EXHIBITS

EXHIBIT 1 Affidavit of Mark Sapperstein signed on or about March 31, 1998.

EXHIBIT 2 Memorandum in Support of Certain Defendants Motion to Dismiss Complaint

EXHIBIT 3 REPORT AND RECOMMENDATION ON DEFENDANT'S MOTIONS TO DISMISS (DE # 14), (DE # 22), AND (DE # 31) AND RECOMMEDING TRANSFER OF THE CASE TO THE DISTRICT OF MARYLAND, Magistrate Judge Frank Lynch Jr., May 8, 1998.

EXHIBIT 4 Dec. 3, 1997 PROMISSORY NOTE for $8,341,300.oo describing payment from: Pinnacle Towers Inc. to Mark Sapperstein , signed by R.J. Wolsey and witnessed by Jennifer Goodrich.

Pinnacle Towers Inc. (Maker)
1549 Ringling Boulevard
3rd Floor
Sarasota, FL. 34236

Mark Sapperstein (Holder)
28 Walker Avenue
Baltimore, Maryland 21208

EXHIBIT 5 Excerpt of certain documents from Nations Bank detailing the $8,341,300.oo (Eight million,Three Hundred and no/100 United States dollars) of the payment made by (Applicant) Pinnacle Towers Inc., 1549 Ringling Blvd. 3rd FL., Sarasota, FL. 34326 to (Beneficiary) Mark Sapperstein, (personally) 28 Walker Ave., Baltimore, MD. 21208 on or about Dec. 3, 1997.

EXHIBIT 6 Excerpt from ANSWERS OF DEFENDANT MARK SAPPERSTEIN TO INTERROGATORIES OF LINK TELECOMMUNICATIONS, INC. signed under penalty of perjury by Mark Sapperstein on or about April, 2000 in the Link Telecommunications Inc. (plaintiff) v. Mark Sapperstein, et al. (defendants) in the Circuit Court for Anne Arundel County (Maryland) Case NO. C-1999-56827 pertaining to the individuals Sapperstein dealt with At Pinnacle Towers Inc.

EXHIBIT 7 Baltimore Sun newspaper article March 9, 1997 concerning the Mark Sapperstein scheme to defraud the Chamberlains of their alleged intellectual property.

EXHIBIT 8 Excerpt from Pinnacle Holdings Inc. Feb. 19, 1999 stating , The Company's headquarters are located at 1549 Ringling Boulevard, Third Floor, Sarasota, Florida 34326 and its telephone number is (941) 364-8886 (pg. 5, 3rd parg.) lists the Executive Officers, Directors and Key Employees , listing James Dell'Apa ---- Director, Executive Vice President and Chief Operating Officer, (Page 52) and the transactions between Sapperstein and Pinnacle pg F-36 thru F-44.

EXHIBIT 9 Cover Sheet and Document Index (Excerpt) from documents known as Mark Sapperstein Sale of Common Stock of Shore Communications Inc. and West Shore Communications Inc. and assets of 28 Walker Associates, LLC to Pinnacle Towers, Inc. closing date : Dec. 3, 1997.

EXHIBIT 10. STOCK AND ASSET PURCHASE AGREEMENT
Pinnacle Towers Inc. (purchaser) Mark Sapperstein (the Stock Seller) (pg.1)
Signed by Mark Sapperstein, individually and as a member of 28 Walker Associates, LLC.

EXHIBIT 11 NONCOMPETITION, COOPERATION AND OPTION AGREEMENT
Dated Dec. 3, 1997. Signed by Mark Sapperstein individually and as a member of 28 Walker Associates, LLC.

EXHIBIT 12 PINNACLE / SAPPERSTEIN ESCROW AND DISBURSMENT AGREEMENT Signed by Mark Sapperstein on or about Dec. 3, 1997

EXHIBIT 13 GROUND LEASE EXHIBIT 2.09

EXHIBIT 14 SUBORNATION, NONDISTURBANCE , AND ATTORNMENT AGREEMENT

EXHIBIT 15 OFFICE OF THE ATTORNEY GENERAL , Dept. of Business and Economic Development , document pertaining to loans made to Shore Communications Inc. owned and/or controlled by Mark Sapperstein by MD. State agencies controlled by defendant Curran and his agents, in which Mark Sapperstein and his wife were personally guaranteeing certain loans.

EXHIBIT 16 Gilbert Sapperstein affidavit dated March 31, 1998

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

DONALD D. STONE	:	**CASE NO. 98-14069**
Plaintiff	:	**CIV-MOORE**
v.	:	
WARFIELD, LONGO, SAPPERSTEIN, et al.	:	
Defendants	:	

AFFIDAVIT OF MARK SAPPERSTEIN

I, Mark Sapperstein, depose and say as follows:

1. I am over 18 years of age and competent to testify as to the facts stated herein based on personal knowledge as to those facts.

2. I am a resident and engaged as a real estate developer in the state of Maryland. My business address is 28 Walker Avenue, Baltimore, Maryland, 21208. I have never had any direct dealings with the Plaintiff, Donald D. Stone, and the state of Florida.

3. I have never operated, conducted, engaged in, or carried on a business or business venture in the state of Florida or had an office or agency in the state of Florida.

4. I have never committed a tort in the state of Florida.

5. I do not own, use, or possess or hold a mortgage or other lien on any real property within the state of Florida.

6. I have never contracted to insure any person, property, or risk located within the state of Florida.

PLAINTIFF'S EXHIBIT 1

#39202

7. I have never engaged in solicitation or service activities in the state of Florida as contemplated by Fla. Stat. Ann., Title IV, §48.193(f)(1).

8. No products, materials, or things processed, serviced, or manufactured by me anywhere were used or consumed in the state of Florida in the ordinary course of commerce, trade, or use.

9. I have never breached a contract in the state of Florida by failing to perform acts required by the contract to be performed in the state of Florida.

10. I have never engaged in substantial and not isolated activity in the state of Florida.

I SOLEMNLY AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THE FOREGOING AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: 3-31-98

Mark Sapperstein

#39202

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

DONALD D. STONE	:	CASE NO. 98-14069-CIV-MOORE
Plaintiff	:	
v.	:	MEMORANDUM IN SUPPORT OF CERTAIN DEFENDANTS' MOTION TO DISMISS COMPLAINT
WARFIELD, LONGO, SAPPERSTEIN, et al.	:	
Defendants	:	

Robert E. Warfield, Sr., Mark Sapperstein, Gilbert S. Sapperstein, Hal P. Glick, Bruce A. Moore, Christine Ward, Regan James Reno Smith, Williams, Hammond, Shockley, Moore & Harrison, Joseph Harrison, Jr., Richard Collins, Edward H. Hammond, Jr., Joseph E. Moore, Raymond C. Shockley, Jack O'Connor, Chieftan Investors, Inc., Tydings & Rosenberg LLP, Mary Fran Ebersole, Alan M. Grochal, Bruff J. Procter, Michelle Procter, Fiber Technology, Inc., and John J. Sellinger, certain of the Defendants ("Defendants"), by counsel, move, pursuant to Rule 12 (b) (2) of the Federal Rules of Civil Procedure and Local Rule 7.1, to dismiss the claims of Plaintiff Donald D. Stone ("Plaintiff").[1]

INTRODUCTION

On February 18, 1998, Plaintiff filed a 125-page pro se complaint that names over 90 defendants and purports to set forth at least 19 theories of recovery (set forth in 191 "counts")

[1] This motion was preceded by a motion by some of the Defendants to extend the time within which to respond to Plaintiff's complaint. James R. Johnson, who was a party to the previous motion, is not a party to this motion. Some Defendants who are parties to this motion were not parties to the previous motion. The additional parties to this motion include Mark Sapperstein, Gilbert S. Sapperstein, Jack O'Connor, Chieftan Investors, Inc., Bruff J. Procter, Michelle Procter, and Fiber Technology, Inc.

based on the alleged violation of numerous federal statutes and the alleged commission of five torts. Among the defendants are various individuals (many of them attorneys), law firm partnerships, judges, corporations, municipal government entities and the agents, representatives, and employees of such entities, the Attorney General of the State of Maryland, and the United States Attorney for the District of Maryland. The 22 Defendants on whose behalf this motion is filed include businessmen and attorneys who reside exclusively in the State of Maryland, and law firm partnerships and corporations organized and existing under the laws of the State of Maryland.

The theories of recovery alleged in the complaint are based upon 15 U. S. C. § 77(g) (1997) ("conspiracy to commit securities fraud"); 18 U. S. C. § 152 ("conspiracy to commit federal bankruptcy fraud"), § 1341 ("mail fraud"), § 1343 ("wire fraud"), § 1503 ("conspiracy to obstruct justice"), § 1512 ("conspiracy to tamper with victim"), § 1951 ("conspiracy to extort"), § 1952 ("interstate and foreign travel in aid of racketeering enterprise"), § 1956 ("conspiracy to commit money laundering"), § 1957 ("conspiracy to engage in monetary transactions in property derived from specified unlawful activity"), § 1962 ("civil RICO"), § 1962(d) ("conspiracy"), and § 2315 ("sale or receipt of stolen securities") (1985); and 42 U. S. C. §§ 1983, 1985, 1986, and 1988 (1994) ("violations of civil rights/due process"); as well as upon common-law malpractice, malicious prosecution, abuse of process, negligence, and defamation. The claims include some for criminal violations for which there is no civil remedy. See, e.g., 18 U. S. C. §§ 1341 and 1343.[2] Very generally, the claims relate to Plaintiff's "invention" of a product and certain events

[2] The only contacts that any of these Defendants are alleged to have had with the State of Florida are alleged in the context of 18 U. S. C. §§ 1341 and 1343. Because Plaintiff lacks standing to sue civilly under those criminal statutes, these contacts lack legal significance. See United States v. Larken, Hoffman, Daly & Lingren, Ltd., 841 F.

emanating from the development and marketing of the product.

Although the complaint is lengthy, the Plaintiff fails totally to show that these Defendants had any legally cognizable contacts with the State of Florida such that would enable this Court to exercise jurisdiction properly over them. The affidavits of these 22 Defendants, attached as Exhibit A, make clear that they have done nothing to subject themselves to the jurisdiction of this Court. The complaint, therefore, should be dismissed.

FACTUAL ALLEGATIONS

Plaintiff predicates jurisdiction in this Court on diversity of citizenship under 28 U. S. C. § 1332(a) (1) and on federal question jurisdiction under 28 U. S. C. §1331. See Complaint at 2.[3] The complaint, however, fails to allege or in any manner establish that any Defendant had any legally cognizable contacts with the State of Florida. Ten of these 22 Defendants are not alleged to have had any contact whatsoever with the State of Florida. The other twelve are not alleged to have had contacts sufficient to establish that they are subject to the jurisdiction of this Court. The only allegations that connect any of these Defendants with the State of Florida are the following "counts" in the complaint, which name only twelve of these 22 Defendants:

> **COUNT 94** On or about January 12, 1994, Burgee, Miles & Stockbridge, WHSM&H, Longo, Procter, Moore, Harrison, Collins, Smith, Warfield, Glick, Sapperstein, G. Sapperstein, and Ternes did conspire to use the United States

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Supp. 899 (D. Minn. 1993) (standing to sue under statute independent of 28 U. S. C. § 1331 must exist such that the independent statute confers substantive rights and remedies on a plaintiff that may be enforced in a lawsuit). There is no private right of action under the federal mail and wire fraud statutes. See Bajorat v. Columbia Breckenridge Dev. Corp., 944 F. Supp. 1371, 1377-78 (N.D. Ill. 1996).

[3] Jurisdiction is also asserted under 18 U. S. C. §§ 1964(a) and 3231. Id. But these are criminal statutes and will not support the civil jurisdiction claimed here. Even though diversity jurisdiction is not established in the complaint and federal question jurisdiction is tenuous at best, this motion does not address subject matter jurisdiction. Plaintiff's inability to establish that these Defendants are personally subject to the jurisdiction of this Court requires dismissal of the complaint solely under a personal jurisdiction analysis.

Postal Service to send a letter from Jessup, Maryland to Plaintiff's residence in Jensen Beach, Florida. This letter was an extortion attempt to force Plaintiff to assign his patents to DSII.

. . . .

COUNT 101 On or about May 25, 1995, Worcester County Assistant State's Attorney Smith and Worcester County State's Attorney office investigator Mumford did use the United States Postal Service to send a letter from Snow Hill, Maryland to Plaintiff's residence in Jensen Beach, Florida. The letter contained a motion to quash a subpoena served on Smith and Mumford by Plaintiff.

. . . .

COUNT 121 On or about May 20, 1997, Grochal (from the law firm of Tydings & Rosenberg and representing SCI [a debtor in bankruptcy {case number 94-5-7899-SD}], and its principal [Charles R. Longo]) did use the United States Postal Service to send a letter from Baltimore, Maryland to Plaintiff's residence in Jensen Beach, Florida. The letter contained a motion in opposition to Plaintiff's motion for Rule 2004 – Examination of Debtor. Several statements by Grochal in this motion were false and constitute fraud on the bankruptcy court and obstruction of justice of Grochal, Tydings & Rosenberg, Longo, and SCI.

COUNT 122 On or about May 29, 1997, Judge Eschenburg, Judge Groton, Judge Bloxom, Powell, Outten, Longo, Moore, Warfield, Glick, Procter, Sapperstein, G. Sapperstein, and WHSM&H did cause to be mailed from Snow Hill, Maryland to Plaintiff in Jensen Beach, Florida the court documents from the sham judicial proceeding that Judge Eschenburg and Judge Groton refused to exemplify. Plaintiff refused the documents and returned them to Outten.

COUNT 123 On or about July 10, 1997, Judge Eschenburg, Judge Groton, Judge Bloxom, Powell, Outten, Longo, Moore, Warfield, Glick, Procter, Sapperstein, G. Sapperstein, and WHSM&H did cause to be mailed from Snow Hill, Maryland to Plaintiff in Jensen Beach, Florida the court documents from the sham judicial proceeding that Judge Eschenburg finally exemplified and Judge Groton has continued to refuse to exemplify.

. . . .

COUNT 126 On or about October 13, 1993, Longo, Procter, Moore, Warfield, Glick, Ternes, Sapperstein, and G. Sapperstein did cause to be sent by interstate wire, a fax from Jessup, Maryland of a document (alleged to have been typed by Ternes) to Plaintiff in Jensen Beach, Florida in furtherance of the scheme and artifice to defraud Plaintiff.

. . . .

COUNT 132 On or about October 13, 1993, Longo, Procter, Sapperstein, and Warfield did fax across interstate lines from Jessup, Maryland to Plaintiff's residence in Jensen Beach, Florida an extortion attempt threatening to have
Plaintiff arrested on unspecified criminal charges if Plaintiff did not capitulate to their demands.

. . . .

COUNT 134 On or about February 22, 1995, Sapperstein did place a telephone call from the Baltimore, Maryland area to Plaintiff's residence in Jensen Beach, Florida in furtherance of the scheme to defraud Plaintiff.

See Complaint at 84 (Count 94); 86 (Count 101); 91 (Counts 121, 122, and 123); 93 (Count 126); 94 (Counts 132 and 134).[4] The allegations in "counts" 101, 121, 122, and 123 against Defendants Regan James Reno Smith ("Smith"), Tydings & Rosenberg LLP, Alan M. Grochal, Bruce K. Moore ("Moore"), Robert E. Warfield ("Warfield"), Hal P. Glick ("Glick"), Bruff Procter ("Procter"), Mark Sapperstein, Gilbert S. Sapperstein, and Williams, Hammond, Shockley, Moore & Harrison ("WHSM&H") are limited to service by mail of court filings related to then pending litigation. The allegations of extortion and fraud made in the remaining "counts" 94, 126, 132, and 134 implicate only Defendants WHSM&H, Procter, Moore, Joseph Harrison, Richard Collins, Smith, Warfield, Glick, Mark Sapperstein, and Gilbert S. Sapperstein, and are limited to the transmission of correspondence or other documents to Plaintiff in Florida by mail and/or facsimile and a telephone call to Plaintiff's residence in Florida.

ARGUMENT

The Complaint Should be Dismissed Because this Court Lacks Personal Jurisdiction Over These Defendants

[4] The allegations in these counts implicate only Defendants Bruce A. Moore, Joseph Harrison, Richard Collins, Robert E. Warfield, Hal P. Glick, Bruff Procter, Mark Sapperstein, Gilbert S. Sapperstein, Regan James Reno Smith, Alan M. Grochal, Tydings & Rosenberg LLP, and Williams, Hammond, Shockley, Moore & Harrison, twelve of these 22 Defendants. A reading of the entire complaint reveals an absence of viable claims against any of the 22 Defendants or of meaningful contacts by any of them with the State of Florida.

A. The Applicable Test

Whether personal jurisdiction exists over these nonresident Defendants is determined under a two-part analysis. Coca-Cola Foods v. Empresa Comercial Internacional De Frutas, S.A., 941 F. Supp. 1175, 1179 (M.D. Fla. 1996). The first part of the test requires a determination whether there is personal jurisdiction under the Florida long-arm statute. Id. Only if there is a basis for jurisdiction under the long-arm statute will a court next determine whether the exercise of personal jurisdiction comports with the requirements of the Due Process Clause of the Fourteenth Amendment. Id. Both prongs of this jurisdictional test must be satisfied for this Court to exercise personal jurisdiction over these Defendants. Id.

B. Jurisdiction is Lacking Under the Florida Long-Arm Statute

Plaintiff bears the initial burden of establishing personal jurisdiction over Defendants under Florida's long-arm statute. Coca-Cola, 941 F. Supp. at 1178. Florida's long-arm statute is "strictly construed" so that Plaintiff's complaint must allege "sufficient facts to bring the action within the ambit of the statute." Millegan Electric Co., Inc. v. Hudson Const. Co., 886 F. Supp. 845, 848 (N.D. Fla. 1995), citing Morris v. SSE., Inc., 843 F.2d 489 (11th Cir. 1988). These Defendants may defeat Plaintiff's assertion of jurisdiction through affidavits providing facts that are inconsistent with or contrary to the Plaintiff's assertion of personal jurisdiction under the long-arm statute. Coca-Cola, 941 F. Supp. at 1178.

Florida's long-arm statute provides in pertinent part:

> § 48.193 Acts subjecting person to jurisdiction of courts of state.
>
> (1) Any person, whether or not a citizen or resident of this state, who personally or through an agent does any of the acts enumerated in this subsection thereby submits himself or herself and, if he or she is a natural person, his or her

> personal representative to the jurisdiction of the courts of this state for any cause of action arising from the doing of any of the following acts:
>
> (a) Operating, conducting, engaging in, or carrying on a business or business venture in this state or having an office or agency in this state.
>
> (b) Committing a tortious act within this state.
>
> (c) Owning, using, possessing, or holding a mortgage or other lien on any real property within this state.
>
> (d) Contracting to insure any person, property, or risk located within this state at the time of contracting.
>
> . . . .
>
> (f) Causing injury to persons or property within this state arising out of an act or omission by the defendant outside this state, if, at or about the time of the injury, either:
>
> 1. The defendant was engaged in solicitation or service activities within this state; or
>
> 2. Products, materials, or things processed, serviced, or manufactured by the defendant anywhere were used or consumed within this state in the ordinary course of commerce, trade, or use.
>
> (g) Breaching a contract in this state by failing to perform acts required by the contract to be performed in this state.
>
> . . . .
>
> (2) A defendant who is engaged in substantial and not isolated activity within this state, whether such activity is wholly interstate, intrastate, or otherwise, is subject to the jurisdiction of the courts of this state, whether or not the claim arises from the activity.

Fla. Stat. § 48.193 (1997). Subsections (1) (e) and (h) are clearly irrelevant here.

The "jurisdiction" section of Plaintiff's complaint does not cite or in any manner refer to the Florida long-arm statute. See Complaint at 2.

[5] Therefore, the Plaintiff's grounds, if any exist, for asserting jurisdiction over these Defendants under the long-arm statute are unclear. The complaint, moreover, is totally devoid of any facts that bring any of these Defendants within the ambit of the statute. There is absolutely no factual allegation to support a claim that any of the Defendants had any of the contacts contemplated by the statute. In fact, none of these Defendants have had any such legally cognizable contacts with

[5] There is a tangential reference to § 48.193 in the venue portion of the complaint. Id. at 3.

the State of Florida in the context of this case. Affidavits of each Defendant are attached as part of Exhibit A. They demonstrate a total lack of legally significant contacts with the State of Florida. Further, as indicated, the only contacts with Florida alleged by Plaintiff against any of these Defendants are mailings in the course of court proceedings and/or are alleged in the context of claims for mail and wire fraud–claims that Plaintiff has absolutely no standing to pursue in this civil action. As a result, the few allegations that are made lack any legal significance for jurisdictional or any other purpose.

Because it fails to allege facts that would establish personal jurisdiction over these Defendants under the Florida long-arm statute, the complaint should be dismissed.

C. Jurisdiction is Also Lacking Under the Due Process Clause of the Fourteenth Amendment

Dismissal is also required because the exercise of personal jurisdiction over these Defendants does not comport with the notion of due process under federal constitutional law.

The determination of whether personal jurisdiction is proper under the Due Process Clause of the Fourteenth Amendment depends on whether sufficient "minimum contacts" exist between these Defendants and the State of Florida and whether the exercise of jurisdiction comports with "traditional notions of fair play and substantial justice." Coca-Cola, 941 F. Supp. at 1179. The "minimum contacts" test is met only if the defendants sued purposefully availed themselves of the privilege of conducting activities within Florida, thereby invoking the benefits and protections of Florida's laws. Id. at 1181. This "purposeful availment requirement" ensures that none of these Defendants will be haled into a Florida Court based on "random, fortuitous, or attenuated contacts or the unilateral activity of another party or a third person." Id. Thus, to

support personal jurisdiction here, a "substantial connection" between these Defendants and the State of Florida is required. Id.

Plaintiff's complaint and the affidavits in Exhibit A reveal that none of these 22 Defendants purposefully conducted any legally significant activities in Florida in the context of this case.[6] Indeed, no Defendant did any affirmative act from which it could legitimately be inferred that there was an intentional invocation of any benefits and protections offered under Florida law. None of these Defendants purposefully availed themselves of Florida's laws such that they could reasonably expect to be haled into this or any other Florida court. Thus, there is no substantial connection between Defendants and the State of Florida, as due process requires. The contacts alleged by Plaintiff against certain of these Defendants do not rise even to the level of the "random, fortuitous, or attenuated." This Court may consider the following factors in assessing whether personal jurisdiction comports with traditional notions of fair play and substantial justice: the burden on these Defendants in defending the action in Florida; Florida's interest in adjudicating the dispute; the Plaintiff's interest in obtaining convenient and effective relief; the interstate judicial system's interest in obtaining the most efficient resolution of the controversy; and the shared interest of the several states in furthering fundamental substantive social policies. See Coca-Cola at 1182.

