaid and if such notice to LESSOR is in writing addressed to the last known Post Office Address of LESSOR and deposited in the mail with postage prepaid and faxed to (248) 623-1469. Notice need be sent to only one LESSEE or LESSOR where LESSEE or LESSOR is more than one person.

This Lease agreement is in replacement of all prior agreements between the parties believed to be dated September 1, 1996 and amended May 5, 1998.

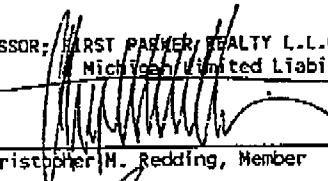
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It is agreed that in this Lease the word "he", "they", and the word "his" synonymous with the word "she", "it" and "its" *actually 9-1-95.*

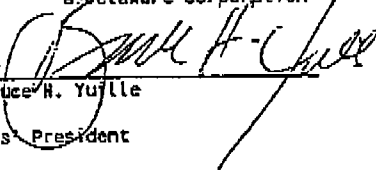
The covenants, conditions and agreements made a part of this Lease and the exhibits hereto are declared binding on the parties and their respective heirs, successors, representatives and assigns.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

LESSOR: ~~FIRST PARKER REALTY L.L.C.,  
Michigan Limited Liability Company~~

  
Christopher M. Redding, Member

LESSEE: COAST TO COAST TELECOMMUNICATION INC.,  
a Delaware Corporation

  
by Bruce R. Yulle  
Its President