Consideration of these factors compels dismissal of this complaint. The burden on these Defendants in defending this lawsuit in a state where no event of any legal significance occurred is great. Notwithstanding the total absence of legally significant contacts with Florida, the

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[6] Complaint "counts" 94, 101, 121, 122, 123, 126, 132, and 134, the only allegations attempting to link any of the Defendants in any specific way to the State of Florida, mention only twelve of these Defendants, and thus fail to allege any nexus whatsoever between the other ten Defendants and the State of Florida.

individual Defendants and the agents, representatives, and employees of the partnership and corporate Defendants could or would be required to travel to Florida to testify at depositions and at trial, thereby expending significant and valuable resources in terms of money and time. This Court's interest in adjudicating this dispute is minimal. To the extent that any legally significant acts and omissions are alleged in the complaint, they occurred in states other than Florida. This Court's only real connection with this case is that Plaintiff resides in Florida and chose to file his complaint here. Plaintiff's complaint totally lacks merit and is replete with conclusory allegations and unwarranted deductions of fact, and dismissal is clearly warranted. See Eidson v. Arenas, 910 F. Supp. at 609, 612 (M.D. Fla. 1995) (dismissal appropriate where pro se complaint presented conclusory allegations and deductions of fact not accepted as true). Given the frivolous nature of the complaint, Florida lacks any interest in adjudicating this dispute. Because Plaintiff's complaint lacks merit, no fundamental substantive social policy will be served by permitting his action to be maintained in this Court.

Defendants lack the minimum contacts with Florida that, under the Florida long-arm statute, are necessary for this Court's exercise of jurisdiction over them. Furthermore, the interests of fair play and substantial justice militate against the exercise of personal jurisdiction. The complaint, therefore, should be dismissed.

CONCLUSION

For the reasons stated above, Plaintiff's claims against these Defendants should be dismissed for want of jurisdiction.

Respectfully submitted,

RICHMAN GREER WEIL BRUMBAUGH
MIRABITO & CHRISTENSEN, P.A.
Attorneys for Defendants Robert E. Warfield, Sr., Mark Sapperstein, Gilbert S. Sapperstein, Hal P. Glick, Bruce A. Moore, Christine Ward, Regan James Reno Smith, Williams, Hammond, Shockley, Moore & Harrison, Joseph Harrison, Jr., Richard Collins, Edward H. Hammond, Jr., Joseph E. Moore, Raymond C. Shockley, Jack O'Connor, Chieftan Investors, Inc., Tydings & Rosenberg LLP, Mary Fran Ebersole, Alan M. Grochal, Bruff J. Procter, Michelle Procter, Fiber Technology, Inc., and John J. Sellinger
Miami Center – 10th Floor
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Miami, Florida 33131
Telephone: (305) 373-4000
Fax: (305) 373-4099

By: Richard Brumbaugh for
LAWRENCE H. KUNIN (Fla. Bar No. 050210)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 2nd day of April, 1998, a copy of Certain Defendants' Motion to Dismiss Complaint and the supporting memorandum were mailed by first-class mail, postage prepaid, addressed to Donald D. Stone, pro se, 895 N.E. Dixie Highway, Suite #9, Jensen Beach, Florida 34957; Kathy Kalinoski, Esquire, Baber & Kalinoski, P.C., 3050 Chain Bridge Road, Suite 305, Fairfax, Virginia 22030; Joel Hirschhorn, Esq., Douglas Centre – Penthouse One, 2600 Douglas Road, Coral Gables, Florida 33134; Dana M. S. Wilson, Esq., Shapiro and Olander, P.A., 36 South Charles Street, Suite 2000, Baltimore, Maryland 21201; and David P. Milian, Esq., Kozyak Tropin & Throckmorton, P.A., 200 S. Biscayne Boulevard, 2800 First Union Financial Center, Miami, Florida 33131.

By: Richard Brumbaugh
LAWRENCE H. KUNIN

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

DONALD D. STONE,

Plaintiff,

vs.

ROBERT E. WARFIELD, ET AL.,

Defendant.
_____/

CASE NO. 98-14069-CIV-RYSKAMP

REPORT AND RECOMMENDATION ON DEFENDANT'S MOTIONS TO DISMISS (DE# 14), (DE# 22), AND (DE# 31) AND RECOMMENDING TRANSFER OF THE CASE TO THE DISTRICT OF MARYLAND

THIS CAUSE having come on to be heard upon the aforementioned motions and this Court having reviewed these three motions and the three responses filed in respect thereto and this Court having reviewing the Court file, the Complaint filed by the Plaintiff and all other pleadings filed by the Plaintiff to date, recommends as follows:

The Plaintiff has filed a 191 count complaint covering 125 pages. The complaint appears to allege, among other things, that private individuals in the state of Maryland, together with others, conspire to deprive the plaintiff of a product he allegedly developed and a business he formed to make this product.

The Plaintiff has sued various public officials in the state of Maryland for failing to conduct a proper investigation into complaints he made in respect to this product. He has also sued the town of Berlin, Maryland, corporations in bankruptcy and other private and public officials.

There are approximately 94 Defendants named in the complaint. A review of the complaint reflects absolutely no jurisdiction in this Court. There are no acts which took place by any of these individuals in the state of Florida. The sole basis upon which the Plaintiff asserts jurisdiction is that he is presently a resident of the state of Florida. He does not dispute the allegations in his complaint that there were no acts of these private or public individuals, towns or corporations which took place in the state of Florida. In fact, all of the individuals are residents and have been served in the state of Maryland. This Court believes that there are two exceptions to that and there appear to be two Defendants who have addresses listed in the state of New Jersey.

The pleadings in this case are becoming voluminous. The need for each of these Defendants to file a motion in response to the complaint has created numerous pleadings and pages upon pages of documents which this Court believes should be stopped immediately rather than waiting for each and every one of the 94 Defendants to file a responsive pleading to the complaint.

It is clear from this Court's review of the complaint and the allegations made in the motions to dismiss which are being addressed herein, that this Court has no jurisdiction. The Plaintiff does not allege a federal statute or any federal question jurisdiction. Personal jurisdiction in a federal diversity action is governed according to the law of the state in

which the District Court sits. (See Voorhees v. Citicorp, Inc., 837 F.Supp. 395 (M.D.Fla. 1993) and Bloom v. A.H.Pond Company, Inc., 519 F.Supp. 1162(S.D Fla. 1981).

A non-resident Defendant may not be brought before a Federal Court unless jurisdiction is properly authorized by an appropriate state long arm statute. These statutes are to be strictly construed. In order to determine personal jurisdiction over such a non-resident defendant, this Court must inquire 1) whether plaintiff's complaint alleges sufficient jurisdictional facts to bring the defendant within the long arm statute, and 2) whether sufficient minimum contacts exist between the forum state and the defendant to satisfy federal due process and not to "offend the traditional notions of fair play and substantial justice". See International Shoe Company v. Washington, U.S. 310 (1945) and Sunbank, NA v. E.F. Hutton, Inc., 926 F.2d 1030 (11th Cir. 1991).

The party invoking jurisdiction under the long arm statute has the burden to plead sufficient material facts to establish such a basis for this Court to exercise jurisdiction. The Plaintiff has failed to allege any such minimum contacts or jurisdictional basis in the Complaint or in response to the three motions to dismiss which have been listed in the heading of this report and recommendation. Therefore, the burden does not even shift to the Defendants to attack these allegations by way of affidavits or other testimonial means.

The Plaintiff's allegations as to jurisdiction are taken as true on a motion to dismiss only if they are undisputed. See Hrtica v. Armstrong World Industries, 607 F.Supp. 16 (S.D.Fla. 1984). As stated, the allegations of jurisdiction are deficient in the Plaintiff's complaint to begin with and are, in fact, disputed by the Defendants.

There are no allegations in the Plaintiff's complaint or in the Plaintiff's responses to the motions to dismiss that there are any contacts by these Defendants with the state of

Florida. Therefore, this Court does not even have to determine if any contacts constitute "minimum contacts" within the meaning of the case law and the Florida Long Arm Statute. There are no such "minimum contacts".

This matter is strictly a matter between the Plaintiff and residents and corporations of the state of Maryland. It deals with issues which should be resolved under Maryland law. If the Plaintiff feels that he has a federal cause of action, it should be brought in the U.S. District Court for the District of Maryland. However, he cannot simply sue non-residents in the state of Florida without meeting the necessary jurisdictional requisites to bring those Defendants into Court here. There are certain constitutional protections to prevent such misapplication of the law. While the Plaintiff is filing this action pro-se, he still must abide by the applicable federal and state case law as well as rules of procedure.

Even though this Court does not have personal jurisdiction over any of the Defendants, it still may transfer this case to another jurisdiction. Goldlawr, Inc. v. Heiman, 369 US 463 (1962). This decision to transfer or dismiss in the interests of justice rests within the sound discretion of this Court. It is not possible from a review of the Plaintiff's complaint to know whether or not there are any statute of limitations problems or other issues which may bar the Plaintiff from bringing this action in any state courts of Maryland or U.S. Courts in the state of Maryland. Further, this Court does not see within the Plaintiff's complaint a real federal cause of action or federal question and therefore hesitates to transfer the case to the U.S. District Court for the District of Maryland.

As stated previously, if the Plaintiff wishes to bring this case in the U.S. District Court for the District of Maryland and believes he has a cause of action to justify such a filing, it

is up to him to do so. However, this Court cannot justify transferring the case to the District of Maryland based upon the allegations in the complaint.

Further, this Court does not see that permitting the Plaintiff time to file an amended complaint will clear up any of the jurisdictional issues. He has not addressed any of the jurisdictional deficiencies in the responses he has filed in respect to the motions to dismiss which are pending. It is obvious to this Court that there is no jurisdiction in the state of Florida. There are no contacts by these Defendants with the state of Florida and there is no federal question over which this Court could assert jurisdiction.

Rather than require these Defendants to continue to retain counsel, file motions to dismiss and file even more pleadings with this Court, this Court is recommencing that the Motions To Dismiss referenced above be **GRANTED** and that the case be dismissed *sua sponte* by the District Court as to all remaining Defendants and that this dismissal be with prejudice.

The parties shall have ten (10) days from the date of this Report and Recommendation within which to file objections, if any, with the Honorable Kenneth L. Ryskamp, United States District Court Judge who has been assigned to try this case.

DONE AND SUBMITTED this 5th day of May, 1998, at Ft. Pierce, Northern Division of the Southern District of Florida.

FRANK J. LYNCH, JR.
UNITED STATES MAGISTRATE JUDGE

PROMISSORY NOTE

$8,341,300.00 December 3, 1997

FOR VALUE RECEIVED, the undersigned, **PINNACLE TOWERS, INC.** (hereinafter called "Maker"), does hereby promise to pay to the order of **MARK SAPPERSTEIN** (hereinafter called "Holder"), at 28 Walker Avenue, Baltimore, Maryland 21208, or such other place as Holder may designate in writing, in lawful money of the United States of America, the principal sum of EIGHT MILLION TWO HUNDRED SEVENTY THREE THOUSAND THREE HUNDRED DOLLARS ($8,273,300.00) (the "Principal Sum"), together with interest thereon in the manner hereafter set forth.

1:00 INTEREST AND PRINCIPAL

The Principal Sum and interest in the amount of Sixty Eight Thousand Dollars ($68,000.00) shall be due and payable in full on January 5, 1998 (the "Maturity Date"), time being of the essence. This Note has been delivered to Holder to evidence certain obligations from Maker to Holder pursuant to a certain Stack and Asset Purchase Agreement between Maker and Holder dated November 7, 1997 ("Agreement"). To the extent that Closing Liabilities (as defined in the Agreement) exceed $2,027,000, the Principal Sum will be reduced in an amount equal to such excess.

2:00 NO PREPAYMENT

Maker may not prepay the Principal Sum of this Note in whole or in part.

3:00 PAST DUE PAYMENTS

If Maker fails to pay this Note in full on the Maturity Date, the unpaid Principal Sum shall bear interest, to the extent permitted by law, at the rate of eighteen percent (18%) per annum from the due date thereof until paid, provided that this shall in no way limit, lessen or affect any breach or default by Maker. Maker shall also pay costs of collection, including reasonable attorneys' fees, if this Note is referred to an attorney for collection after default, whether or not any action shall be instituted to enforce or collect this Note.

4:00 WAIVERS

Maker and any endorsers or guarantors hereof severally waive presentment and demand for payment, notice of intent to accelerate maturity, notice of acceleration of maturity, protest or notice of protest and non-payment, bringing of suit and diligence in taking any action to collect any sums owing hereunder or in any

PLAINTIFF'S EXHIBIT 11

proceeding against any of the rights and properties securing payment hereof. From time to time, without affecting the obligation of Maker to pay the outstanding principal balance of this Note and to observe the covenants of Maker contained herein, without affecting the duties and obligations of any endorser hereto or guarantor hereof, without giving notice to or obtaining the consent of Maker or any endorser hereto or guarantor hereof, and without liability on the part of Holder, Holder may, at the option of Holder, extend the time for payment of interest hereon and/or principal hereof, reduce the payments hereunder, release anyone liable on this Note, accept a renewal of this Note, modify the terms and time of payment of this Note, join in any extension or subordination or exercise any option or election hereunder, reduce the rate of interest or lengthen the Maturity Date of this Note or exercise any option or election hereunder. No one or more of such actions shall constitute a novation.

5:00 DEFAULT

If default be made in the payment of the Principal Sum and all interest thereon on the Maturity Date, then Holder may, at its option, without further notice or demand, pursue any and all other rights, remedies, and recourses available to Holder, or pursue any combination of the foregoing, all remedies hereunder being cumulative.

6:00 EXERCISE OF RIGHTS

Failure to exercise any of the foregoing options upon the happening of a default hereunder, shall not constitute a waiver of the right to exercise the same or any other option at any subsequent time in respect to the same or any other event, and no single or partial exercise of any right or remedy shall preclude other or further exercise of the same or any other right or remedy. Holder shall have no duty to exercise any or all of the rights and remedies herein provided or contemplated. The acceptance by Holder of any payment hereunder that is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing options at that time or at any subsequent time, or nullify any prior exercise of any such option without the express written consent of Holder.

7:00 SECURITY

This Note is secured by an irrevocable commercial letter of credit from NationsBank, N.A. for the benefit of Holder in the amount of Eight Million Three Hundred Forty One Thousand Three Hundred Dollars ($8,341,300.00).

8:00 MISCELLANEOUS

8:01 Governing Law - This Note shall be governed by and construed according to the laws of the State of Maryland, without regard to principles of conflict of laws.

8:02 Notices - All notices hereunder shall be given at the following addresses: if to Holder, 28 Walker Avenue, Baltimore, Maryland, 21208, and if to Maker, 1549 Ringling Boulevard, 3rd Floor, Sarasota, Florida, 34236. Any of the above may change their address for notice purposes upon giving notice thereof in accordance with this Article 8:02. All notices given hereunder shall be in writing and shall be considered properly given if mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested, or by delivering same in person to the intended addressee. Any notice as above provided shall be effective upon receipt, or in the event delivery of such notice is refused, notice shall be effective upon such refusal.

8:03 Captions; Word Meanings - All captions herein are for convenience only and shall not be interpreted to enlarge or restrict the provisions of this Note. As used herein, the singular shall include the plural, the plural the singular and the use of any gender shall be applicable to all genders.

8:04 Severability - In case any provision (or any part of any provision) contained in this Note shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or limit the validity and enforceability of the other provisions hereof.

8:05 Waiver of Jury Trial - Maker hereby waives trial by jury in any action or proceeding to which the Maker and the Holder may be parties, arising out of or in any way pertaining to this Note. It is agreed and understood that this waiver constitutes a waiver of trial by jury of all claims against all parties to such actions or proceedings, including claims against parties who are not parties to this Note. This waiver is knowingly, willingly and voluntarily made by the Maker, and the Maker hereby represents that no representations of fact or opinion have been made by any individual to induce this waiver of trial by jury or to in any way modify or nullify its effect.

8:06 Commercial Loan - It is expressly stipulated and agreed that the Loan evidenced by this Note is a "commercial loan" as defined in the Commercial Law Article of the Annotated Code of Maryland. Notwithstanding the preceding sentence, if, during the term of this Note, the rate of interest being charged herein shall be in excess of the maximum rate, if any, then permitted by law for this transaction to be charged, then the excess shall be deemed to have been a prepayment of principal when paid, without premium or penalty, and all payments made thereafter shall be appropriately applied to interest and principal to give effect to such maximum rate and after such application, any excess shall be refunded to Maker.

8:07 No Partnership - Nothing in this Note shall be construed as making the parties hereto partners, joint venturers, members of a joint enterprise or, except as otherwise provided herein, as rendering either of the parties liable for the debts or obligations of the other.

8:08 Joint and Several Liability - The liability of Maker hereunder shall be joint and several.

8:09 Binding Effect - This Note shall be binding upon Maker, its successors and assigns and shall inure to the benefit of Holder, his heirs, personal representative, successors and assigns.

Executed as of the date and year first above written.

WITNESS:

Jennifer Hedrick

PINNACLE TOWERS, INC.

By: _____ (SEAL)
Name: R.J. Wolsey
Title President.

WAS1-309993.2

NationsBank

ISSUING BANK:
NATIONSBANK OF TEXAS, N.A.

APPLICANT:
PINNACLE TOWERS INC.
1549 RINGLING BLVD.,3RD FLOOR
SARASOTA, FL 34236

BENEFICIARY:
MARK SAPPERSTEIN
28 WALKER AVENUE
BALTIMORE, MD 21208

RE: IRREVOCABLE STANDBY LETTER OF CREDIT NO. 950391
AMOUNT: $8,341,300.00 (EIGHT MILLION THREE HUNDRED FORTY ONE THOUSAND THREE HUNDRED AND NO/100 UNITED STATES DOLLARS)
ISSUE DATE: DECEMBER 03, 1997
INITIAL EXPIRY DATE: JANUARY 30, 1998

GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 950391 IN YOUR FAVOR (THE "LETTER OF CREDIT"), FOR THE ACCOUNT OF PINNACLE TOWERS INC. FOR A SUM NOT TO EXCEED U.S. $8,341,300.00.

FUNDS UNDER THIS LETTER OF CREDIT WILL BE AVAILABLE BY YOUR DRAFT DRAWN ON US AT SIGHT IN THE FORM ATTACHED HERETO AS EXHIBIT "A" MARKED, "DRAWN UNDER NATIONSBANK OF TEXAS, N.A., IRREVOCABLE STANDBY LETTER OF CREDIT NO. 950391 DATED DECEMBER 03, 1997," AND ACCOMPANIED BY A CERTIFICATE PURPORTEDLY SIGNED BY YOU AS FOLLOWS:

"1. THERE HAS OCCURRED AND IS CONTINUING A DEFAULT UNDER THAT CERTAIN PROMISSORY NOTE DATED DECEMBER 03, 1997 (THE "NOTE") BETWEEN PINNACLE TOWERS, INC. ("PURCHASER") AS MAKER AND MARK SAPPERSTEIN , AS PAYEE ("SELLER"); AND

2. THE AMOUNT DRAWN HEREUNDER DOES NOT EXCEED THE PRINCIPAL AMOUNT OWED TO SELLER UNDER THE NOTE; AND

3. SELLER HAS SENT PURCHASER, BY OVERNIGHT DELIVERY SERVICE, WRITTEN NOTICE OF THIS DRAW; AND

4. THE AMOUNT OF THE DRAFT PRESENTED WITH THIS CERTIFICATE IS DUE AND PAYABLE BY PURCHASER."

THIS LETTER OF CREDIT MAY BE TRANSFERRED IN FULL BY THE ISSUING BANK PROVIDED THAT YOU DELIVER TO US OUR WRITTEN FULL TRANSFER FORM H-4 ATTACHED. THE ORIGINAL LETTER OF CREDIT TOGETHER WITH ALL ORIGINAL AMENDMENTS (IF ANY) MUST BE RETURNED TO US WITH THE COMPLETED TRANSFER FORM AND PAYMENT OF OUR CUSTOMARY CHARGE OF 1/4 OF 1 PERCENT OF THE AMOUNT BEING TRANSFERRED, MINIMUM USD250.00.

PLAINTIFF'S EXHIBIT 5

NationsBank

PARTIAL DRAWINGS ARE PROHIBITED.

WE HEREBY ENGAGE WITH YOU THAT DRAFTS DRAWN IN CONFORMITY WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED IF PRESENTED TO OUR OFFICE AT 901 MAIN STREET, 9TH FLOOR, DALLAS, TEXAS 75202, ATTN: STANDBY LETTER OF CREDIT DEPARTMENT AT OR BEFORE 5:00 P.M. OF THE DATE OF THE EXPIRATION OF THIS LETTER OF CREDIT, OR ANY FUTURE EXPIRATION DATE, ACCOMPANIED BY ALL DOCUMENTS AS SPECIFIED HEREIN.

EXCEPT AS MAY BE OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE LAWS OF THE STATE OF FLORIDA AND TO THE EXTENT NOT INCONSISTENT THEREWITH, THE "UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS" (1993 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500.

SINCERELY,
NATIONSBANK OF TEXAS, N.A.

Ginger Downs
GINGER DOWNS
VICE PRESIDENT

EXHIBIT "A"

NATIONSBANK OF TEXAS, N.A.
901 MAIN STREET
9TH FLOOR
DALLAS, TEXAS 75202
ATTN: STANDBY LETTER OF CREDIT DEPARTMENT

PAY TO THE ORDER OF MARK SAPPERSTEIN AT SIGHT, THE SUM OF U.S. $_____. DRAWN UNDER NATIONSBANK OF TEXAS, N.A., IRREVOCABLE STANDBY LETTER OF CREDIT NO. 950391 DATED DECEMBER 03, 1997.

BY: _____
NAME: _____
TITLE: _____

FOR ASSISTANCE PLEASE CALL KEVIN S. YOUNG AT 214-508-3099

H-4 Request for a full transfer of the Documentary Credit with waiver of rights on amendments

Date: _____ **To:** NationsBank

_____

_____

Reference: _____ _____

(Issuing Bank's Letter of Credit Number) (Advising Bank's Letter of Credit Number)

The undersigned Beneficiary of the above referenced letter of credit hereby irrevocably transfers to:

_____

_____

_____

_____

(Name and complete address of the Transferee)
through

_____

_____

(Name/Address of Transferee's Bank, if known -if left blank, NationsBank will select a bank)

all rights of the undersigned Beneficiary in such Documentary Credit, to draw up to but not exceeding a sum of $_____ (amount). The Transferee shall have the sole rights as Beneficiary thereof, provided that this transfer expires on _____ (expiry date of the transfer but not later than the expiry date of the Credit)

In accordance with UCP 500 sub-Article 48 (d), the undersigned Beneficiary waives the right to refuse to allow the Transferring Bank to advise amendments made under the original Documentary Credit to the Transferee. Therefore, the Transferee shall have the sole rights as Beneficiary including sole rights relating to any amendments to the Documentary Credit whether increases or extensions or other amendments and whether now existing or hereafter made. All amendments are to be advised directly to the Transferee.

If you agree to these instructions, please advise the Transferee the terms and conditions of the transferred Credit and these instructions.

Please debit our account number _____

_____ with NationsBank (or enclosed is a cashiers check) for $_____ representing your transfer fee calculated at the greater of 1/1% of the amount of the transfer or a minimum of $250.00

We also enclose the original letter of credit and all original amendments for your endorsement.

Yours truly,

_____

Print or Type Name of Beneficiary

_____

Beneficiary, Authorized Signature

Authentication of Beneficiary Signature

_____

(Bank)

_____

(Authorized Signature and Title)
(The beneficiary's signature with title as stated conforms with that on file with us and is authorized for the execution of such instruments.)

Telephone No. _____

Exhibit H4

LINK TELECOMMUNICATIONS, INC.,	*	IN THE
	*	CIRCUIT COURT
Plaintiff,	*	FOR ANNE ARUNDEL COUNTY
v.	*	CASE NO. C-1999-56827 OT
MARK SAPPERSTEIN, et al.,	*	
Defendants.		

* *

ANSWERS OF DEFENDANT MARK SAPPERSTEIN TO INTERROGATORIES OF LINK TELECOMMUNICATIONS, INC.

Defendant, Mark Sapperstein, with the assistance of his undersigned counsel, answers the interrogatories of Link Telecommunications, Inc., ("Link"), as follows:

INTERROGATORY NO. 1: State your full name, home and business addresses for the past five (5) years, date of birth, marital status and social security number.

ANSWER NO. 1: Mark C. Sapperstein, 15 Evan Way, Baltimore, MD, 21208 (since 12/97); 20 River Oaks Circle, Baltimore, MD 21208; 28 Walker Avenue Baltimore, Maryland 21208, 1/11/59, married, 212-78-0272.

INTERROGATORY NO. 2: State your occupation during the past five years including the names and addresses of each place of employment and the identity of each corporation, partnership or other organization or enterprise with which you have been involved in the past five (5) years as employee, officer, director, partner, investor or otherwise engaged in work.

ANSWER NO. 2: I object to this interrogatory to the extent it asks for the identity of any entity in which I have been an "investor" in the past five years, as

Chamberlain, however, made no efforts, other than presenting the unsigned non-disclosure agreement to me, to have that document executed and the subject was not raised with me again by Chamberlain.

INTERROGATORY NO. 9: Identify all documents produced during the negotiations for the sale by you and any other defendants or related companies or organizations dealing with the including the sale of assets of defendants or any of them to Pinnacle Towers, Inc.

ANSWER NO. 9: I object to this interrogatory on the ground that it seeks information that is not relevant to the subject matter of this case and is not reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, a copy of the purchase agreement will be produced.

INTERROGATORY NO. 10: Identify the individual or individuals employed by or acting on behalf of Pinnacle Towers Inc., that were in any way involved in negotiations and sale of assets of defendants or any of them to Pinnacle Towers Inc.

ANSWER NO. 10: I do not know which employees or representatives of Pinnacle where "in any way" involved in the negotiations and sale of assets. I dealt with the following individuals at Pinnacle: Stephen Woolsley, Jamie Delappa, Steve Smith and Daphne Goodyear. Dennis Horn and Jennifer Goodrich, of Holland & Knight, Pinnacle's counsel, were also involved. Dan Felgner and Jason Havlin, of Price Waterhouse, conducted due diligence on behalf of Pinnacle.

Verification

I solemnly declare and affirm under penalties of perjury that the contents of the foregoing answers to interrogatories are true, to the best of my knowledge, information and belief.

Mark Sapperstein

* * *

Kathleen M. McDonald
Cristina Flores
Kerr McDonald, LLP
31 Light Street
Suite 400
Baltimore, Maryland 21202
(410) 539-2900

Attorney for Defendant
Mark Sapperstein

M1557

LINK TELECOMMUNICATIONS, INC.,	*	IN THE
Plaintiff,	*	CIRCUIT COURT
v.	*	FOR ANNE ARUNDEL COUNTY
MARK SAPPERSTEIN, et al., Defendants.	*	CASE NO. C-1999-56827 OT
	*	

* *

NOTICE OF SERVICE

I HEREBY CERTIFY that on this 25th day of April, 2000, a copy of this Notice and the Answers of Defendant Mark Sapperstein to Interrogatories of Link Telecommunication, Inc., were mailed, by first class mail, postage paid, to William R. Voltz, Esquire, 2120 L. Street, N.W., Suite 700, Washington, D.C. 20037, and to Patricia Drummond, Esquire, 14718 Main Street, Upper Marlboro, Md 20772, counsel for Plaintiff.

Kathleen M. McDonald

Kathleen M. McDonald
Kerr McDonald, LLP
31 Light Street
Suite 400
Baltimore, Maryland 21202

Attorney for Defendant
Mark Sapperstein

M1557

Couple claim loan agency action unfair

Businessman linked to board members accused of taking idea

'There's nothing here'

Proposal was to build a microwave link to the Eastern Shore

By SCOTT WILSON
SUN STAFF

Last year, Jane and George Chamberlain approached the Anne Arundel Economic Development Corp. with a multimillion-dollar idea: Build a network of microwave towers that would bring dependable cellular telephone service, computer links and digital paging to the Eastern Shore.

The Annapolis couple — an engineer and a laid-off marketing expert — sought a $150,000 start-up loan from the semiprivate agency that helps entrepreneurs develop new businesses. They received a $25,000 loan that required their two-story home as collateral and a referral to a businessman with expertise in the field.

Ten months later, the Chamberlains are about to lose their home while Mark C. Sapperstein, introduced to the Chamberlains through the county agency, is "pursuing [the idea] in my own avenues with my own dollars," George Chamberlain said.

Sapperstein's business partners in another telecommunications venture include Jay I. Winer and Charles F. Delavan — president and secretary of the Anne Arundel Economic Development Corp.'s board of directors.

"They basically referred us to themselves," said George Chamberlain, who was laid off two years ago from Digital Corp. at age 54. "I felt my proposal had the county's blessing. This kind of thing is unheard of."

The Chamberlains' allegations, dismissed by Sapperstein and board members as symptoms of a soured business partnership, raise questions about a corporation operating under county auspices.

Michael S. Lofton, the development corporation's chief executive officer, asked agency lawyers from the Baltimore firm Gebhardt & Smith to "look into our performance and advise us how to proceed." He said that an internal review last month absolved board members of any blame. "Clearly I'm concerned by Mr. Chamberlain's allegations," said Lofton, who acknowledged that no rules prohibit directors from referring loan applicants to business partners. "One of the things we do [*See Loan, 16B*]

PLAINTIFF'S EXHIBIT 7

Couple claim Arundel agency mishandled their business plan

[Loan, from Page 1B]

as a matter of course is to provide referral opportunities."

Sapperstein, partner with Winer and Delavan in a company that owns radio towers called West Shore Communications, said: "There's nothing here. Jay's not my partner [on this], Fred's not my partner. They do not benefit one iota. This is such sour grapes."

Sought bank loan

The story starts in May 1996 when the Chamberlains, who run a company out of their home called Link Telecommunications, approached NationsBank for a business loan. The bank denied the request but referred them to the development corporation.

County Executive Robert R. Neall created the agency in 1993. It operates outside the Anne Arundel charter, including the ethics code regulating conflict of interest. Under Lofton's leadership, it has received plaudits for attracting business, preserving county employment and nurturing the kind of fledgling industry that the Chamberlains pitched.

Last year, County Executive John G. Gary gave $1.3 million in public money to the agency for ventures, including the loan program that extended the $25,000 to the Chamberlains. Delavan and Winer are political donors to Gary, who appoints four of the agency's seven-member board. Gary appointed Delavan; Winer was chosen by the Gary appointees.

Microwave towers

The Chamberlains proposed building 13 microwave towers from Sykesville to Ocean City. The towers would cross several Local Access Transport Areas, or LATAs, for which businesses pay as much as $3,600 a month per data-carrying phone line. Data lines are used in computer and digital cellular phone networks.

Using microwaves, the network would help businesses save millions by "LATA jumping," while establishing the basics for a dependable cellular phone and digital paging service on the Shore. At present, users must rely on copper phone lines that fail during storms. Cellular telephone companies would lease space, called bandwidth, from the network.

'Money to be made'

"There is an enormous amount of money to be made in this," George Chamberlain said. Jane Chamberlain is president and engineer of Link Communications.

The Chamberlains were looking for someone with money to build the towers, buy the switching equipment and set up the company needed to run the network. George Chamberlain estimates that a successful network could be worth $20 million. The business itself would be worth more.

In return for the idea, the Chamberlains wanted to be exclusive brokers of the system hardware, worth about $10 million. Their take would have been roughly $1.5 million; they also wanted several hundred thousand dollars in consulting fees.

Loan application

On May 20, the Chamberlains mailed the agency their loan application, including resumes and federal tax returns, projected income statements and a business plan. They marked it confidential.

A month later, they received a loan approval letter. It was signed by Winer, a Crofton developer and a director of West Shore Communications. Winer suggested that the Chamberlains meet with Sapperstein, whose Shore Communications owns 10 towers, for help with "phase two funding."

"Someone in the organization simply mentioned to me that the Chamberlains had a business of a technical nature and said they ought to talk to someone in that business," Winer said. "I knew he [Sapperstein] was in the business."

Before meeting Sapperstein, the Chamberlains asked an engineer to determine whether a microwave signal could reach from an existing radio tower in Crofton across the Chesapeake to Kent Island — a key "LATA jump." Findings showed that it was possible.

A part of West Shore Communications, the tower is owned by Winer, Delavan and Sapperstein. Its location makes it likely to be used in any microwave network.

'Liked his idea'

On July 18, a five-month courtship with the Chamberlains began in Sapperstein's Pikesville office. George Chamberlain presented him with a nondisclosure agreement, which Sapperstein said he wanted to examine before signing. He never did sign, leaving a potentially lucrative partnership a matter among new friends.

"I liked his idea," Sapperstein said. "He came to me with it, and he said maybe you could use this with your towers. As he was explaining it and it seemed viable, I decided to hire a company to see if it really was."

Sapperstein spent $100,000 to have Comsearch, a Virginia engineering company, examine Chamberlain's plan and determine that it did, indeed, have potential. For two months, still without a written agreement, Sapperstein and the Chamberlains pushed ahead.

Sapperstein applied to build a tower in Milford Mill in Baltimore County. He and George Chamberlain met with agents from California Microwave, a Texas company. They chatted by phone Sunday mornings. George joked with Jane about a new Mercedes Benz.

Then in November, Sapperstein informed the Chamberlains that he was not going to buy microwave equipment from them. He said their company was not financially strong enough to handle the deal. The Chamberlains protested, but Sapperstein said he would buy from a microwave manufacturer, if he bought at all.

Negotiations broken off

"That's apparently where the hang-up took place," said County Attorney Phillip F. Scheibe, who met with George Chamberlain last week. "I'm in a fact-gathering mode. I'll be reporting this to the county executive when I find everything out."

Sapperstein's change of heart hit the Chamberlains hard. The relationship ended when negotiations over consulting fees broke off.

In December, Sapperstein formed Mari-link, which the Chamberlains believe is a first step toward starting a company based on their idea. Sapperstein said Mari-link is "a shell company I haven't decided what to do with."

"I'm still exploring the process," he said.

Asked whether he thought he was using a plan presented to him in confidence, Sapperstein said: "I'm pursuing different ideas on my tower. Some of them are his; some are my own. I do it all the time. How is it confidential? I get calls all the time from companies that want to do stuff on my sites."

Foreclosure threatens

Last month, the Chamberlains received a letter from the development corporation's lawyers, warning that they were three payments behind on their loan and that foreclosure loomed. Real estate agents toured the house last week to make appraisals for a sale.

In letters to Gary, Chamberlain has asked that Lofton be fired and Winer and Delavan removed from the board. Delavan refused to comment for this article.

Other board members defended the agency.

"I'm amazed that George is handling it this way," said Bob Brown, a board member. "I think we have treated George and Jane with the highest regard."

Sapperstein said plans for a microwave network are on hold until he determines whether the investment makes sense. He also is running into trouble increasing the height of an Eastern Shore tower.

In the meantime, Sapperstein said, the Chamberlains are welcome to develop their own plan.

But the couple says they wish Sapperstein told them that months ago when they first brought him the idea.

"We have wasted so much time," George Chamberlain said. "Where I come from ideas have value."

MARYLAND &
ANNE ARUNDEL
THE SUN

rch 9, 1997 Section B

UNDAY

lersville woman rns a valuable lesson out pumping gas

Rosemary Robles of lersville never dreamed en she set out on a trip to rniture store Friday that e'd eventually be paying a it to her "guardian angel" stead. But that was before e stopped for gas and left 00 in a planner on the roof her car. [Page 2B]

Anne Arundel

hesapeake students delve to Shakespeare. [Page 3B]

ounty financial report is cary reading. [Page 4B]

In the Region

17 arrested, guns, drugs seized in city raid. [Page 2B]

SunSpot

The Sun on the Internet: http://www.sunspot.net

MICHAEL OLESKER

Annapolis

Maritime zoning debated in capital

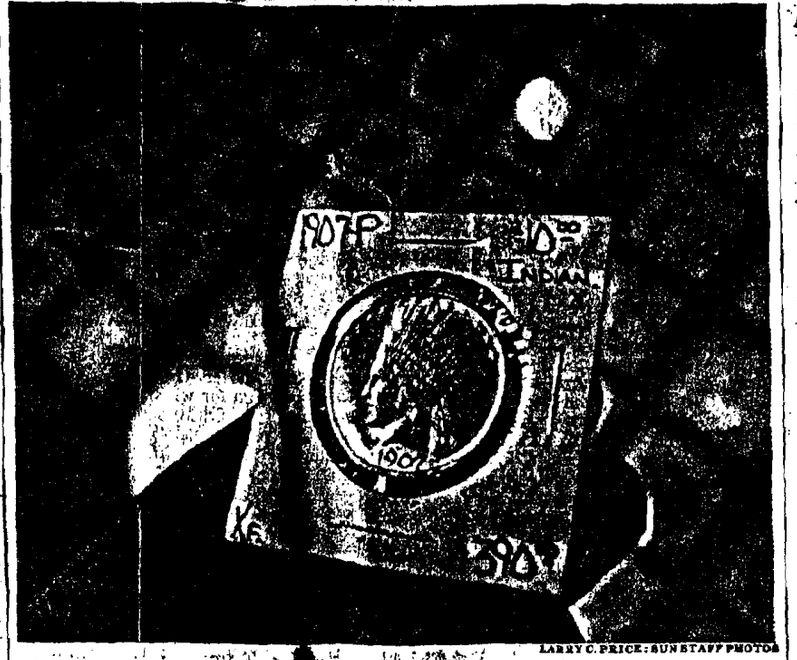
Office proposal sparks concern over future of waterfront

By Dan Thanh Dang
SUN STAFF

All the Chesapeake Bay Foundation wanted was a new home in Annapolis.

When it found what seemed like the perfect spot in a little Eastport boating enclave, the owners of the property were happy to oblige. Talk of converting an old warehouse — once part of the boatyard of famous yacht designer John Trumpy — into a 33,000-square-foot office building soon spread.

Little did the foundation know it had landed smack in the middle of a clash between landowners eager to



LARRY C. PRICE: SUN STAFF PHOTOS

Collector's gold: *This 1907 $10 Indian gold piece was among the thousands of coins for sale at 25th annual Suburban Washington/Baltimore Coin Show.*

Coin collectors work to interest youngsters

■ **Show:** *Hobbyists browsed the rare and*

Anne Arundel

Couple claim loan agency action unfair

Businessman linked to board members accused of taking idea

'There's nothing here'

Proposal was to build a microwave link to the Eastern Shore

By Scott Wilson
SUN STAFF

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"They basically referred us to themselves," said George Chamberlain, who was laid off two years ago from Digital Corp. at age 54. "I felt my proposal had the county's blessing. This kind of thing is unheard of."

The Chamberlains' allegations, dismissed by Sapperstein and board members as symptoms of a soured busi-

20,000,000 Shares

Pinnacle Holdings Inc.

Common Stock

All of the 20,000,000 shares of Common Stock offered hereby are being sold by Pinnacle Holdings Inc. (the "Company"). Of the 20,000,000 shares of Common Stock offered hereby, 16,000,000 shares are being offered in the United States and Canada by the U.S. Underwriters and 4,000,000 shares are being offered outside the United States and Canada by the International Underwriters. The initial public offering price and the aggregate underwriting discount per share will be identical in both offerings. Prior to this offering there has been no public market for the Common Stock of the Company. See "Underwriting."

The Common Stock offered hereby involves a high degree of risk. See "Risk Factors" beginning on page 11.

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Price to Public	Underwriting Discount and Commissions(1)	Proceeds to Company(2)
Per Share	$14.00	$0.84	$13.16
Total(3)	$280,000,000	$16,800,000	$263,200,000

(1) The Company has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

(2) Before deducting estimated expenses of $1.5 million payable by the Company.

(3) The Company has granted the U.S. Underwriters an option for 30 days to purchase up to an additional 2,400,000 shares at the initial public offering price per share, less underwriting discount, solely to cover over-allotments. Additionally, the Company has granted the International Underwriters a similar option with respect to an additional 600,000 shares as part of the concurrent international offering. If such options are exercised in full, the total initial public offering price, underwriting discount and proceeds to Company will be $322,000,000, $19,320,000 and $302,680,000, respectively. See "Underwriting".

The shares of Common Stock are offered by the several U.S. Underwriters, subject to prior sale, when, as and if delivered to and accepted by them, and subject to the right of the U.S. Underwriters to reject any order in whole or in part. It is expected that delivery of the shares of Common Stock will be ready for delivery in Baltimore, Maryland on or about February 24, 1999, against payment therefor in immediately available funds.

BT Alex.Brown

Salomon Smith Barney

NationsBanc Montgomery Securities LLC

Raymond James & Associates, Inc.

The date of this Prospectus is February 19, 1999.

- ***Ability to Successfully Increase Tower Rental Revenue.*** The Company's aggressive marketing efforts to all major wireless communication providers has resulted in the signing of a significant number of new tenants over the last three years. Additional tenants increase the operating leverage of the Company's portfolio and generally increase the Company's overall cash flow margins. In order to measure the revenue growth performance of acquired towers, the Company tracks the cumulative increase in monthly revenue from towers acquired during different periods. The Company has generated a cumulative increase in total monthly revenues for the 29 towers acquired in 1995 of approximately 133% through December 31, 1998. In addition, the 119 towers acquired in 1996 and the 134 towers acquired in 1997 have generated cumulative increases in total monthly revenues of approximately 68% and 14%, respectively through December 31, 1998.

The Company believes that its business will continue to be characterized by high cash flow margins, stable and predictable cash flow and high barriers to entry. Moreover, the Company expects to experience strong ongoing growth as it benefits from additional consolidation opportunities while increasing overall tower revenues on existing towers.

The Company's headquarters are located at 1549 Ringling Boulevard, Third Floor, Sarasota, Florida 34236, and its telephone number is (941) 364-8886. The Company's website is www.pinnacletowers.com. The information provided on the Company's website is not incorporated into this Prospectus.

MANAGEMENT

Executive Officers, Directors and Key Employees

Set forth below is certain information concerning the Company's directors, executive officers and key employees. All of the directors have served as directors of the Company since the Company's inception, except for Steven Day who has served since February 1997.

Name	Age	Position
Robert Wolsey	48	Director, President and Chief Executive Officer
James Dell'Apa	41	Director, Executive Vice President and Chief Operating Officer
Steven Day	45	Director, Vice President, Secretary and Chief Financial Officer
David Zahn	33	Vice President of Operations
Ben Gaboury	47	Vice President of Sales and Marketing
Martin Alvarez	44	Chief Information Officer
Andrew Banks	44	Director
Peni Garber	35	Director
Peggy Koenig	42	Director
Royce Yudkoff	43	Director

Robert Wolsey is primarily responsible for the overall direction of the Company's acquisitions and operations and has substantial experience in consolidating fragmented industries. From 1990 to 1994, Mr. Wolsey, as Chief Executive Officer of Pittencrieff Communications, Inc. ("PCI"), a regional consolidator of SMR operators, spearheaded the acquisition of 28 SMR businesses and related assets (including over 100 towers) for a purchase price of over $30 million. During Mr. Wolsey's tenure at PCI, revenue increased from $100,000 to over $28 million. In June 1993, PCI raised over $74 million in its initial public offering. At the time of Mr. Wolsey's departure from PCI in April 1994, PCI had a market capitalization in excess of $200 million. From 1983 to 1989, Mr. Wolsey, as President of Pittencrieff PLC and a predecessor company, negotiated and acquired over $30 million in oil and gas assets in 16 separate transactions. He has a Bachelor of Science (Honors) degree in Color Physics from the University of Manchester.

James Dell'Apa is principally responsible for managing the initiation and negotiation of acquisitions. Mr. Dell'Apa has brokered SMR, tower, paging, and two-way businesses since 1991 and has had various levels of involvement with over 250 transactions with a combined valuation of over $650 million. Before his acquisitions work, he was a technical consultant in Washington, D.C. responsible for planning large-scale military networks for government consulting firms, under the employment of Booz Allen & Hamilton and Advanced Technology (later Planning Research Corporation and Black and Decker). Mr. Dell'Apa also worked for Georgetown University's International Law Institute developing long-term, intensive training programs on *Negotiation and Policy for Developing Telecommunications Infrastructure* for senior level government ministers. He has a law degree from American University in Washington, D.C., a technical Masters degree in Telecommunications from the University of Colorado (Boulder), and a liberal arts/bachelors degree from the University of Northern Colorado.

Steven Day is primarily responsible for the Company's financial, legal and administrative affairs and for the integration of acquired properties. Mr. Day was a partner in the accounting firm of Price Waterhouse LLP until joining the Company in February 1997. Since 1986, he has been involved with high-growth companies, principally in technology-based industries and, for the last several years, worked with large venture capital and leveraged buyout firms in his role in the Price Waterhouse Mergers and Acquisitions Group. Mr. Day has substantial experience in dealing with companies that have filed initial public offerings. Mr. Day earned a

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders
of Pinnacle Holdings Inc.

In our opinion, the accompanying combined balance sheet and the related combined statements of operations and retained earnings and of cash flows present fairly, in all material respects, the financial position of Shore Communications (''Shore'') at December 3, 1997, and the results of its operations and their cash flows for the eleven month period from January 1, 1997 through December 3, 1997, in conformity with generally accepted accounting principles. These financial statements are the responsibility of Shore's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the opinion expressed above.

/s/PricewaterhouseCoopers LLP
Price Waterhouse LLP
Tampa, Florida
February 9, 1998

SHORE COMMUNICATIONS

(A carve-out entity of Shore Communications, Inc., West Shore Communications, Inc., and 28 Walker Associates, LLC)

COMBINED BALANCE SHEET

	December 3, 1997
Assets	
Current assets:	
Accounts receivable	$ 3,548
Due from affiliate	58,107
Prepaid expenses	16,447
Stockholder receivable	91,745
Deferred tax asset	22,007
Other current assets	6,948
Total current assets	198,802
Fixed assets, net	9,638
Tower assets, net of accumulated depreciation of $229,580	2,254,591
Deferred loan costs, net of accumulated amortization of $26,777	48,599
	$2,511,630
Liabilities and Stockholder's Equity	
Current liabilities:	
Accounts payable and other current liabilities	$ 62,251
Deferred revenue	60,391
Stockholder payable	328,494
Short-term debt	2,000,084
Total current liabilities	2,451,220
Customer deposits	2,600
	2,453,820
Commitments and Contingencies (Note 6)	
Stockholder's equity:	
Common stock, $1 par value; 10,000 shares authorized; 100 shares issued and outstanding	100
Common stock, no par value; 5,000 shares authorized; 100 shares issued and outstanding	—
Additional paid in capital	66,900
Retained earnings	(9,190)
	57,810
	$2,511,630

The accompanying Notes to Combined Financial Statements are an integral part of these combined financial statements.

SHORE COMMUNICATIONS

(A carve-out entity of Shore Communications, Inc., West Shore Communications, Inc., and 28 Walker Associates, LLC)

COMBINED STATEMENT OF OPERATIONS AND RETAINED EARNINGS

	Period from January 1, through December 3, 1997
Revenue	$667,263
Tower operating expenses, excluding depreciation and amortization	145,938
Gross margin	521,325
Expenses:	
General and administrative expenses	235,108
Depreciation and amortization	96,554
	331,662
Income from operations	189,663
Interest expense	197,909
Loss from operations	(8,246)
Income tax benefit	22,007
Net income	$ 13,761
Pro-forma income tax benefit	$ 2,849
Pro-forma net loss	$ (5,397)
Retained earnings at December 31, 1996	$(22,951)
Net income	13,761
Retained earnings at December 3, 1997	$ (9,190)

The accompanying Notes to Combined Financial Statements are an integral part of these combined financial statements.

SHORE COMMUNICATIONS

(A carve-out entity of Shore Communications, Inc., West Shore Communications, Inc., and 28 Walker Associates, LLC)

COMBINED STATEMENT OF CASH FLOWS

	Period from January 1, through December 3, 1997
Cash flows from operating activities:	
Net income	$ 13,761
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	96,554
Deferred tax asset	(22,007)
(Increase) decrease in:	
Accounts receivable	(3,548)
Due from affiliate	(58,107)
Prepaid expenses	(11,261)
Stockholder receivable	146,567
Other current assets	40,722
Increase (decrease) in:	
Accounts payable and other current liabilities	52,011
Deferred revenue	42,874
Stockholder payable	181,800
Total adjustments	465,605
Net cash provided by operating activities	479,366
Cash flows from investing activities:	
Capital expenditures:	
Tower assets	(571,259)
Fixed assets	(3,023)
Net cash used in investing activities	(574,282)
Cash flows from financing activities:	
Borrowings under term note	339,379
Repayment of short-term debt	(403,662)
Net cash used in financing activities	(64,283)
Net decrease in cash	(159,199)
Cash at December 31, 1996	159,199
Cash at December 3, 1997	$ —
Supplemental Disclosure of Cash Flows	
Cash paid for interest	$ 199,547

The accompanying Notes to Combined Financial Statements are an integral part of these combined financial statements.

SHORE COMMUNICATIONS

(A carve-out entity of Shore Communications, Inc., West Shore Communications, Inc., and 28 Walker Associates, LLC)

NOTES TO COMBINED FINANCIAL STATEMENTS

1. Nature of Business and Basis of Presentation

Nature of Business

On December 3, 1997, Pinnacle Towers Inc. acquired all of the outstanding stock of Shore Communications, Inc. (''Shore Communications'', a C Corporation) and West Shore Communications, Inc. (''West Shore'', a C Corporation) and certain of the assets and business operations of 28 Walker Associates, LLC (''Walker'', a limited liability company). Shore Communications and West Shore were wholly-owned by an individual. Walker is owned by two individuals. Collectively, the acquired corporations, assets and related operations are referred to hereafter as Shore Communications (''Shore''). Shore owns telecommunication towers and leases space on these towers to customers in the wireless communications industries in Maryland and Virginia.

Basis of Presentation

The combined financial statements of Shore have been derived from the accounting records of Shore Communications, West Shore and Walker. Additional allocations were made to reflect Shore's share of general and administrative expenses on a carve-out basis as described in Note 2.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities and the disclosure for contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results may vary from those estimates.

Due from Affiliate

Tower revenues related to Walker are collected by an affiliate on behalf of Walker. Similarly, all direct tower operating expenses and general and administrative expenses are paid by an affiliate on behalf of Walker. Accordingly, a receivable from and payable to affiliates are recorded (see Note 8).

Tower Assets

Tower assets consist of towers, buildings, and related attachments which are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets, which range from 6 to 31.5 years. Improvements, renewals and extraordinary repairs which increase the value or extend the life of the asset are capitalized. Repairs and maintenance costs are expensed as incurred.

Fixed Assets

Fixed assets are recorded at cost and depreciated using the straight-line method over the estimated useful life of the assets, which range from 5 to 7 years. Improvements, renewals and extraordinary repairs which increase the value or extend the life of the assets are capitalized. Repairs and maintenance costs are expensed as incurred.

Impairment of Long-lived Assets

Shore evaluates the recoverability of its long-lived assets whenever adverse events or changes in business climate indicate that the expected undiscounted future cash flows from the related asset may be less than previously anticipated. If the net book value of the related asset exceeds the undiscounted future cash flows of the asset, the carrying amount would be reduced to the present value of its expected future cash flows and an impairment loss would be recognized. As of December 3, 1997, management does not believe that an impairment reserve is required.

Fair Value of Financial Instruments

The carrying amount of Shore's financial instruments at December 3, 1997, which consists of accounts receivable, due from affilliate and short-term debt, approximates fair value due to the short maturity of those instruments.

Revenue Recognition

Rental revenue is recognized on a straight-line basis over the life of the related lease agreements. Revenue is recorded in the month in which it is due.

Allocation of Expenses

The accompanying financial statements include certain costs and expenses that have been allocated to the tower business from the Parent. These costs have been allocated on a pro rata basis primarily on either revenues or total costs of infrastructure operations, depending upon the nature of the cost. Management believes this allocation is reasonable.

Income Taxes

Shore accounts for income taxes using the liability method as required by Statement No. 109, Accounting for Income Taxes, issued by the Financial Accounting Standards Board.

Deferred income taxes are provided for temporary differences between the basis of assets and liabilities for financial reporting and income tax reporting.

As described in Note 1, Shore consisted of two C Corporations and a portion of a limited liability company. As such, the combined accounts reflect an income tax benefit for only the operations of the C Corporations at December 3, 1997. The Combined Statement of Operations and Retained Earnings also reflects an income tax benefit for the operations of Shore at December 3, 1997 on a pro-forma basis as if Shore were treated as a C Corporation.

3. Fixed Assets

Fixed assets consist of the following:

	Estimated useful lives in years	December 3, 1997
Furniture, fixtures	5, 7	$ 11,691
Automobile	5	13,784
		25,475
Accumulated depreciation		(15,837)
Fixed assets, net		$ 9,638

4. Short-term Debt

Shore maintained line of credit facilities with a bank under guidance line notes which provided for secured borrowings up to $1,900,000. Amounts borrowed under these lines of credit have been converted to term notes which bore interest from 9.75% to 10.5% through December 3, 1997. At December 3, 1997, $400,223 was available under the line of credit facilities. Shore paid $2,637 in unused commitment fees as of December 3, 1997. Shore also had a term note which bore a variable interest rate (10.25% at December 3, 1997) which $500,277 was outstanding at December 3, 1997. The term notes provided borrowings for construction of tower sites and were secured by all of the business assets of Shore Communications and the towers owned by Shore Communications and West Shore. The term notes originally matured through December 10, 2002. However, the outstanding balance was repaid subsequent to December 3, 1997 as part of the purchase agreement with Pinnacle Towers, Inc. (Note 10).

5. Income Taxes

As described in Note 1, Shore consisted of two C Corporations and a portion of a limited liability company. As such, the combined accounts reflect an income tax benefit for only the operations of the C Corporations at December 3, 1997. The Combined Statement of Operations and Retained Earnings also reflects an income tax benefit for the operations of Shore at December 3, 1997 on a pro-forma basis as if Shore were treated as a C Corporation.

Significant components of the income tax benefit on a historical and pro-forma basis were as follows:

	December 3, 1997	Pro-forma December 3, 1997
Current:		
Federal	$17,867	$2,313
State	4,140	536
Income tax benefits	$22,007	$2,849

Significant components of the deferred tax asset on a historical and pro-forma basis were as follows:

	December 3, 1997	Pro-forma December 3, 1997
Deferred tax asset:		
Net operating loss	$22,007	$2,849
	$22,007	$2,849

The effective tax rate approximates the statutory federal and state rates on a historical and pro-forma basis as no permanent differences exist for either the C Corporations or Shore.

At December 3, 1997, Shore had cummulative federal tax net operating loss ("NOL") carryforward of approximately $8,246 which the Company was unable to use due to its operating loss. This NOL carryforward expires in the year ending December 3, 2013. Shore believes that it is more likely than not that the NOL carryforward will be utilized prior to its expiration by continuing to achieve future profitable operations. Shore does not believe that the change in ownership (Note 10) will impact such operations. Because of the extremely long period that is available to realize these future tax benefits, a valuation allowance for the deferred tax asset is not necessary.

6. Commitments and Contingencies

Operating Leases

Shore is obligated under noncancelable leases for ground leases which expire at various times through 2009. The majority of these leases have renewal options which range up to 15 years. The future minimum lease commitments under these leases are as follows:

Period from December 4, 1997 through December 31, 1997	$ 4,583
Year ended December 31,	
1998	55,554
1999	47,864
2000	34,521
2001	22,806
2002	14,419
2003 and thereafter	131,531
	$ 311,278

Rental expense under noncancelable ground leases for the period ended December 3, 1997 was $52,299.

7. Tenant Leases

The following is a schedule by year of total future rentals to be received for tower space under noncancelable lease agreements as of December 3, 1997:

Period December 4, 1997 through December 31, 1997	$ 87,124
Year ended December 31,	
1998	732,032
1999	685,567
2000	594,445
2001	419,552
2002	139,683
2003 and thereafter	13,200
	$2,671,603

8. Related Party Transactions

Shore paid certain expenses related to development of a microwave communications system on behalf of a company wholly owned by the sole stockholder of Shore Communications and West Shore. Expenditures related to the development of the microwave communications system were to be reimbursed to Shore upon completion of the project. However, as Shore entered into a purchase agreement with Pinnacle Towers Inc. (Note 10), the project was terminated and the entire receivable from the related party of $91,461 was expensed as of December 3, 1997 and is included in general and administrative expenses.

Prior to the acquisition by Pinnacle Towers Inc., the carve-out entity of Walker included transactions with the surviving Walker (''affiliate''). These transactions are disclosed as related party transactions in these financial statements.

The affiliate received rent payments related to Walker's lease agreements. At December 3, 1997, due from affiliate of $72,818 reflected these receipts.

The affiliate paid tower operating expense related to Walker. For the period January 1, 1997 through December 3, 1997, Walker incurred tower operating expense of $6,701.

For the period January 1, 1997 through December 3, 1997, general and administrative expenses of $8,010 were allocated to Walker from the affiliate.

9. Employee Benefit Plans

Shore Communications has defined contribution plans covering employees with two years of service and are of the age of 21. Contributions under these plans are based primarily on the performance of Shore Communications and employee compensation. Total expense amounted to $7,130 for the period from January 1, 1997 through December 3, 1997.

10. Subsequent Events

On December 3, 1997, Shore sold all of the outstanding stock of Shore Communications and West Shore and certain of the assets of Walker to Pinnacle Towers Inc. In accordance with the purchase agreement, Shore received approximately $8,973,300 for the outstanding stock, a tower and related assets. Also under the agreement, rent revenue reverted to Pinnacle Towers Inc. as of December 4, 1997. Deferred revenue as of December 3, 1997 reflects rent received by Shore to be remitted to Pinnacle Towers Inc. Of the total purchase price, $2,000,084 was used by Pinnacle Towers Inc. to repay the outstanding bank notes subsequent to December 3, 1997 in accordance with the purchase agreement.

ABRAMOFF, NEUBERGER AND LINDER, LLP
ATTORNEYS AT LAW
SUITE 800
250 WEST PRATT STREET
BALTIMORE, MARYLAND 21201

MARK SAPPERSTEIN

SALE OF COMMON STOCK OF SHORE COMMUNICATIONS, INC.
AND WEST SHORE COMMUNICATIONS, INC.
AND ASSETS OF 28 WALKER ASSOCIATES, LLC
TO
PINNACLE TOWERS, INC.

Closing Date: December 3, 1997

DOCUMENT INDEX

MARK SAPPERSTEIN

SALE OF COMMON STOCK OF SHORE COMMUNICATIONS, INC.
AND WEST SHORE COMMUNICATIONS, INC.
AND ASSETS OF 28 WALKER ASSOCIATES, LLC
TO
PINNACLE TOWERS, INC.

Closing Date: December 3, 1997

Tab No.

STOCK AND ASSET PURCHASE AGREEMENT

between

PINNACLE TOWERS, INC.

and

MARK SAPPERSTEIN

As of November 7, 1997

TABLE OF CONTENTS

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF PURCHASER

ARTICLE V
JOINT COVENANTS

ARTICLE VI
SELLER'S COVENANTS

ARTICLE VII
PURCHASER'S CONDITIONS PRECEDENT

ARTICLE VIII
THE SELLER'S CONDITIONS PRECEDENT

ARTICLE IX
INDEMNIFICATION; REMEDIES

ARTICLE X
TERMINATION

ARTICLE XI
MISCELLANEOUS

EXHIBITS

2.01	Assets
2.03(b)	Promissory Note
2.03(c)-A	Sites for Master Lease
2.03(c)-B	Approved Form Master Lease
2.03(e)	Purchase Price Allocation
2.09	Form Walker Ground Lease
3.04	Company Directors and Officers
3.06	Company Financial Information
3.07(C)	Termination or Modification of Agreements Since Last Fiscal Statement
3.07(d)	Liens on Assets Since Last Fiscal Statement
3.07(e)	Capital Expenditure by Companies Since Last Fiscal Statement
3.09	Liens and Encumbrances on Company Assets or on Walker Property
3.10	Company Commitments (other than Leases or Ground Leases)
3.12	Intellectual Property
3.13	Licenses, Permits, etc.
3.14	Income Tax Returns
3:14(a)	Tax Claims
3.15	Required Consents
3.17	Pending Litigation or Orders
3.19	Environmental Disclosures
3.21	Insurance Policy Summary
3.23	Bank Accounts
7.06	Non-Competition and Option Agreement
7.07	Permitted Encumbrances
7.09	Landlord's Agreement and Estoppel

STOCK AND ASSET PURCHASE AGREEMENT

This Stock Purchase Agreement (the "Agreement"), dated as of November 7, 1997, is by and between Pinnacle Towers, Inc., a Delaware corporation ("Purchaser"), and Mark Sapperstein (the "Stock Seller") and 28 Walker Associates LLC., a Maryland limited liability company ("Walker"). (Walker and the Stock Seller are collectively referred to herein as the "Seller").

Recitals

The Stock Seller is the sole shareholder of Shore Communications, Inc., a Maryland corporation and of West Shore Communications, a Maryland corporation (collectively, the "Companies"). The Stock Seller desires to sell, and Purchaser desires to purchase, all of the outstanding capital stock of the Companies ("Stock"), subject to and in accordance with the terms of this Agreement.

Walker is the owner of certain real property located at 28 Walker Avenue, Baltimore, Md., a portion of which will be leased to Purchaser and more specifically described on **Exhibit R-1** hereto ("Walker Property") and of a tower and certain equipment used in connection with the tower located on the Walker Property ("**Walker Assets**") and more particularly described on **Exhibit R-2** hereto.

The parties contemplate that subject to the terms of this Contract, Purchaser will acquire (at Closing) the Stock and will immediately liquidate the Companies pursuant to §332 of the Code (as hereinafter defined. As part of such liquidation, Purchaser will record assignments of the Ground Leases to show Purchaser as the assignee of the tenant's rights under the Ground Leases. Purchaser and Seller will also record a ground lease for the Walker Property.

Terms

NOW, THEREFORE, in consideration of the mutual representations, warranties, and covenants herein contained, and on the terms and subject to the conditions herein set forth, the parties to this Agreement agree as follows:

ARTICLE I
DEFINITIONS

1.01 Defined Terms. The following terms shall, for the purpose of this Agreement, have the meanings specified in this Section 1.01.

(a) "Applicable Laws" shall mean any law, statute, ordinance, rule, regulation, order, judgment, decree, or determination of any governmental authority or agency or any board of fire underwriters (or other body exercising similar functions), or any restrictive covenant or deed restriction (recorded or otherwise) applicable to the Tower Business, including the rules and regulations of the Federal Aviation Administration and the Federal Communications Commission.

(b) "Assets" shall have the meaning set forth in **Exhibit** 2.01 hereof.

(c) "Closing" means the closing of the transactions contemplated by this Agreement.

(d) "Closing Date" means the day on which the Closing occurs.

(e) "Closing Liabilities" means the sum of the following items to be set forth on a schedule executed at Closing by Seller and Purchaser (i) all known liabilities, claims or encumbrances on the Companies or on any of their respective real or personal property and (ii) all known liabilities of Walker constituting liens, on the Walker Assets or the Walker Property existing as of the Closing Date as mutually determined by Price Waterhouse L.L.P. and Seller's accountant, including, without limitation, the loans provided to the Companies by Provident Bank of Maryland as described in **Exhibit 1.01(e)** (the "Provident Financing") and the Chesapeake Industrial Leasing Co., Inc. equipment leases described in **Exhibit 1.01(e)**, which leases will be paid in full by Seller at Closing out of the same proceeds. If the Closing Liabilities exceed $2,027,000*, the Purchase Price shall decrease in an amount equal to such excess by reducing the 1998 Payment in such amount. Closing Liabilities shall not include Ground Leases, Tower Leases, Service Contracts or any similar on-going operating liabilities of the Companies.

(f) "Code" means the Internal Revenue Code of 1986, as amended.

(g) "Commitments" shall have the meaning set forth in Section 3.06.

(h) "Damages" means losses, claims, obligations, demands, assessments, penalties, liabilities, costs, damages, interest, and expenses (including attorneys' fees).

(i) "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

(j) "Excluded Assets" shall have the meaning set forth in **Exhibit 1.01(j)**.

(k) "Ground Lease" means the existing ground leases identified on the attached **Exhibit 1.01(k)**, pursuant to which the Companies lease the land, on which the Towers included in the Assets are situated, including all easements, rights of way, non-disturbance agreements and any other agreements regarding the Ground Lease sites.

(l) "Hazardous Materials" means any toxic substance as defined in 15 U.S.C. §§ 2601 et seq., including materials designated as hazardous substances under 42 U.S.C. §§ 9601 et seq. or other Applicable Laws, and toxic, radioactive, caustic, or otherwise hazardous substances, including petroleum and its derivatives, asbestos, PCBs, formaldehyde, chlordane, heptachlor, and any substances having any constituent elements displaying any of the foregoing characteristics, whether or not regulated by Applicable Laws.

(m) "Intellectual Property" has the meaning specified in Section 3.12.

(n) "Real Property" means the land and any buildings, improvements, fixtures, and equipment forming a part of the Real Property leased or otherwise used by the Companies or by Walker

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* Excluding the Chesapeake equipment leases and the Maryland Permanent Bank Deed of Trust dated 2/20/97 encumbering the Walker Property.

in the conduct of the Tower Business, including without limitation the Real Property described on the attached **Exhibit 1.01(n)**.

(o) "Shares" means all issued or outstanding shares of capital stock of the Companies, including without limitation 100 shares of no par value of common stock issued to Seller by Shore Communications, Inc. evidenced by stock certificate number 1 and 70 shares of $1.00 par value of common stock issued to Seller by the West Shore Communications, Inc. evidenced by stock certificate number 1.

(p) "Tax" (and, with correlative meaning, "Taxes" and "Taxable") means any tax or items referred to in a statute as a tax of any kind whatsoever, including federal, state, local or foreign, income, franchise, sales, use, excise, gross receipts, license, payroll, employment, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code Sec. 59A), customs duties, capital stock, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, together with any interest or any penalty, addition to tax, or additional amount imposed by any governmental body (a "Taxing Authority") responsible for the imposition of any such tax (domestic or foreign).

(q) "Tower(s)" means the radio tower(s) and antennae described on **Exhibit 1.01(q)**, including the shelter structures and all related equipment.

(r) "Tower Business" means the business of owning and operating the Assets described on **Exhibit 1.01(q)** that is conducted by the Companies.

(s) "Tower Leases" means all leases or subleases pursuant to which either of the Companies leases to others space on the Towers, including without limitation, the leases described on **Exhibit 1.01(s)** hereto.

1.02 Number and Gender. Whenever the context requires, references in this Agreement to the singular number shall include the plural; the plural number shall include the singular; and words denoting gender shall include the masculine, feminine, and neuter.

ARTICLE II
PURCHASE AND SALE

2.01 Purchase and Sale of Stock. On the terms and subject to the conditions set forth herein, at the Closing, Seller shall sell, transfer, and assign to Purchaser, and Purchaser agrees to purchase from Seller, title to all of the Shares, all free and clear of all liens, claims, and encumbrances of any kind or character. Seller shall also lease the Walker Property and sell, transfer and assign to Purchaser and Purchaser agrees to accept from Seller, good marketable title to the Walker Assets, all free and clear of all liens, claims and encumbrances of any kind or character. The Walker Property is leased subject to the lien of a deed of trust thereon for the benefit of Maryland Permanent Bank. Notwithstanding anything to the contrary contained herein, the Seller will cause the Companies to convey to the Seller and/or his assignees all of the Excluded Assets at or prior to Closing.

2.02 Deposit. If Purchaser does not terminate this Agreement during the Inspection Period, within one (1) business days thereafter (i.e. 11/24), Purchaser will deposit with a title insurance company

selected by Purchaser ("Escrow Agent") the sum of $200,000 representing a deposit ("Deposit") under this Agreement. The Deposit will be held by Escrow Agent in an interest bearing account and, if the Contract is not previously terminated in accordance with its terms, will be applied at Closing, at Purchaser's election, to the Purchase Price. If the Contract is terminated for any reason other than Purchaser's default, the Deposit will be returned to Purchaser. If the Contract is terminated by reason of Purchaser's default, the Deposit will be distributed to Seller as agreed and liquidated damages. Seller hereby agrees to accept the Deposit in such event as Seller's exclusive remedy for Purchaser's default. If there is a dispute as to the disposition of the Deposit, the Escrow Agent will retain the Deposit in escrow or will interplead the Deposit until (i) the parties jointly direct Escrow Agent as to the disposition or (ii) a court of competent jurisdiction directs Escrow Agent as to its disposition. All references to the Deposit shall include all interest earned thereon.

2.03 Purchase Price. The aggregate purchase price is $8,973,300.00 ("Purchase Price") to be paid as follows:

(a) $200,000 will be paid in cash or wire transfer at Closing.

(b) $8,273,300.00 ("1998 Payment") will be paid in cash or by wire transfer on January 5, 1998 ("1998 Payment Date") pursuant to the issuance at Closing of a Promissory Note in the form attached hereto at Exhibit 2.03(b) (the "Note"). The Note will also include an additional payment of interest through the 1998 Payment Date of $68,000.00.

(c) The balance of the Purchase Price in the amount of up to $500,000 (the "Deferred Purchase Price") will be payable if and when Seller presents to Purchaser Approved Leases executed by one or more of the following companies and/or their parent, subsidiary or affiliated entities: NextWave, AT&T, Nextell, Cellular One, Dobson Cellular, Page Net, Bell Atlantic, or any other company or companies reasonably acceptable to Purchase as a tenant for one or more of the sites identified on **Exhibit 2.03(c)-A**. Upon the execution of each Approved Lease, Purchaser shall pay to Seller a portion of the Deferred Purchase Price in an amount equal to Two Hundred Fifty Percent (250%) of the scheduled Annual Net Rent (as defined herein) for such lease. Annual Net Rent means the scheduled annual gross rent, net of liability insurance and utility costs. An Approved Lease shall be in substantially the form attached hereto as **Exhibit 2.03(c)-B** for a term of not less than five (5) years, with a rent commencement date not later than June 30, 1999, with only those changes as have been reasonably approved in writing by Purchaser. If, for any reason, Seller does not present to Purchaser signed Approved Leases meeting the foregoing requirements, on or before that date which is one (1) year after the Closing Date (time being of the essence), Seller shall have no right to collect and Purchaser shall have no obligation to pay any additional portion of the Deferred Purchase Price beyond the amount paid for Approved Leases executed prior to such date. In no event shall the Deferred Purchase Price exceed the sum of $500,000.

The obligation of Purchaser to pay the Deferred Purchase Price shall also be a material obligation of Purchaser under the ground lease for the Walker Property in the form attached hereto as **Exhibit 2.09** (the "Walker Lease"). The failure

of Purchaser to pay the Deferred Purchase Price within thirty (30) days after receipt of notice from Seller that such payment is due in accordance with the terms of this Section shall be deemed a default under the Walker Lease and Seller shall be entitled to exercise any and all remedies provided for under the Walker Lease and at law for a payment default, including, without limitation, the termination of the Walker Lease.

(d) Purchaser agrees to pay in full and fully discharge the Closing Liabilities on January 5, 1998 (the "Closing Liabilities Payment Date").

(e) The Purchase Price will be allocated among the stock of each of the Companies and the Walker Assets in accordance with Exhibit 2.03(e).

2.04 Security for Payment.

(a) Purchaser will provide to Seller at Closing at Purchaser's expense, an irrevocable commercial letter of credit ("Note Letter of Credit") issued by NationsBank, N.A. or another national bank reasonably approved by Seller in the amount of the 1998 Payment for a term ending on or about January 30, 1998. The Letter of Credit will be payable on sight when accompanied by the original executed Note and Seller's affidavit stating under oath that the 1998 Payment was not paid in full on the 1998 Payment Date.

(b) Security for the Closing Liability Payment. Purchaser will provide to Seller at Closing, for the benefit of Seller and Provident Bank of Maryland ("Provident"), at Purchaser's expense, an irrevocable commercial letter of credit ("Closing Liabilities Letter of Credit") issued by NationsBank, N.A. or another national bank reasonably approved by Seller in the amount of the Closing Liabilities for a term ending on or about January 30, 1998. The Letter of Credit will be payable on sight when accompanied by an affidavit of an authorized officer of Provident stating under oath that the outstanding amount due Provident, including all accrued interest pursuant to a payoff letter delivered to Purchaser and Seller at Closing was not paid in full on the Closing Liabilities Payment Date.

(c) As a condition to the release of the 1998 Payment and of the payment to Provident, Seller will deliver the Note Letter of Credit and the Closing Liability Letter of Credit to Escrow Agent on the 1998 Payment Date when the Escrow Agent certifies in writing that it holds in escrow sufficient funds to make such payments.

2.05 Inspection Period. Purchaser shall have until close of business on November 21, 1997 ("Inspection Period") to inspect the condition of the Real Property and the Companies, and if the Real Property or the Companies does not meet Purchaser's satisfaction in Purchaser's sole and unreviewable discretion, the Purchaser shall be permitted to terminate this Agreement, by written notice to Seller received within said time period and, upon termination of this Agreement, neither party will have any liability to the other. If Purchaser has not received, within the Inspection Period, complete title commitments and updated survey for the Walker Property and for each of the properties leased by the Companies, the Inspection Period will be extended until a date which is five (5) business days after Purchaser's receipt of such commitments and surveys to give Purchaser the opportunity to examine the title and the surveys, provided, that, Purchaser may only terminate this Agreement after the Inspection Period if any survey or title commitment received after 11/21/97 reveals a title or property condition which would in Purchaser's opinion, adversely affect the ability to use the Real Property for the tower business. Purchaser, its agents and contractors will have the right to enter upon the Real Property for

the purposes of inspection and conducting tests and for purposes of showing the Real Property to prospective tenants, investors or lenders. Purchaser hereby indemnifies and holds harmless Seller from and against any claim or liability which Seller may incur, including reasonable attorneys fees, arising from Purchaser's inspection of or entry onto the Real Property.

2.06 Closing. The Closing shall take place at 10:00 a.m., EST at the offices of Holland & Knight, 2100 Pennsylvania Avenue, N.W., Washington, D.C., on a date established by Purchaser by five days notice to Seller on or before December 3, 1997 or on such other date or at such other place as may be agreed upon by the parties. If Purchaser, on the one hand, or Seller, on the other hand, has failed to satisfy any of the conditions to the obligations of the other that such party is obligated to satisfy, then the party that has not failed to satisfy the condition shall be entitled to postpone the Closing by written notice until the condition shall have been satisfied (which the party that has failed to satisfy the condition shall try to do at the earliest practicable date) or waived, but the Closing shall occur not later than December 31, 1997, unless further extended by written agreement of the parties to this Agreement.

2.07 Escrow. Purchaser has been advised of a pending Workmen's Compensation claim which may expose one of the Companies to liability. Seller hereby indemnifies and hold harmless Purchaser against any cost or expense, including reasonable attorney fees, resulting from such claim. To secure such indemnification, Seller shall, at Closing, deposit $ 10,000 into escrow with Escrow Agent. This amount shall be disbursed by Escrow Agent at Purchaser's request to satisfy such indemnity obligation. The payment of this sum shall not be subject to the dollar limitation set forth in Section 9.03(e) of this Agreement. Any amount remaining in escrow on July 31, 1998 (less amounts necessary to satisfy claims made) will be disbursed to Seller. Seller represents and warrants that July 31, 1998 is the latest date on which an additional claim can be made in this case.

2.08 Prorations and Closing Costs. All income and expense attributable to the Real Property or the Assets will be prorated as of December 1, 1997. Seller shall be responsible for all expenses through November 30, 1997 and Purchaser shall be responsible for all expenses from and after December 1, 1997. Prorated items shall include, but not be limited to, prepaid Ground Lease rents, real estate taxes, personal property taxes, tower sublease rents and utility reimbursements. Seller will cause the Companies to pay all such expenses, including accrued tax liabilities, and will cause the Companies to distribute all cash not required to pay expenses as of the Closing Date. All prorations shall be adjusted between the parties without regard to the dollar limitations set forth in **Section 9.03(e)**. All prorations will be estimated and adjusted as of the Closing Date and a subsequent adjustment will be performed sixty (60) days thereafter, if required. Any income received after the Closing Date will belong to Purchaser, except to the extent such income is to be prorated in accordance with this Section. Purchaser and Seller will divide equally the cost, including transfer and recordation taxes and sales tax, if any, when recording all documents and transferring all assets in connection with the Closing. Each party will pay its own attorneys' fees.

2.09 Execution and Delivery of Closing Documents; Other Deliveries.

(a) Before the Closing, each party shall cause to be prepared, and at the Closing the parties shall execute and deliver, each agreement and instrument required by this Agreement to be so executed and delivered and not theretofore accomplished. These documents shall include stock powers and third party consents appropriate to effect the transactions contemplated by this Agreement. At the Closing, each party also shall execute and deliver, or cause to be executed and delivered, such other appropriate and customary documents as any other party or its counsel reasonably may request for the purpose of consummating the transactions contemplated by this Agreement. All actions taken at the

Closing shall be deemed to have been taken simultaneously at the time the last of any such actions is taken or completed.

(b) Without limiting the generality of the foregoing, Seller shall deliver to Purchaser:

(i) the originals of all certificates evidencing or representing the Stock, endorsed in blank or accompanied by duly executed assignment documents;

(ii) the entire corporate books and records of each of the Companies from the date of organization of each of the Companies through the Closing Date, including without limitation the articles of incorporation, bylaws, resolutions, minutes of meetings, and stock transfer ledger;

(iii) all keys to each site, facilities, and equipment included in the Assets;

(iv) all security and access codes, if any, applicable to each site, facilities, and equipment included in the Assets;

(v) originals of all Tower Leases, Ground Leases and of any other Ground Leases; and

(vi) a Ground Lease for the Walker Property in the form attached hereto as **Exhibit 2.09** and a Subordination, Attornment and Non-Disturbance Agreement from any lenders holding a security interest in the Walker Property in form reasonably acceptable to Purchaser;

(vii) the various other certificates, instruments, and documents referred to below; and

(viii) notice to the tenants under the Tower Leases, the form of which shall be reasonably acceptable to Seller and Purchaser.

(c) Without limiting the generality of the foregoing, Purchaser shall deliver to Seller or to Escrow Agent:

(i) the various certificates, instruments, and documents referred to below; and

(ii) the consideration payable at Closing specified in Section 2.03 above; and

(iii) the Note and Letters of Credit.

2.10 Further Assurances. After the Closing, the parties to this Agreement shall execute and deliver such additional documents and take such additional actions as any party or its counsel may reasonably deem to be practicable and necessary or advisable in order to consummate the transactions contemplated by this Agreement. After the Closing, promptly upon receipt of any rental payments under the Tower Leases for periods after the Closing, Seller shall pay over to Purchaser all such cash received by Seller or endorse to Purchaser all such checks or other instruments so received by Seller.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants the following:

3.01 Power and Authority; Authorization and Validity. Seller has full power and authority to execute, deliver, and perform its obligations under this Agreement and all other agreements and documents it is or will be executing in connection with this Agreement and the transactions contemplated hereby. This Agreement and each other agreement contemplated by this Agreement have been or will be duly executed and delivered by Seller and constitute or will constitute legal, valid, and binding obligations of Seller, enforceable in accordance with their terms, except as may be limited by applicable bankruptcy, insolvency, or similar laws affecting creditors' rights generally or the availability of equitable remedies. To Seller's knowledge, the Seller need not give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency or any other person or entity in order to consummate the transactions contemplated by this Agreement, except as required under the Ground Leases and the Provident Financing.

3.02 Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will to Seller's knowledge: (A) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which the Seller or either of the Companies is subject, or (B) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice or consent under any agreement, contract, lease, license, instrument, or other arrangement to which the Seller or either of the Companies is a party or by which the Seller or either of the Companies is bound or to which any of the Seller's or either of the Companies' assets is subject, except as required under the Ground Leases and the Provident Financing. Seller agrees to use reasonable efforts during the Inspection Period and any extensions thereto, to obtain any Consent which may be required.

3.03 Shares. The Seller holds of record and owns beneficially the Shares, free and clear of any restrictions on transfer (other than any restrictions under the Securities Act of 1933, as amended (the "Securities Act"), and state securities laws), Taxes, liens, security interests, options, warrants, purchase rights, contracts, commitments, equities, claims, and demands. The Seller is not a party to any option, warrant, purchase right, or other contract or commitment that could require the Seller to sell, transfer, or otherwise dispose of any capital stock of either of the Companies (other than this Agreement). The Seller is not a party to any voting trust, proxy, or other agreement or understanding with respect to the voting of any capital stock of either of the Companies.

3.04 Organization and Good Standing. Both of the Companies are Maryland corporations, duly organized, validly existing, and in good standing under the laws of the State of Maryland, with all requisite powers and authority to carry on the business in which it is engaged and to own the properties it owns. Either of the Companies is duly authorized to conduct business and is in good standing under the laws of Maryland which is the only jurisdiction where such qualification is required. Either of the Companies has full corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it. **Exhibit 3.04** lists the directors and officers of either of the Companies. The Seller has no subsidiaries. The Seller has delivered to the Purchaser correct and complete copies of the articles of incorporation and bylaws of either of the Companies (as amended to date). The minute books (containing the records of meetings of the stockholders, the board of directors, and any committees of the board of directors, if any), the stock certificate books, and the stock record

books of either of the Companies are correct and complete. Either of the Companies is not in default under or in violation of any provision of its articles of incorporation or bylaws.

3.05 Capitalization. The entire authorized capital stock of Shore Communications, Inc. consists of 5,000 shares of common stock, of which the Shore Shares are the only stock issued and outstanding and no shares are held in treasury. The entire authorized capital stock of West Shore Communications, Inc. consists of 10,000 shares of common stock, of which the West Shore Shares are the only stock issued and outstanding and 30 shares are held in treasury. All of the Shares have been duly authorized, are validly issued, fully paid, and nonassessable, and are held of record by the Seller. There are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, or other contracts or commitments that could require either of the Companies to issue, sell, or otherwise cause to become outstanding any of its capital stock. There are no outstanding or authorized stock appreciation, phantom stock, profit participation, or similar rights with respect to either of the Companies. There are no voting trusts, proxies, or other agreements or understandings with respect to the voting of the capital stock of either of the Companies.

3.06 Financial Information. **Exhibit 3.06** sets forth balance sheets and statements of income, changes in stockholders' equity, and cash flow as of and for the fiscal years ended December 31, 1996, the "Most Recent Fiscal Year End") for either of the Companies; and (ii) balance sheets and statements of income and cash flow (the "Most Recent Financial Statements") as of and for the 10 months ended October 31, 1997 (the "Most Recent Fiscal Month End") for each of the Companies (collectively, the "Financial Statements"). The Financial Statements (including the notes thereto) present fairly the financial condition of each of the Companies as of such dates and the results of operations of either of the Companies for such periods, are correct and complete, and are consistent with the books and records of each of the Companies (which books and records are correct and complete).

3.07 Events Subsequent to Most Recent Fiscal Month End. Since the Most Recent Fiscal Month End, to Seller's knowledge there has not been any material adverse change in the business, financial condition, operations, or results of operations, of either of the Companies. Without limiting the generality of the foregoing, since that date:

(a) neither of the Companies has sold, leased, transferred, or assigned any of the Assets, tangible or intangible, other than for a fair consideration in the ordinary course of business;

(b) neither of the Companies has entered into any agreement, contract, lease, or license (or series of related agreements, contracts, leases, and licenses) outside the ordinary course of business;

(c) except as shown on Exhibit 3.07(c) no party (including either of the Companies) has accelerated, terminated, modified, or canceled any agreement, contract, lease, or license (or series of related agreements, contracts, leases, and licenses) involving more than $1,000 to which either of the Companies is a party or by which it is bound;

(d) except as shown on Exhibit 3.07(d), neither of the Companies has imposed any lien or security interest upon any of the Assets (All liens or interest);

(e) except as shown on Exhibit 3.07(e), neither of the Companies has any capital expenditure (or series of related capital expenditures) involving more than $1,000 or outside the ordinary course of business;

(f) neither of the Companies has made any capital investment in, any loan to, or any acquisition of the securities or assets of, any other person (or series of related capital investments, loans, and acquisitions) either involving more than $1,000 or outside the ordinary course of business;

(g) neither of the Companies has issued any note, bond, or other debt security or created, incurred, assumed, or guaranteed any indebtedness for borrowed money or capitalized lease obligation either involving more than $1,000 singly or $10,000 in the aggregate;

(h) neither of the Companies has delayed or postponed the payment of accounts payable and other liabilities outside the ordinary course of business;

(i) neither of the Companies has canceled, compromised, waived, or released any right or claim (or series of related rights and claims) either involving more than $1,000 or outside the ordinary course of business;

(j) neither of the Companies has granted any license or sublicense of any rights under or with respect to any Intellectual Property;

(k) there has been no change made or authorized in the articles of incorporation or bylaws of either of the Companies;

(l) neither of the Companies has issued, sold, or otherwise disposed of any of its capital stock, or granted any options, warrants, or other rights to purchase or obtain (including upon conversion, exchange, or exercise) any of its capital stock;

(m) neither of the Companies has experienced any damage, destruction, or loss (whether or not covered by insurance) to its assets;

(n) neither of the Companies has made any loan to, or entered into any other transaction with, any of its directors, officers, and employees outside the ordinary course of business;

(o) neither of the Companies has entered into any employment contract or collective bargaining agreement, written or oral, or modified the terms of any existing such contract or agreement;

(p) neither of the Companies has granted any increase in the base compensation of any of its directors, officers, and employees outside the ordinary course of business;

(q) neither of the Companies has adopted, amended, modified, or terminated any bonus, profit-sharing, incentive, severance, or other plan, contract, or commitment for the benefit of any of its directors, officers, and employees (or taken any such action with respect to any other employee benefit plan);

(r) neither of the Companies has made any other change in employment terms for any of its directors, officers, and employees outside the ordinary course of business;

(s) neither of the Companies has made or pledged to make any charitable or other capital contribution outside the ordinary course of business;

(t) there has not been any other occurrence, event, incident, action, failure to act, or transaction outside the ordinary course of business involving either of the Companies; and

(u) neither of the Companies has committed to any of the foregoing.

3.08 Liabilities and Obligations. Neither of the Companies has any liability (and there is no basis for any present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim, or demand against either of the Companies giving rise to any liability), except for: (a) liabilities set forth on the face of the Most Recent Financial Statements; (b) liabilities which have arisen after the Most Recent Fiscal Month End in the ordinary course of business (none of which results from, arises out of, relates to, is in the nature of, or was caused by any breach of contract, breach of warranty, tort, infringement, or violation of law); and (c) actions and proceedings shown on **Exhibit 3.17**.

3.09 Title; Assets. Each of the Companies has good and marketable title to its Assets free and clear of all liens and encumbrances, except for those liens or encumbrances listed on **Exhibit 3.09** hereto, all of which will be paid by Seller or by application of the Purchase Price at Closing, excluding the Closing Liabilities to be assumed by Purchaser at Closing. Immediately after consummation of the transactions contemplated by this Agreement, either of the Companies will own and be entitled to use the Assets free and clear of all liens and encumbrances.

3.10 Commitments.

(a) **Exhibit 3.10** to this Agreement lists the commitments to which either of the Companies is a party, or by which either of the Companies, the Tower Business, the Real Property or Assets is bound or affected, whether or not in writing, excluding leases or ground leases. The commitments so listed include any: (i) partnership or joint venture agreement; (ii) mortgage, deed of trust, or other security agreement; (iii) guaranty, suretyship, indemnification, or contribution agreement or performance bond; (iv) debt instrument, loan agreement, letter of credit arrangement, or other obligation relating to indebtedness for borrowed money or money lent to another; (v) deed or other document evidencing an interest in or contract to purchase or sell real or personal property; (vi) agreement with dealers or sales or commission agents, public relations or advertising agencies, accountants, or attorneys; (vii) franchise, dealership, distributorship, marketing, sales, agency, or other similar agreement; (viii) lease of real or personal property, whether as lessor, lessee, sublessor, or sublessee, excluding the Tower Leases and the Ground Leases; (ix) agreement relating to any matter or transaction in which an interest is held by a person or entity that is an affiliate of either of the Companies; (x) any agreement for the acquisition of services, supplies, equipment or other personal property involving more than $500; (xi) powers of attorney; (xii) contract containing a noncompetition covenant; (xiii) any other contract or arrangement that involves either an unperformed commitment in excess of $500 or that terminates more than one year from the date hereof; or (xiv) any other agreement or commitment not made in the ordinary course of business or that is material to either of the Companies, the Tower Business, or the Assets (all of the foregoing are collectively referred to as "Commitments"). True and complete copies of all written Commitments, and accurate written descriptions of all oral Commitments, have been delivered to or made available for inspection by Purchaser. There are no existing material defaults, events of default or events, occurrences, or acts that, with the giving of notice or lapse of time or both, would constitute defaults, and no penalties have been incurred, with respect to the Commitments, except as described in **Exhibit 3.10**. Except as set forth in **Exhibit 3.10**, the Commitments are, and after consummation of the Closing will continue to be, in full force and effect and valid and enforceable obligations of the parties thereto in accordance with their terms, and no defenses, off-sets, or counterclaims have been asserted or, to the knowledge of Seller, may be made by any party

thereto, nor has either of the Companies waived any rights thereunder. To Seller's knowledge, there are no disputes, oral agreements, or forbearance programs in effect as to any Commitment. To Seller's knowledge, no party to any Commitment has repudiated any provision thereof. To Seller's knowledge, all assets leased or subleased under the Commitments have been operated and maintained in accordance with the licenses and permits issued for such assets and applicable laws, rules, and regulations.

(b) Neither the Companies nor Walker has received written notice of any plan or intention of any other party to any Commitment to exercise any right to cancel or terminate any Commitment. To Seller's knowledge, consummation of the transactions contemplated by this Agreement will not affect the continuance in full force of any Commitment or give any third party the right to terminate or modify its obligations under any Commitment. To Seller's knowledge, no supplier or customer of either of the Companies has refused, or communicated that it will or may refuse, to supply or purchase goods or services, or has communicated that it will or may substantially reduce the amounts of goods or services that it is willing to sell to or buy from either of the Companies.

3.11 Employee Benefits. Neither of the Companies has liability or obligation under any present or past pension, profit-sharing, or other retirement plan, deferred compensation plan, bonus plan, severance plan, fringe benefit plan, health, group insurance, Workman's compensation claims (except as shown on **Exhibit 3.17**) or other welfare benefit plan or other similar plan, agreement, policy, or understanding, including any "employee benefit plan" within the meaning of Section 3(3) of ERISA. The existing profit-sharing and pension plans will be terminated by Seller prior to Closing, at Seller's expense and funds will be transferred to SEPs or IRAs.

3.12 Patents, Trademarks, Copyrights, and Licenses.

(a) Each of the Companies owns or is licensed to use all patents, trademarks, copyrights, trade names, service marks, and other trade designations, including common law rights, registrations, applications for registration, technology, know-how or processes necessary to conduct the Tower Business ("Intellectual Property"), free and clear of, and without conflict with the rights of others. Each item of Intellectual Property owned or used by either of the Companies immediately prior to the Closing hereunder shall be owned or available for use by either of the Companies on identical terms and conditions immediately subsequent to the Closing hereunder, except for any Intellectual Property included in the Excluded Assets. Either of the Companies has taken all necessary and desirable action to maintain and protect each item of Intellectual Property that it owns or uses. To Seller's knowledge, neither of the Companies has interfered with, infringed upon, misappropriated, or otherwise come into conflict with any Intellectual Property rights of third parties, and Seller has not received any charge, complaint, claim, demand, or notice alleging any such interference, infringement, misappropriation, or violation. To the knowledge of Seller, no third party has interfered with, infringed upon, misappropriated, or otherwise come into conflict with any Intellectual Property rights of either of the Companies. **Exhibit 3.12** contains a true and correct description of the following:

(i) All Intellectual Property currently owned, in whole or in part, by either of the Companies, and all licenses, royalties, assignments, and other similar agreements relating to the foregoing to which either of the Companies is a party (including expiration dates if applicable); and

(ii) All agreements relating to Intellectual Property that either of the Companies is licensed or authorized to use from others, or which either of the Companies licenses or authorizes others to use.

3.13 No Violation; Restrictions. To Sellers' knowledge, (i) each of the Companies and Walker has complied in all material respects with all Applicable Laws; (ii) **Exhibit 3.13** sets forth all licenses, franchises, permits, zoning variances, and other authorizations held by either of the Companies, copies of which have been delivered to Purchaser; neither of the Companies is a party to, and none of the Assets is subject to or otherwise affected by, any agreement or instrument, or any charter or other restriction, or any judgment, order, writ, injunction, or decree that could or does materially and adversely affect either of the Companies, the Assets, or Tower Business. Purchaser acknowledges that it will be responsible for filing all FCC Antenna Structure Registrations (FCC Form #854 for the Tower Business prior to December 31, 1997.

3.14 Taxes.

(a) Neither Company is delinquent in the payment of any Tax; there is no Tax deficiency or delinquency asserted or threatened against either of the Companies; and there is no unpaid assessment, proposal for additional Taxes, deficiency, or delinquency in the payment of any of the Taxes of either of the Companies that could be asserted by any Taxing Authority. Each Company has filed all Tax returns that it was required to file and the Seller has delivered to Purchaser true and complete copies of all tax returns for 1996 and a statement from Seller's accountant that tax returns had been filed since the inception of the Companies. All such Tax returns were correct and complete in all respects. All Taxes owed by either of the Companies (whether or not shown on any Tax return) have been paid. Each Company currently is the beneficiary of no extension of time within which to file any Tax return. Except as shown on Exhibit 3.14(a), no claim has ever been made by an authority in a jurisdiction where either Company does not file Tax returns that it is or may be subject to taxation by that jurisdiction. There are no liens or security interests on any of the Assets that arose in connection with any failure (or alleged failure) to pay any Tax. Seller represents and warrants that it has paid in full that portion of the Ocean City Property Tax claim. Seller shall remain responsible for any other claims shown on Exhibit 3.14 that relate to the period of time prior to the Closing Date. Seller's obligation to pay such claims shall not be subject to the payment limitation set forth in Section 9.03(e).

(b) Each Company has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party.

(c) Seller has no knowledge that any authority will assess any additional Taxes for any period for which Tax returns have been filed. There is no dispute or claim concerning any Tax Liability of either of the Companies either: (i) claimed or raised by any authority in writing or, (ii) as to which Seller has knowledge based upon personal contact with any agent of such authority. **Exhibit 3.14** lists all federal, state, local, and foreign income Tax returns filed with respect to either of the Companies for taxable periods ended on or after December 31, 1996, indicating those Tax returns that have been audited, and indicates those Tax returns that currently are the subject of audit. The Seller has delivered to the Purchaser correct and complete copies of all federal income Tax returns, examination reports, and statements of deficiencies assessed against or agreed to by either of the Companies since December 31, 1996.

(d) Neither Company has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(e) The Company has not filed a statement under Section 34 (f) of the Internal Revenue Code of 1986, as amended (the "Code"); (or any comparable state income tax provision),

consenting to have the provisions of Section 341(f)(2) (collapsible corporations provisions) of the Code (or any comparable state income tax provision) apply to any disposition of any of the Company's assets or property. No property of the Company is property which Purchaser or the Company is or will be required to treat as owned by another Person pursuant to the provisions of former Section 168(f) (safe harbor leasing and finance lease provisions) before the enactment of the Tax Reform Act of 1986. Neither the Company nor the Subsidiary is a party to any tax-sharing agreement or similar arrangement that will continue after the Closing Date or which would otherwise be binding upon Purchaser. Neither the Company nor the Subsidiary is a party to any contract providing for an "excess parachute payment" as defined in Section 280G of the Code and none of the transactions contemplated by this Agreement will give rise to any such "excess parachute payment".

3.15 Consents. Except for the consents of the persons and entities set forth on **Exhibit 3.15**, to Seller's knowledge, no authorization, consent, approval, permit, or license of, or filing with, any governmental or public body or authority, any lender or lessor, any franchisor, or any other person or entity is required to authorize, or is required in connection with, the execution, delivery, or performance of this Agreement or the agreements contemplated hereby on the part of the Seller.

3.16 Finder's Fee. Neither of the Companies nor Walker nor Seller has incurred any obligation for any finder's, broker's, or agent's fee in connection with the transactions contemplated hereby.

3.17 Litigation. Except as described in Exhibit 3.17, there is no legal action or administrative proceeding or investigation instituted or, to the knowledge of Seller, threatened against or affecting, or that could affect the Seller, either of the Companies, or any of the Assets or Tower Business. Seller knows of no basis for any such action, proceeding or investigation. Except as described in **Exhibit 3.17**, neither Seller nor either of the Companies is: (a) subject to any continuing court or administrative order, judgment, writ, injunction, or decree applicable specifically to Seller, either of the Companies, or to the Tower Business or the Assets or (b) in default with respect to any such order, judgment, writ, injunction or decree.

3.18 Books of Account. To Seller's knowledge, the books of account of each Company have been kept accurately in all material respects in the ordinary course of its business; the transactions entered therein represent bona fide transactions; and the revenues, expenses, assets, and liabilities of either of the Companies have been properly recorded in such books on a cash basis.

3.19 Environmental Matters. Except as set forth on **Exhibit 3.19**:

(a) To Seller's knowledge, neither Company is in violation of or involved in any controversy, investigation, or discussion with respect to, any environmental law. To Seller's knowledge, each Company has complied with all environmental, health, and safety laws, and no action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against it alleging any failure so to comply. Without limiting the generality of the preceding sentence, to Seller's knowledge, each of the Companies has been in compliance with all of the terms and conditions of all permits, licenses, and other authorizations issued to the Companies, and has complied with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules, and timetables that are contained in, all environmental, health, and safety laws.

(b) To Seller's knowledge, no asbestos-containing thermal insulation or products containing PCB, formaldehyde, chlordane, or heptachlor or other Hazardous Materials have been placed on or in any structure on the Real Property by either of the Companies.

(c) To Seller's knowledge, no underground storage tanks for petroleum or any other substance, or underground piping or conduits are or have previously been located on the Real Property.

(d) The Seller has provided Purchaser with all environmental studies, records and reports in its possession or control conducted by independent contractors or Seller, with respect to the Real Property, and all correspondence with any governmental entities concerning environmental conditions of the Real Property, or which identify underground storage tanks or otherwise relate to contamination of the soil or groundwater of the Real Property or effluent into the air.

(e) To Seller's knowledge, there has been no release of or contamination by Hazardous Materials on the Real Property.

3.20 Real Estate Matters.

(a) **Exhibit 1.01(k)** lists and describes briefly all Real Property leased or subleased to either of the Companies. Seller has delivered to the Purchaser correct and complete copies of the leases and subleases listed in **Exhibit 1.01(k)**.

(b) Neither Company has assigned, transferred, conveyed, mortgaged, deeded in trust, or encumbered any interest in any subleasehold except as set forth on **Exhibit 1.01(s)**.

(c) Except as set forth in any Ground Lease listed on **Exhibit 1.01(k)**, each Company has the exclusive right to use, and quiet enjoyment and peaceful possession of the Real Property it leases.

(d) Seller has received no written notice that any building, improvement, machinery, equipment, and other tangible asset necessary for the conduct of the Tower Business as presently conducted, and all that are part of or located on the Real Property is not in compliance with any Applicable Law. To Seller's knowledge, there is no structural or latent defect in such improvements that has not been disclosed to Purchaser; and all such property, including without limitation improvements, related heating, electrical, plumbing, and other building equipment have been maintained in accordance with Seller's standard practices are in working order adequate for normal operations and are in good operating condition and repair (subject to normal wear and tear).

(e) To Seller's knowledge, no notice has been given to either of the Companies by any insurance company with respect to any portion of the improvements located on any of the Real Property or any board of fire underwriters or any other body exercising similar functions requesting the performance of any repair, alteration, or other work that has not been complied with.

(f) Neither the Seller nor either of the Companies has received written notice of or been served with any pending or threatened litigation, condemnation, or sale in lieu thereof with respect to any portion of the Real Property relating to or arising out of the ownership of the Real Property by any governmental instrumentality. To Seller's knowledge, no exemption from full taxation of any portion of the Real Property has been claimed within the previous five (5) years by either of the Companies.

(g) Seller has received no written notice of any fact or condition that could result in the termination or reduction of the current access from the Real Property to existing highways and roads, or to sewer or other utility services serving the Real Property. To Seller's knowledge all utilities required for the operation of the improvements enter the Real Property through adjoining public streets or, if they pass through an adjoining private tract, do so in accordance with valid public easements. To Seller's knowledge all utilities are installed and operating and all installation and connection charges have been paid in full.

(h) To Seller's knowledge, the improvements are located within the boundary lines of the described parcels of land, are not in violation of applicable setback requirements, zoning laws, and ordinances (and none of the properties or buildings or improvements thereon are subject to "permitted non-conforming structure" or similar classifications), and do not encroach on any easement that may burden the land, and the land does not serve any adjoining property for any purpose inconsistent with the use of the land.

(i) Intentionally omitted.

(j) To Seller's knowledge, except as disclosed in **Exhibit 1.01(s)** , there are no leases, subleases, licenses, concessions, or other agreements, written or oral, granting to any party or parties the right of use or occupancy of any portion of the of Real Property.

(k) Except as set forth in the Ground Leases, to Seller's knowledge there are no outstanding options or rights of first refusal to purchase the parcel of Real Property, or any portion thereof or interest therein.

(l) To Seller's knowledge, there are no parties (other than the respective Company) in possession of the Real Property, other than tenants under any leases disclosed in **Exhibit 1.01(s)** who are in possession of space to which they are entitled.

3.21 Insurance. **Exhibit 3.21** sets forth the following information with respect to each insurance policy (including policies providing property, casualty, liability, and workers' compensation coverage and bond and surety arrangements) to which either of the Companies has been a party, a named insured, or otherwise the beneficiary of coverage at any time within the past 10 years:

(a) the name, address, and telephone number of the agent;

(b) the name of the insurer, the name of the policyholder, and the name of each covered insured;

(c) the policy number and the period of coverage;

(d) the scope (including an indication of whether the coverage was on a claims made, occurrence, or other basis) and amount (including a description of how deductibles and ceilings are calculated and operate) of coverage; and

(e) a description of any retroactive premium adjustments or other loss-sharing arrangements.

3.22 Employees. Neither Company is a party to or bound by any collective bargaining agreement or employment agreement, nor has either of the Companies experienced any strikes, grievances, claims of unfair labor practices, or other collective bargaining disputes. Neither Company has committed any unfair labor practice. Seller has no knowledge of any organizational effort presently being made or threatened by or on behalf of any labor union with respect to employees of either of the Companies.

3.23 Bank Accounts and Credit. **Exhibit 3.23** lists all banks and lending institutions with which either of the Companies maintains accounts or has credit facilities, and sets forth the names of all individuals who have signing authority for such accounts.

3.24 Conveyance Not Fraudulent. The sum of the Seller's debts is not greater than all of the Seller's assets at a fair valuation. The Seller is not engaged, nor is it about to engage, in a business or transaction for which the property remaining in its hands after the consummation of the transactions contemplated by this Agreement will be an unreasonably small capital. The Seller has not incurred, does not intend to incur, nor does it believe that it will incur, debts beyond its ability to pay as they mature. The Seller is not making the transactions contemplated by this Agreement with the intent to hinder, delay, or defraud either present or future creditors. The purchase price constitutes the reasonably equivalent value for the Shares.

3.25 Disclosure. The representations and warranties contained in this Section 3 do not contain any false or misleading material statement of a fact.

3.26 Actual Knowledge. Whenever a representation is made to the knowledge of a Seller or to the best of each Seller's knowledge, it is made only to the actual knowledge of Seller without any duty of inquiry or investigation. Seller shall not be deemed to have any constructive or implied knowledge or information for purposes of making representations or warranties to his knowledge. Seller will not be deemed to have made a misrepresentation as to any information which is contrary to Seller's representation, if Purchaser learns of such information prior to Closing and, with such knowledge, proceeds to Closing. If Purchaser learns of information which causes a representation or warranty of Seller to be untrue and elects not to proceed with Closing, its sole remedy shall be to terminate this Agreement and obtain a refund of the Deposit.

3.27 Limitation of Warranties. Except for the express representations and warranties of Seller contained in this Agreement, Seller makes no representation, certification or warranty, including any representation, certification or warranty, express or implied, as to the conditions or state or repair of the Assets, or of visible or hidden defects in material, workmanship or capacity of the Assets, and there are no implied warranties of merchantability or fitness for a particular purpose as to the Assets. Except as provided in this Agreement, Purchaser will accept all of the Assets and the Real Property in "As Is, Where Is" condition.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants the following:

4.01 Organization and Good Standing. Purchaser is a corporation, duly organized, validly existing and in good standing under the laws of the State of Delaware, with all requisite power and authority to carry on the business in which it is engaged and to own the properties it owns.

4.02 Power and Authority; Authorization and Validity. Purchaser has the full power and authority to execute, deliver, and perform its obligations under this Agreement and all other agreements and documents it is or will be executing in connection with this Agreement and the transactions contemplated hereby. The execution, delivery, and performance of this Agreement and the other agreements contemplated hereby by Purchaser, and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by Purchaser. This Agreement and each other agreement contemplated hereby have been or will be duly executed and delivered by Purchaser and constitute or will constitute legal, valid, and binding obligations of Purchaser, enforceable against it in accordance with their terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies. Purchaser need not give any notice to, or make any filing with, or obtain any authorization, consent or approval of any government agency or any other person or entity in order to consummate the transactions contained in this Agreement

4.03 No Violation. Neither the execution and performance of this Agreement or the other agreements contemplated hereby nor the consummation of the transactions contemplated hereby or thereby will conflict with, result in a breach of, or constitute a default under the articles of incorporation or bylaws of Purchaser or any agreement or other instrument under which Purchaser is bound or to which any of its assets is subject.

4.04 Consents. No authorization, consent, approval, permit or license of, or filing with, any governmental or public body or authority is required to authorize, or is required in connection with, the execution, delivery and performance of this Agreement or the agreements contemplated hereby on the part of Purchaser.

4.05 Investments. The Purchaser is not acquiring the Stock with a view to, or for sale in connection with, any distribution thereof within the meaning of the Securities Act.

4.06 Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will to Purchaser's knowledge: (A) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which the Purchaser is subject, or (B) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice or consent under any agreement, contract, lease, license, instrument, or other arrangement to which the Purchaser is a party or by which the Purchaser is bound or to which Purchaser is subject.

4.07 Finder's Fee. Purchaser has not incurred any obligation for any finder's, broker's, or agent's fee in connection with the transactions contemplated hereby.

4.08 Litigation. Except as described in Exhibit 3.17, there is no legal action or administrative proceeding or investigation instituted or, to the knowledge of Purchaser, threatened against or affecting, or that could affect the Purchaser. Purchaser knows of no basis for any such action, proceeding or investigation. Except as described in **Exhibit 3.17**, Purchaser is not: (a) subject to any continuing court or administrative order, judgment, writ, injunction, or decree applicable specifically to Purchaser, or (b) in default with respect to any such order, judgment, writ, injunction or decree.

ARTICLE V
JOINT COVENANTS

5.01 Cooperation. Each party hereto shall use its reasonable efforts to:

(a) proceed promptly to make or give the necessary applications, notices, requests, and filings to obtain, at the earliest practicable date and, in any event, before the Closing Date, the approvals, authorizations, and consents necessary to consummate the transactions contemplated by this Agreement;

(b) cooperate with and keep the other party informed in connection with this Agreement; and

(c) take such actions as the other party may reasonably request to consummate the transactions contemplated by this Agreement and use its reasonable efforts and diligently attempt to satisfy, to the extent within its control, all conditions precedent to the obligations to close this Agreement.

5.02 Public Announcements. Seller and Purchaser shall consult with each other before any press release or public statement with respect to the transactions contemplated by this Agreement and shall not issue any such press release or make any such public statement except as may be required by law.

5.03 Confidentiality. Purchaser and Seller shall cause all information obtained by them or their representatives in connection with the transactions contemplated by this Agreement or in connection with the negotiation hereof to be treated as proprietary and confidential (other than information that is a matter of public knowledge or has already been or is hereafter published in any publication for public distribution or filed as public information with any governmental authority) and shall not use or disclose, except as may be required by law, or knowingly permit others to use or disclose, any such information in a manner detrimental to Purchaser or Seller, as the case may be, and, if for any reason the transactions contemplated by this Agreement are not consummated, will return all such information to the provider.

5.04 Further Actions. In case at any time after the Closing any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as any other Party reasonably may request, all at the sole cost and expense of the requesting party (unless the requesting party is entitled to indemnification therefor under the terms of this Contract.) The Seller acknowledges and agrees that from and after the Closing the Purchaser will be entitled to possession of all documents, books, records, agreements, and financial data of any sort relating to either of the Companies (collectively, the "Records"); provided, however, purchaser will permit Seller and his representatives to have access to and obtain copies of the Records for purposes of preparing tax returns, satisfying Seller's obligations under this Agreement, and any other matter reasonably necessary to the Seller's business.

5.05 Tax.

(a) Seller shall prepare pro forma tax returns for the Companies for all operations of the Companies through the day prior to Closing. Seller shall either pay to Purchaser, or cause the Companies to pay, at Closing, the amount of the Taxes (if any) shown as being payable on such tax returns. Purchaser shall be responsible for the payment of all Taxes relating to the Companies and their operations on and after the day of Closing, including, without limitation, any and all Taxes arising out of the Closing and the Purchaser's liquidation of the assets of the Companies pursuant to Internal Revenue Code Section 332. Purchaser shall prepare, execute and file all requisite tax returns with all appropriate governmental authorities to satisfy all reporting requirements for the 1997 tax year. Purchaser shall provide Seller with access to all books and records of the Companies and copies of all tax returns and any other filings made to the appropriate taxing authorities.

(b) Purchaser acknowledges that the Companies have historically not reported any taxable income and acknowledge and agree that Seller may, prior to Closing, cause the Companies to pay to Seller and/or parties and entities controlled by Seller for the provision of services or goods. All checks issued by the Companies prior to Closing shall be deemed to be an expense of the Companies for the period prior to Closing regardless of the date of payment of such checks.

ARTICLE VI
SELLER'S COVENANTS

6.01 Conduct of Business Before Closing Date.

(a) During the period pending the Closing, except as otherwise permitted or required by this Agreement, Seller shall:

(i) cause either of the Companies to conduct its operations in the ordinary and usual course of business consistent with past and current practices and use its reasonable efforts to maintain and preserve intact its business organization and to maintain satisfactory relationships with suppliers, distributors, customers, and others having business relationships with it;

(ii) confer on a regular and frequent basis with one or more representatives of Purchaser to report material operational matters and the general status of ongoing operations;

(iii) notify Purchaser of any emergency or other change in the normal course of the Tower Business and of any governmental complaints, investigations, or hearings (or communications indicating that the same may be contemplated) if such emergency, change, complaint, investigation, or hearing would be material to either of the Companies, the Assets, or the Tower Business;

(iv) not solicit, initiate or encourage, or authorize any person to solicit, initiate or encourage, directly or indirectly, any inquiry or proposal for the acquisition of all or any material part of the Shares or the Assets, or enter into negotiations for any such proposal, or provide any person with information or assistance in furtherance of any such inquiry or proposal;

(v) take no action that, and use reasonable efforts not to fail (without being obligated to expend any sums) to take any action the failure to take which, would cause or permit the representations and warranties of Seller contained in this Agreement to be untrue in any material respect at the Closing;

(vi) maintain existing insurance coverage for either of the Companies;

(vii) not cause or permit either of the Companies to mortgage, pledge, or subject to any lien, lease, security interest, or other charge or encumbrance any of the Assets, except for the Closing Liabilities;

(viii) not cause or permit either of the Companies to sell, lease, transfer, or assign any of the Assets, tangible or intangible, except in the ordinary curse of business;

(ix) not cause or permit either of the Companies to accelerate, terminate, modify, or cancel any Tower Lease, or any other agreement, contract, lease, or license to which either of the Companies is a party, except in the ordinary course of business;

(x) not cause or permit either of the Companies to change any accounting policies, practices, or procedures; and

(xi) not cause or permit either of the Companies to enter into any other commitment or transaction that is material to this Agreement or to any of the other agreements and documents executed or to be executed pursuant to this Agreement or to the transactions contemplated hereby or thereby, except in the ordinary course of business, or that could materially and adversely affect either of the Companies, the Tower Business, or the Assets.

(b) During the period pending the Closing Date, Seller shall furnish to Purchaser monthly operating reports as available.

6.02 Access. During the period pending the Closing, Seller shall permit Purchaser and its authorized representatives full access to, and make available for inspection, all of the assets and business premises of either of the Companies and its employees, customers, and suppliers and furnish Purchaser all documents, records, and information with respect to the affairs of either of the Companies as Purchaser and its representatives may reasonably request, all for the sole purpose of permitting Purchaser to become familiar with the business, assets, and liabilities of either of the Companies. In connection therewith, Purchaser, its agents and representatives, shall have the right to enter into the Real Property prior to Closing hereunder for purposes of conducting surveys, soil tests, market studies, engineering tests and such other tests, investigations, studies and/or inspections as Purchaser deems necessary or desirable to evaluate the Assets, provided that: (i) all such tests, investigations, studies, and inspections shall be conducted at Purchaser's expense, (ii) Purchaser shall give Seller reasonable prior notice of its entry onto the Real Property, and (iii) Purchaser will indemnify and hold Seller harmless from any damage or injury resulting from such entry and will restore any damage to the Property.

6.03 Notice of any Material Change. During the period pending the Closing, Seller shall, promptly after the first notice or occurrence thereof but not later than the Closing Date, supplement or amend the Exhibits hereto to disclose the occurrence of any event or the existence of any state of facts that:

(a) had such event occurred or such facts existed or been known at the date hereof, would have been required to have been set forth in an **Exhibit**; or

(b) would make any of the representations and warranties of Seller in this Agreement untrue in any material respect. No supplement or amendment to any **Exhibit** shall have any effect for the purpose of determining the satisfaction of or compliance with the conditions to the obligations of the parties set forth elsewhere in this Agreement.

6.04 Group Health Plan. If the Companies maintain a "group health plan" as described in section 607(l) of ERISA, Seller shall offer "continuation coverage" as described in Section 602 of ERISA to each employee of Seller and such employee's dependents, if applicable, who ceases to be employed by the Companies as a result of the sale of the Shares pursuant to this Agreement. Purchaser will have no obligation to provide continuation coverage to any employee or former employee of either of the Companies, or to any dependent of any such employee or former employee, as a result of the acquisition of the Shares.

6.05 Post Closing Audits. Seller will cooperate reasonably with Purchaser (at no expense to Seller) in connection with any audits of Purchaser's and its acquired businesses' financial statements necessary in connection with financing done by Purchaser after the Closing.

6.06 Operation of Business. Except as permitted under this Agreement, the Seller will not cause or permit either of the Companies to: (i) declare, set aside, or pay any dividend or make any distribution with respect to its capital stock or redeem, purchase, or otherwise acquire any of its capital stock;, or (ii) otherwise engage in any practice, take any action, or enter into any transaction of the sort described above.

6.07 Taxes. Seller agrees that if after the Closing Date either of the Companies is assessed for any state or federal tax attributable to a tax period (or portion thereof) ending before the Closing Date, Seller shall pay to either of the Companies the full amount of such assessed tax.

ARTICLE VII
PURCHASER'S CONDITIONS PRECEDENT

Except as may be waived in writing by Purchaser, the obligations of Purchaser hereunder are subject to the fulfillment at or before the Closing of each of the following conditions:

7.01 Representations and Warranties. Each representation and warranty of Seller contained herein shall be true and correct in all material respects as of the Closing, subject to any changes contemplated by this Agreement.

7.02 Covenants. Seller shall have performed and complied in all material respects with all covenants or conditions required by this Agreement to be performed and complied with by Seller at or before the Closing.

7.03 Proceedings. No suit, action, order, or other proceeding by any court or governmental body or agency shall have been threatened in writing, asserted, instituted, or entered to restrain or prohibit the carrying out of the transactions contemplated by this Agreement.

7.04 No Material Adverse Change. There shall have occurred no material adverse undisclosed condition, or material adverse change, with respect to either of the Companies, the Tower Business or the Assets.

7.05 Approvals of Third Parties. Either of the Companies and the Seller shall have received all consents and approvals, if any, necessary to consummate the transactions contemplated by this Agreement.

7.06 Noncompetition and Option Agreement. Seller shall have executed a noncompetition and option agreement substantially in the form of **Exhibit 7.06**.

7.07 Surveys and Title Policies. Purchaser shall have obtained for each Ground Lease, copies of all easements benefitting such site, a current survey, a surveyor's certificate, and a title policy for Purchaser's interest in the site and all easements benefitting such site containing no exceptions other than the standard printed exceptions, except as shown on Exhibit 7.07 (the "Permitted Encumbrances") (with the exception as to any discrepancies, conflicts, or shortages, in area or boundary lines or any encroachment or overlapping improvements deleted, the exception as to restrictive covenants endorsed "None of Record"; the exception as to liens for taxes limited to the year of closing and endorsed "Not Yet Due and Payable"; the exception for parties in possession endorsed "Pursuant to Written Leases"; and the exception for visible and apparent easements or roads and highways deleted).

7.08 Lease Documentation. All oral Tower Leases shall have been documented in writing in form satisfactory to Purchaser and executed by the lessees and either of the Companies.

7.09 Attornment and Nondisturbance Agreements; Recordable Lease. Purchaser shall have obtained from each ground lessor and, as applicable, from each mortgagee of such owner or lessor: (i) an estoppel certificate and landlord agreement in the form attached hereto as **Exhibit 7.09**, (ii) consent from those Landlords whose Leases require such consent, (iii) attornment, release, and nondisturbance agreement in form reasonably satisfactory to Purchaser and any lender to Purchaser for any ground lease which is subject to the lien of a mortgage or deed of trust; and (iv) recordable Ground Leases or memorandum thereof. Purchaser also shall have received from each other owner of an interest in each Real Property location documentation reasonably satisfactory to Purchaser confirming either of the Companies's right to operate the Tower Business on such Real Property, free and clear of any security interest, easement, covenant, or other restriction, except for restrictions that do not impair the current use, occupancy, or value of title, of the property subject thereto, and except for liens or interests held by parties who have executed agreements in favor of Purchaser.

7.10 Resignations. The Purchaser shall have received the resignations, effective as of the Closing, of each director and officer of either of the Companies.

7.11 . Certificate. Purchaser shall have received a certificate from Seller dated the Closing Date, to the effect that to Seller's knowledge, the conditions set forth above have been satisfied.

7.12 Unsatisfied Conditions.

If all of the conditions to Closing set forth in this **Section 7** are not satisfied by the date of the Closing set forth in this Agreement, including any possible extensions of such date, or if Seller notifies Purchaser that it is unable to satisfy all of said conditions without incurring an additional expense or hardship, then Purchaser may (i) terminate this Agreement by providing written notice to Seller of

such termination or (ii) proceed to Closing. In the event of termination, the Deposit shall be returned to Purchaser, and Seller and Purchaser shall be relieved of all further rights, duties, liabilities and obligations under this Agreement, except for Purchaser's obligation to indemnify Seller under Section 2.05 of this Agreement.

ARTICLE VIII
THE SELLER'S CONDITIONS PRECEDENT

Except as may be waived in writing by Seller, the obligations of Seller hereunder are subject to fulfillment at or before the Closing of each of the following conditions:

8.01 Representations and Warranties. Each representation and warranty of Purchaser contained herein shall be true and correct in all material respects as of the Closing, subject to any changes contemplated by this Agreement.

8.02 Covenants. Purchaser shall have performed and complied with all covenants or conditions required by this Agreement to be performed and complied with by it at or before the Closing.

8.03 Proceedings. No order by any court or governmental body or agency shall have been entered to restrain or prohibit the consummation of the transactions contemplated by this Agreement.

8.04 Certificate. Seller shall have received a certificate from an officer of Purchaser, dated the Closing Date, to the effect that, to the knowledge of the officer, the conditions set forth above have been satisfied.

ARTICLE IX
INDEMNIFICATION; REMEDIES

9.01 Seller's Indemnity. Subject to the terms and conditions of this Article IX, Seller hereby agrees to indemnify, defend, and hold harmless Purchaser and its officers, directors, shareholders, agents, and attorneys for, from, and against all Damages including reasonable attorney fees asserted against or incurred by any of them by reason of or resulting from:

(a) A breach by Seller of any representation, warranty, or covenant contained herein or in any agreement executed pursuant hereto if Purchaser had no knowledge of such breach on or before the Closing Date;

(b) all liabilities of either of the Companies not expressly assumed by Purchaser pursuant to the terms hereof;

(c) any claims by third parties for Damages arising out of the operation and ownership of either of the Companies through the Closing Date; and

(d) any and all taxes due and payable by Companies (including any penalties and interest thereon with respect to any and all period (and any portion thereof) prior to the Closing Date.

9.02 Purchaser's Indemnity. Subject to the terms and conditions of this Article IX, Purchaser hereby agrees to indemnify, defend, and hold harmless Seller for, from, and against all Damages including reasonable attorney's fees asserted against or incurred by any of them by reason of or resulting from:

(a) a breach by purchaser of any representation, warranty, or covenant contained herein or in any agreement executed pursuant hereto;

(b) the liabilities of either of the Companies expressly assumed by Purchaser pursuant to the terms hereof; and

(c) the operation and ownership of either of the Companies or the Walker Assets after the Closing Date.

9.03 Conditions of Indemnification. The obligations and liabilities of the indemnifying party to any other party (the "party to be indemnified") under Section 9.01 or 9.02 hereof with respect to claims resulting from the assertion of liability by third parties shall be subject to the following terms and conditions:

(a) Within 30 days (or such earlier time as might be required to avoid prejudicing the indemnifying party's position) after receipt of notice of commencement of any action evidenced by service of process or other legal pleading, or with reasonable promptness after the assertion in writing of any claim by a third party, the party to be indemnified shall give the indemnifying party written notice thereof together with a copy of such claim, process or other legal pleading, and the indemnifying party shall have the right to undertake the defense thereof by representatives of its own choosing and at its own expense; provided, however, that the party to be indemnified may participate in the defense with counsel of its own choice and at its own expense.

(b) If the indemnifying party, by the 30th day after receipt of notice of any such claim (or, if earlier, by the 10th day preceding the day on which an answer or other pleading must be served in order to prevent judgment by default in favor of the person asserting such claim), does not elect to defend against such claim, the party to be indemnified will (upon further notice to the indemnifying party) have the right to undertake the defense, compromise, or settlement of such claim on behalf of and for the account and risk of the indemnifying party and at the indemnifying party's expense. The indemnifying party shall advance payment for such expenses as they are incurred by the party to be indemnified within 10 days after request therefor.

(c) Anything in this Section 9.03 to the contrary notwithstanding, the indemnifying party shall not settle any claim without the consent of the party to be indemnified unless such settlement involves only the payment of money and the claimant provides to the party to be indemnified a release from all liability in respect of such claim. If the settlement of the claim involves more than the payment of money, the indemnifying party shall not settle the claim without the prior consent of the party to be indemnified, which consent shall not be unreasonably withheld.

(d) The party to be indemnified and the indemnifying party will each cooperate with all reasonable requests of the other.

(e) Notwithstanding anything to the contrary herein, neither party will have the right to collect damages from the other by reason of a breach of a representation or warranty indemnified

against hereunder unless the aggregate amount claimed by reason of such breach or breaches (including reasonable attorney's fees) exceeds $25,000 and then only for the amount in excess of $25,000.

9.04 Specific Performance. Seller acknowledges that a refusal by Seller to consummate the transactions contemplated hereby will cause irrevocable harm to Purchaser, for which there may be no adequate remedy at law and for which the ascertainment of damages would be difficult. Therefore, Purchaser shall be entitled, in addition to, and without having to prove the inadequacy of, other remedies at law, to specific performance of this Agreement, as well as injunctive relief, without being required to post bond or other security.

9.05 Reliance on and Survival of Representations and Warranties.

(a) Notwithstanding any investigation by Purchaser, or any information obtained pursuant thereto, except to the extent information is discovered by Purchaser prior to Closing which is contrary to Seller's representations or warranties, Purchaser shall be entitled to rely upon the representations and warranties of Seller contained in this Agreement or any other agreement, document, certificate, exhibit, or other instrument delivered pursuant hereto, and upon its representations at Closing as to compliance with or performance of any covenants made by it herein or therein and as to satisfaction of any conditions precedent to the obligations of Purchaser hereunder.

(b) All representations and warranties in this Agreement or in any agreement, document, certificate, schedule, exhibit, or other instrument delivered by or on behalf of a party pursuant hereto and indemnification obligations of the parties hereto relating to such representations and warranties shall survive and continue in effect for a period of 18 months after the Closing, provided, however, that, all representations and warranties regarding title to the Assets, claims against the Companies and the stock shall survive and continue in effect for the applicable statutes of limitation. Notwithstanding the foregoing, with respect to any claim made by any party hereto on or before the applicable expiration date, the representations and warranties that are the subject of such claim and the indemnification obligations with respect thereto shall continue in effect insofar as they relate or allegedly relate to the claim, until the claim is finally resolved.

9.06 Remedies Not Exclusive. The remedies provided in this Article IX shall not be exclusive of any other rights or remedies available by one party against the other, either at law or in equity.

ARTICLE X
TERMINATION

10.01 Termination by Purchaser. Purchaser may terminate this Agreement by written notice to the Seller any time before the Closing if:

(a) any condition precedent to its obligation to close stated in Article VII has not been fulfilled on or before the scheduled Closing Date;

(b) Seller has failed to comply with any material term or condition of this Agreement, or Seller has provided Purchaser with materially inaccurate or misleading information or has failed to disclose fully to Purchaser any material information about the Tower Business or the Assets requested by Purchaser;

(c) a material adverse undisclosed condition or material adverse change in either of the Companies, the Tower Business, or the Assets or a material adverse change in the ability of Seller to carry out any obligation under this Agreement has been discovered or has occurred after the date hereof and before Closing; or

(d) for any reason other than a default by Purchaser the Closing has not occurred by December 30, 1997.

10.02 Termination by Seller. Seller may terminate this Agreement by written notice to Purchaser any time before Closing if:

(a) any of the conditions precedent to its obligation to close stated in Article VIII have not been fulfilled on or before the scheduled Closing Date;

(b) Purchaser has failed to comply with any material term or condition of this Agreement; or

(c) for any reason other than a default by Seller the Closing has not occurred by December 30, 1997.

ARTICLE XI
MISCELLANEOUS

11.01 Amendment. This Agreement may be amended, modified, or supplemented only by an instrument in writing executed by the party against which enforcement of the amendment, modification or supplement is sought.

11.02 Assignment. Neither this Agreement nor any right created hereby shall be assignable by either party hereto, except by Purchaser to a direct or indirect wholly owned subsidiary of Purchaser, which assignment shall not relieve Purchaser of any liability under this Agreement.

11.03 Notices. Any notice, consent, demand, request, approval, or other communication to be given under this Agreement by any party to any other party shall be in writing and shall be either (a) personally delivered, (b) mailed by registered or certified mail, postage prepaid with return receipt requested, (c) delivered by overnight express delivery service or same-day local courier service, or (d) delivered by telex or facsimile transmission, to the address set forth below, or to such other address as may be designated by the parties from time to time in accordance with this Section 11.03.

If to Seller:
Mark Sapperstein
28 Walker Avenue
Baltimore, Maryland 21208

With a copy to:
Abramoff, Neuberger and Linder LLP
250 West Pratt Street
Baltimore, Maryland 21201
Attn: Steven M. Rosen
Fax No. 410-539-8304

If to Purchaser: Pinnacle Towers Inc.
1549 Ringling Boulevard, 3rd Floor
Sarasota, Florida 34236
Attention: Robert Wolsey
Fax No. (941) 364-8761

Notices delivered personally, by overnight express delivery service or by local courier service shall be deemed given as of actual receipt. Mailed notices shall be deemed given three business days after mailing. Notices delivered by telex or facsimile transmission shall be deemed given upon receipt by the sender of the answerback (in the case of a telex) or transmission confirmation (in the case of a facsimile transmission).

11.04 Entire Agreement. This Agreement and the **Exhibits** and **Exhibits** hereto supersede all prior agreements and understandings relating to the subject matter hereof, except that the obligations of any party under any agreement executed pursuant to this Agreement shall not be affected by this Section 11.04.

11.05 Costs, Expenses, and Legal Fees. Whether or not the transactions contemplated hereby are consummated, each party hereto shall bear its own costs and expenses (including attorneys' fees), and each party hereto agrees to pay the costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in litigation or in an administrative proceeding to enforce or interpret any of the terms of this Agreement.

11.06 Severability. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, the provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision were never a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom. Furthermore, in lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically as part of this Agreement, a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid, and enforceable.

11.07 Governing Law. This Agreement and the rights and obligations of the parties hereto shall be governed by and construed and enforced in accordance with the laws of the State of Maryland.

11.08 Captions. The captions in this Agreement are for convenience of reference only and shall not limit or otherwise affect any of the terms or provisions hereof.

11.09 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument.

11.10 Heirs, Successors and Assigns. This Agreement and the rights, interests and obligations hereunder shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, estates, devisees, successors and permitted assigns.

EXECUTED as of the date first written above.

Pinnacle Towers, Inc., a Delaware corporation

By: _____
(Vice) President

_____
Mark C. Sapperstein, individually and as
a member of 28 Walker Associates, LLC

EXHIBIT 7.06
NONCOMPETITION, COOPERATION AND OPTION AGREEMENT

THIS NONCOMPETITION, COOPERATION AND OPTION AGREEMENT (the "Agreement") is made December 3, 1997, between Mark Sapperstein ("Principal"), 28 Walker Avenue Associates, L.L.C. ("Walker") and Pinnacle Towers, Inc. ("Company").

This Agreement is being entered into pursuant to Section 7.06 of the Stock and Asset Purchase Agreement dated as of November 7, 1997, between the Company and the Principal and Walker (the "Purchase Agreement"). Capitalized terms not otherwise defined in this Agreement shall have the meanings given them in the Purchase Agreements.

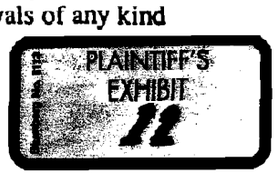
Pursuant to the Purchase Agreements, the Company is acquiring from the Principal stock in certain companies which are in the Tower Business. The Principal has substantial experience in operating the Tower Business, and the Company does not want the Principal to compete with it in the Tower Business. The agreement of the Principal to enter into this Agreement, which will restrict his ability to compete against the Company in the Tower Business, is a material element in the Company's agreement to pay the Purchase Price pursuant to the Purchase Agreement.

In consideration of the foregoing and of the mutual covenants contained in this Agreement, the parties agree as follows:

1. Term. This Agreement shall continue in effect from the date hereof through the fifth anniversary of the date hereof.

2. Right of First Offer. If at any time during the five year term of this Agreement ("Restriction Period"), the Principal and any Affiliate (as hereinafter defined) (collectively, the ("Offeror") shall elect to sell any Tower Business wherever located, excluding the existing tower owned by Milford Mill Associates LLC located in the Millford Mill Industrial Park, Baltimore County, Maryland site (the "Millford Tower"), the Offeror shall serve a notice (the "Transfer Notice") upon the Company specifying the price and other terms under which Optionor is prepared to sell the Tower Business. If, the Company desires to acquire the Tower Business on those terms, the Company will notify the Offeror within thirty days thereafter and the parties will enter into a contract on those terms, or on such other terms as the parties may agree. Otherwise, the Optionor will be free to offer the Tower Business to a third party so long as the terms of sale are the substantially the same and the price is within ten percent of the offer price set forth in the Transfer Notice. The Transfer Notice shall set forth the exact terms of the offer, and shall state the desire of the Offeror to sell the Tower Business on such terms and conditions. The closing of the purchase and sale of the Tower Business pursuant to this Right of First Refusal shall occur at the time set forth in the Offer, provided that the Company shall not be required to close before the 90th day following the date of the counternotice. The Company's failure to give a timely Counternotice (or its notice of refusal to purchase) shall be deemed a waiver of its rights to exercise its right of first refusal to accept the Offer. If for any reason the Tower Business is not sold pursuant to the Offer within one hundred eighty days after the Transfer Notice is sent on the terms set forth in the Offer. the Company shall retain its Right of First Refusal with respect to the Option Asset.

3. Information. Offeror agrees to provide the Company, within ten (10) days after request, with (i) copies of all leases, licenses and agreements, and all letters of intent for leases not yet executed for each Option Asset; (ii) copies of all plans, specifications, permits, licenses and approvals of any kind



for each Option Asset; and (iii) financial information, including all income and expenses for each Option Asset for the prior month and, if the Option Asset has been in operation for at least one year, for the past twelve (12) month period; (iv) any title reports, surveys environmental reports in Offeror's possession; and (v) such additional information in Offeror's possession as the Company may reasonably request or require in order to purchase one or more of the Option Assets.

4. Confidentiality. The Offerors shall not, directly or indirectly, disclose any of the various trade secrets, including compilations of information, records, specifications, and other proprietary or non-public information, that are owned by or used in the business of the Company or any of their affiliates or use any of them in any way, either during the term of this Agreement or at any time thereafter, except as required in the course of rendering services to the Company pursuant to this Agreement or if used by Offeror solely outside of the Territory. All files, records, documents, drawings, specifications, information, data, and similar items relating to the business of the Company, shall remain the exclusive property of the Company and shall not be used under any circumstances without the prior written consent of the Company, and in any event shall be promptly furnished to the Company upon the termination of this Agreement.

5. Noncompetition Agreement. The Principal agrees that the proprietary information he acquired regarding the Tower Business will enable him to injure the Company and diminish the value of the investment in the Assets by the Company if he should compete with the Company in the Tower Business. Therefore, the Principal hereby agrees that, effective upon consummation of the Closing and continuing for a period of five (5) years thereafter ("Restriction Period"), without the prior written consent of the Company, the Principals will not, during the Restriction Period, directly or indirectly, as a director, officer, agent, employee, consultant or independent contractor, through any entity or in any other capacity (collectively, an "Affiliate"): (a) engage in any business or activity that is competitive with the Tower Business within a 5 mile radius of each of the Towers included in the Assets (the "Territory"); or (b) contact, solicit or attempt to solicit or accept business that is competitive in the Territory with the Tower Business from any of the customers. Such restriction shall not apply to the Millford Tower. The Principals agrees not to sign a lease with any existing tenant of a Tower to move its equipment to another tower within the Territory. The foregoing restrictions shall not prohibit the Principal from (i) performing any construction, permit processing, land development or similar activities for Tower Business customers either within or outside of the Territory or (ii) being employed by or providing services to any competitor of the Company (even if such competitor owns or leases Towers within the Territory) as long as the principal does not provide services in connection with any Towers located within the Territory.

6. Relationship of the Parties. The agreements of the Principal herein are an integral part of the sale and purchase of the stock. Pursuant to this Agreement, the Principal shall act independently and not as an employee or agent of the Company for any reason whatsoever. Nothing in this Agreement shall constitute the Company and the Principal as joint venturers or partners. The Principal shall have no right or authority at any time to make any contract or binding promise of any nature on behalf of the Company, whether oral or written, without the express written consent of the Company.

7. Assignment. This Agreement is personal to the parties and may not be assigned by either party, except that the Company may assign its rights to any person or entity who directly or indirectly, controls, is controlled by, or is under common control with the Company or that purchases all or substantially all assets or stock of the Company.

8. Notices. All notices required or permitted to be given to either party hereto shall be in writing and shall be deemed to have been duly given: (a) when actually received if by hand delivery,

overnight courier, or facsimile transmission, or (b) the earlier of receipt of three (3) days after mailing if mailed by registered or certified mail, postage prepaid, return receipt requested, to such party at the appropriate one of the following addresses:

If to the Principal:

Mark Sapperstein
Shore Communications
28 Walker Avenue
Baltimore, MD 21208
Fax No. 410-653-2811

Abramoff, Neuberger and Linder LLP
250 West Pratt Street
Baltimore, MD 21201
Attn: Steven M. Rosen
Fax No. 410-539-8304

If to the Company:

Pinnacle Towers, Inc.
1549 Ringling Boulevard, 3rd Floor
Sarasota, Florida 34236
Attention: Robert J. Wolsey
Fax: (941) 364-8761

Either party may change its address by giving notice of change of address to the other party.

9. Governing Law. This Agreement and the rights and obligations of the parties hereto, shall be governed by, and construed in accordance with, the laws of the State of Maryland without regard to principles if conflict of laws of such state.

10. Counterparts. This Agreement may be executed in counterpart, each of which shall constitute an original, but all of which shall constitute one instrument.

EXECUTED as of the date first written above.

Pinnacle Towers, Inc., a Delaware corporation

By: _____
(Vice) President

_____
Mark C. Sapperstein, individually and as a member of 28 Walker Associates, LLC

PINNACLE/SAPPERSTEIN

ESCROW AND DISBURSEMENT AGREEMENT

THIS ESCROW AND DISBURSEMENT AGREEMENT (this "Agreement") is entered into to be effective as of December 3, 1997, by and among Pinnacle Towers, Inc. ("Purchaser"), Mark Sapperstein ("Seller") and Lawyers Title Insurance Company acting by and through its authorized agent, Tri-State Commercial Closings, Inc. ("Escrow Agent").

RECITALS:

A. WHEREAS, Purchaser and Seller have entered into a certain Stock and Asset Purchase Agreement dated as of November 7, 1997 ("Contract") in order to purchase the stock of Shore Communications Inc. ("Shore")and West Shore Communications Inc. ("West Shore") and certain assets from 28 Walker Avenue LLC (collectively, the "Property"); and

B. WHEREAS, the parties have agreed to extend the time to satisfy certain conditions of closing, more particularly described on Exhibit A hereto ("Closing Conditions").

C. WHEREAS, Purchaser desires to deposit in escrow, funds, notes and Letters of Credit (collectively "Proceeds") to close the Shore and West Shore transactions, pursuant to the Settlement Statement of even date herewith, attached hereto as Exhibit B. The parties desire to deposit the Proceeds and those closing documents listed on Exhibit D hereto ("Closing Documents") into escrow. The parties desire to close the Shore and West Shore transactions as soon as the Closing Conditions have been satisfied and as soon as Escrow Agent is otherwise prepared to act in accordance with these instructions.

D. WHEREAS, Purchaser has deposited $200,000 in escrow as the down payment for the closing of the 28 Walker Avenue transaction ("Walker Ave. Transaction") pursuant to the Settlement Statement of even date herewith attached in Exhibit B. Seller has caused Walker Avenue LLC to deliver to Escrow Agent the documents required to consummate that transaction.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) in hand paid, the receipt, adequacy and sufficiency of which are hereby acknowledged by all parties, the parties hereby agree as follows:

1. OPENING OF ESCROW. It is intended that on the date hereof, the following shall have occurred:

(a) Escrow Agent shall receive into escrow each and every one of the Closing Documents shown on Exhibit D, duly executed by all appropriate parties. On or before the Outside Date (as hereinafter defined), Seller shall satisfy the requirements and deliver the documents set forth in Exhibit A (Closing Conditions). ~~Such additional Closing Documents will be delivered on or before the Outside Date (as hereinafter defined).~~ By execution of this Agreement, Escrow Agent confirms its receipt of such documents. Escrow Agent will deliver a countersigned copy of this Agreement to counsel for Purchaser and Seller promptly after receipt of the Closing Documents, together with a fully executed copy of the Purchase Agreement. Purchaser shall deliver in escrow the Proceeds and the Letters of Credit. Escrow Agent shall release the Closing Documents and the Proceeds only in accordance with the terms and provisions of this Agreement.

(b) Escrow Agent shall disburse the sum of $200,000 to Seller pursuant to the Closing Statement attached as Exhibit A.

(c) Purchaser and Seller acknowledge that they have reviewed and approved the Closing Documents listed on Exhibit D and that the Closing Documents are complete as delivered to the Escrow Agent. Escrow Agent's responsibility is solely to hold and distribute such documents in accordance with this Agreement.

It is also anticipated that on before the Outside Date (the "Outside Date" being December 29, 1997, all conditions to closing will have been satisfied and the parties will close.

2. CLOSING REQUIREMENTS.

(a) Conditions of Closing.

(1) Seller shall have satisfied the Closing Conditions set forth on Exhibit A to the reasonable satisfaction of Escrow Agent.

(2) Once all conditions of closing have been satisfied, Escrow Agent shall notify counsel to Purchaser and counsel to Seller.

(b) Closing Duties.

(1) Upon your confirmation to us that all of the conditions set forth in section 2(a) have been met, you should

advise Purchaser that West Shore and Shore are ready to be dissolved. After you are notified that the dissolution has occurred, you will record the assignment of leases in the appropriate public records for the filing of such instrument.

(2) You are to issue to Purchaser, as the insured, your standard form title insurance policy (the "Policy") in the amount of ~~the Purchase Price as described in 2(a)~~ $9,000,000. in accordance with the marked commitments (Exhibit E). The Policy is to contain no other exceptions of any kind (including without limitation, any mortgages, assignments of leases and rents or financing statements). The Policy shall contain no exceptions for any special assessments or other taxes currently due and owing to any governmental entity or taxing authority having jurisdiction with respect to the Property.

(3) When you have confirmed that all conditions set forth in section 2(a) have been satisfied, you are to disburse the Proceeds in accordance with the Settlement Statements attached hereto as Exhibit B ~~and Exhibit C~~.

3. CLOSING. Upon the occurrence of the events described in Section 2 above, Escrow Agent agrees to undertake the following actions:

(a) Send to Purchaser's counsel by messenger at the address set forth herein within 24 hours after recordation, the original executed Closing Documents, or if documents have been recorded, copies of the recorded documents with recording information indicated. Copies of all such documents should be delivered by messenger to Purchaser's counsel, to Seller and to Purchaser at the addresses as set forth herein.

(b) Send to Purchaser's counsel within one week after recordation, at the address set forth herein, the original and five (5) copies of the Policy and endorsements (issued in accordance with this agreement); and

(c) Upon your receipt of the original recorded Assignments of Leases, send to Purchaser's Counsel, by overnight courier at the address set forth herein, the original recorded Assignments of Leases.

4. DELAYED CLOSING. The Closing Documents and Proceeds will remain in escrow until such conditions have been satisfied (in which event closing will be consummated) or until the Outside Date, whichever shall first occur. If the conditions are not satisfied by Outside Date (time being of the essence) and if Purchaser and Seller do not mutually agree to extend the date of Closing, Purchaser shall have the option, in its sole discretion, to (i)

waive the unsatisfied conditions and instruct the Escrow Agent to proceed to closing or (ii) terminate this Escrow Agreement in which event the documents delivered by either party in escrow will be returned to that party and the Proceeds less funds disbursed in the Walker Ave. Transaction and fees due Escrow Agent, except for the title insurance premium, will be returned to Purchaser. If this Escrow Agreement is terminated, upon receipt of confirmation from Seller that ~~the balance of the proceeds for the~~ Walker Ave. Transaction ~~as set forth on Exhibit C~~ have been paid to Seller, Escrow Agent shall release from Escrow and record the Ground Lease ~~and will pay the amounts required to be paid to third parties pursuant to the~~ Exhibit C Closing ~~Statement.~~

5. TERM OF AGREEMENT. This Agreement shall remain in effect until the earlier to occur of the following: (i) the disbursement of the Proceeds and the release of the Closing Documents and satisfaction of all other obligations of Escrow Agent hereunder; or (ii) the date the escrow is terminated pursuant to section 4 hereof and Escrow Agent has satisfied all of its obligations hereunder. If the Closing Documents are released from escrow, the date of Closing will be deemed to be December 3, 1997.

6. RIGHTS AND DUTIES OF ESCROW AGENT. Escrow Agent is not obligated to render any statements or notices of nonperformance hereunder to any party, but may in its discretion inform any party hereto or its authorized representative of any matters pertaining to this Agreement. Escrow Agent shall be protected in acting upon any written (including faxed) notices, requests, waivers, consents, certificates, receipts or authorizations received by Escrow Agent from Purchaser or Seller with respect to Escrow Agent's obligations hereunder as escrow agent and which Escrow Agent believes to be genuine. Escrow Agent shall not be liable for anything which it may do or refrain from doing in connection with this Agreement, except its own negligence or willful misconduct.

7. INDEMNIFICATION. Purchaser and Seller jointly and severally agree to, and do hereby, indemnify Escrow Agent, its officers, directors, employees, agents and counsel in their respective capacity as escrow agent hereunder (each herein called an "Indemnified Party") against, and hold each Indemnified Party harmless from, any and all losses, costs, damages, expenses, claims and attorney's fees, including, but not limited to, costs of investigation, litigation, or tax liability, suffered or incurred by any Indemnified Party in connection with or arising from or out of this Agreement, except such acts or omissions as may result from the willful misconduct or negligence of such Indemnified Party. The indemnities contained herein shall survive the termination of the escrow created hereby.

8. LIMITATION OF DUTIES. The duties and responsibilities of Escrow Agent under this Agreement (other than its duties and responsibilities pursuant to the Instruction Letter and any other written agreements) shall be limited to those expressly set forth herein. Escrow Agent shall not be personally liable for any act taken or omitted hereunder if taken or omitted by it in good faith and in the exercise of its own best judgment, and Escrow Agent shall also be fully protected in relying upon any written execution, validity or genuineness of any certificates, documents or notices deposited hereunder nor shall Escrow Agent be responsible nor liable in any respect on the account of the identity, authority or right of the persons executing or delivering or purporting to execute or deliver any such document, certificate or notice. Escrow Agent shall not be required to notify any party of its receipt of any such document, certificate or notice except as specifically provided herein.

9. FEES. Escrow Agent shall not receive any fees for performance of its services hereunder except as reflected on the Settlement Statement. Any direct expense incurred by Escrow Agent in carrying out its duties hereunder shall be reimbursed by the parties hereto.

10. NOTICES. Unless as expressly otherwise set forth in this Agreement, all notices and communications required or permitted hereunder shall be made in writing, and shall be sent to the respective addresses by overnight courier, by certified or registered mail (return receipt requested) and/or by facsimile numbers (provided that, in the case of facsimile transmission, a confirmation copy of the notice shall be delivered by hand or sent within two (2) days of transmission) of the parties at the following addresses (until notice of a change thereof is given to all parties pursuant to this section):

To Purchaser:

Pinnacle Towers, Inc.
1549 Ringling Boulevard, 3rd Floor
Sarasota, Florida 34236
attn: Stephen Wolsey
Tel. No. 941-364-8886
Fax No. 941-364-8761

To Purchaser's Legal Counsel:	Holland & Knight 2100 Pennsylvania Ave., N.W. Suite 400 Washington, DC 20037 Attn: Dennis M. Horn Telephone: 202-457-7122 Facsimile: 202-955-5564
To Seller:	Mark Sapperstein 28 Walker Avenue Baltimore, Maryland 21208 Tel. No. 410-653-4600 Fax No. 410-653-2811
Attorney for Seller:	Steven M. Rosen Abramoff, Neuberger and Linder, LLP Suite 800 250 West Pratt Street Baltimore, Maryland 21201 Tel. No. 410-539-8300 Fax No. 410-539-8304
To Escrow Agent:	Richard Klein Tri-State Commercial Closings, Inc. 1150 18th Street, N.W. Suite 575 Washington, D.C. 20036 Tel. No. 202-463-1150 Fax No. 202-955-5646

All notices given in accordance with this paragraph are effective if delivered by hand or mailed by courier, at the time of delivery, and, if communicated by telex or facsimile, at the time of transmission.

11. MISCELLANEOUS.

(a) The rights created by this Agreement shall inure to the benefit of, and the obligations created hereby shall be binding upon the successors and assigns of the parties hereto; provided, however, in no event shall Escrow Agent assign, transfer or encumber its interests or obligations hereunder.

(b) This Agreement shall be construed and enforced according to the laws of the District of Columbia.

(c) The parties hereto each hereby irrevocably waive any and all rights to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

(d) This Agreement constitutes the entire understanding and agreement of the parties hereto with respect to the escrow instructions described herein and supersedes all prior agreements or understandings, written or oral, between the parties with respect thereto. This Agreement may be modified, waived or terminated only by an instrument in writing signed by all the parties hereto.

(e) If any provision of this Agreement is declared by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

(f) This Agreement may be executed in one or more counterparts and by the different parties hereto as separate counterparts, each of which, when executed, shall be deemed to be an original, and such counterparts, together shall constitute one and the same agreement.

(g) If Purchaser proceeds to Closing with one or more of the conditions precedent under the Contract remaining unsatisfied, then such conditions precedent shall be deemed to have been waived by Purchaser and Purchaser shall waive, release and discharge Seller of any and all liability with respect to such waived conditions.

(h) Seller will attempt in good faith to obtain those items designated on Exhibit E as Seller's responsibility. **[Signatures on next page]**

IN WITNESS WHEREOF, Purchaser, Seller and Escrow Agent have each executed this Agreement to be effective as of the day and year first written above.

Purchaser:

Pinnacle Towers, Inc.

BY: _____

SELLER:

Mark Sapperstein

_____

ESCROW AGENT:

Lawyers Title Insurance Company

BY: Tri-State Commercial Closings, Inc., Agent

By: _____

EXHIBIT A

CLOSING CONDITIONS

A. The execution of Landlord's Agreement and Estoppel Agreements by the ground lessors (and sublessors, if applicable) for the following tower sites:

(1) Ocean City
(2) Lake Shore
(3) Sykesville
(4) Crofton

B. Wiring to the account of Escrow Agent the sum of $10,000 to Escrow account of Franklin National Bank of Washington, D.C.
1212 Eye St. NW
Washington, D.C. 20006
att: Shaun Schumacher
202 331-2730
Credit: Tri State Commercial Closing Inc
Escrow Act. # 1011204612
ABA # 054001547

EXHIBIT B

SETTLEMENT STATEMENT FOR SHORE AND WEST SHORE

EXHIBIT C

WALKER AVENUE SETTLEMENT STATEMENT

Deleted

EXHIBIT D

CLOSING DOCUMENTS

Purchase Documents

1. Stock Purchase Agreement

2. Noncompetition Agreement

3. Stock Certificate(s)

4. Stock Transfer and Assignment/Stock Power

5. Director, Officer, and Employee Resignations

6. Closing Statement

Authority Documents

7. Seller's Certificate

   A. Articles of Incorporation and Bylaws
   B. Certificate of Status
   C. Corporate Minute Books, Records and Stock Transfer Ledger
   D. Certificates of Good Standing

8. Purchaser's Officer's Certificate

Premises Lease Documents/Items

9. Premises Leases, Certified

10. Tower Subleases, Certified

11. O&E Reports

12. UCC, Liens, Suits, and Judgment Searches (Florida and New York)

13. Keys to sites, facilities and equipment

14. Security access codes for sites, facilities and equipment

Additional Documents/Post-Closing Items

15. Bank Accounts–new signature cards and corporate resolutions

16. Landlord Agreement and Estoppel

Corporate Documents

17. Plan of Liquidation ("Plan")

18. Resolutions of Directors and Shareholders Approving and Adopting Plan

19. IRS Form 966 Preparation and Filing with IRS

20. Final 1120 Return

21. Release and Assignment from Mark and Stacy Sapperstein to Shore Communications of $100,000 and $60,0000 Notes

22. Closing Liabilities Letter of Credit in the amount of $2,027,000

23. Note Letter of Credit in the amount of $8,341,300.00

24. Lease Pay-off (Shown on Closing Statement) for Chesapeake Industrial Leasing Co.

25. Termination of 28 Walker Associates Lease with Shore Communications, Inc.

EXHIBIT E

MARKED TITLE COMMITMENTS

EXHIBIT 2.09
GROUND LEASE

This Land Lease Agreement ("Lease Agreement") is made December 3, 1997, between 28 Walker Associates LLC, a Maryland limited liability company ("Landlord"), and Pinnacle Towers, Inc. a Delaware corporation ("Tenant"):

1. Premises and Term. In consideration of the obligation of Tenant to pay rent as hereinafter provided and in consideration of the other terms, provisions and covenants hereof, Landlord hereby demises and leases to Tenant, and Tenant hereby takes from Landlord, that certain tract or parcel of land described in **Exhibit A** attached hereto and as shown on the plat attached hereto as **Exhibit A-1** (the "Premises"), together with all rights, privileges, easements, and appurtenances belonging or in any way pertaining thereto, TO HAVE AND TO HOLD the same for a primary term of forty (40) years (the "Term") commencing on the date hereof. Tenant acknowledges that the Premises are an unsubdivided part of a larger tract of land owned by Landlord (the "Entire Parcel"). A building containing offices is also located on the Entire Parcel (the "Building") and the Premises includes the right to use a portion of the basement of the Building in common with others, as shown on **Exhibit B**.

2. Rent and Taxes.

(a) Tenant shall pay basic rent to Landlord for the Primary Term at the rate of one dollar per annum. The parties recognize that all basic rent for the initial Primary Term of the Lease has been prepaid.

(b) Tenant shall pay real estate taxes attributable to the Premises and Tenant's improvements thereon ("Real Estate Taxes"). If the Premises constitutes a separate lot for purposes of assessment and taxation ("Tax Lot") by the appropriate government authorities ("Government Authority"), Tenant shall pay such Real Estate Taxes directly to the Government Authority. Landlord will provide Tenant immediately after receipt with a copy of the Real Estate Tax bill or assessment notice for the Tax Lot. Tenant will have the sole right to appeal any assessment of the Tax Lot. Landlord will cooperate in any such appeal.

(c) If not already accomplished as of the date hereof, Landlord will use its commercially reasonable efforts to cause the governmental authority responsible for collecting Real Estate Taxes to designate the Premises as a separate Tax Lot so that taxes can be assessed separately on the Premises. Until such a separate Tax Lot is created, the parties will allocate real estate taxes in proportion to a fraction, the numerator of which is the number of square feet of land area in the Premises and the denominator of which is the number of square feet on all land in the tax lot of which the Premises are a part. Landlord will pay all real estate taxes attributable to any improvements on such property, other than the Tower and related Improvements. Tenant will pay all real estate taxes and personal property taxes attributable to the Tower and related improvements. (The foregoing is referred to as the "Tax Formula"). Such taxes will be allocated by the local taxing authorities in the annual tax bills. If such taxes are not allocated by the taxing authority, they will be allocated by agreement of Landlord and Tenant. If Landlord and Tenant fail to agree on an allocation within 30 days after a tax bill is submitted, the allocation will be determined by arbitration, pursuant to section 2(b) hereof. The arbitrators will apply the Tax Formula in determining such allocation.

(d) Landlord will pay all real estate taxes attributable to any Tax Lot of which the premises is a part before such taxes are due and will indemnify and hold harmless Tenant from and against any loss or liability that Tenant may incur if such taxes are not timely paid, including reasonable attorneys fees, so long as Tenant has paid Landlord Tenant's share of such real estate taxes. If Landlord does not pay such taxes timely and Landlord does not fulfill any of its other responsibilities hereunder, Tenant may pay such taxes or fulfill such other responsibilities and may advance the funds necessary for such purpose on behalf of Landlord. Such advances as well as any amounts Tenant expends to collect such advances from Landlord, including reasonable attorneys fees, will accrue interest at 18% per annum. The advances, with accrued interest will constitute a lien on the Owner's Parcel.

3. Use. The Premises are being leased for the purposes of erecting, installing, operating, and maintaining radio and communications towers, buildings, and equipment. Tenant may make any improvement, alteration modifications or replacements to the Premises as are deemed appropriate by Tenant to accommodate the purposes aforesaid. Tenant shall be entitled to sublease the Premises. At all times during the term of this Lease Agreement, Tenant shall have the right to use, and shall have free access to, the Premises seven days a week, 24 hours a day. The Tenant's right to use the Antenna Site shall be exclusive. Tenant shall have the non-exclusive right to use in common with others the basement area of the Building (the "Basement Area") for equipment as indicated in the attached **Exhibit B**. Tenant shall also have the right to use the area designated on **Exhibit A-1** as the "Access Area" for vehicular and pedestrian access to the Premises and the Basement Area and for parking, in designated places, in common with Landlord and any other tenant of Landlord, their agents, contractors, employees, guests, invitees, or employees. The Basement Area and the Access Area are hereinafter jointly referred to as the "Common Area". Tenant shall not do anything or knowingly permit anything to be done in or on the Premises or the Common Area, or bring or keep anything therein which will materially obstruct the rights of Landlord or other tenants, or subject Landlord to any liability for injury to persons or damage to property, or conflict with the laws, rules or regulations of any Federal, state or city authority. Landlord acknowledges that the operators of Tenant shall pay for all damage to the Entire Parcel, as well as for all property damage sustained by other tenants or occupants of the Building, due to any waste, misuse or neglect of the Premises and any fixtures and appurtenances related thereto or due to any breach of this Lease by Tenant or its employees. Similarly, Landlord shall pay for all damage to the Entire Parcel, as well as for all property damage sustained by tenants or occupants of the Building, due to any waste, misuse or neglect of the Premises and any fixtures and appurtenances related thereto or due to any breach of this Lease by Landlord or its employees.

4. Maintenance and Repair. Tenant shall have the obligation to maintain the Premises, at its sole cost and expense, in good condition and repair, free of trash and debris, and in full compliance with all applicable laws, rules, codes, and regulations. Tenant shall maintain in full force and effect all required permits and other authorizations requested for use of the Premises. Landlord will maintain the Basement Area and the balance of the Entire Parcel, excluding the Premises, in good condition and repair, except that Tenant will be responsible, at its cost and expense, for maintaining the bathroom and the mechanical room in a neat and clean condition and in good order and repair.

5. Common Area. Tenant's right to use the Common Area is subject to such reasonable rules and regulations governing the use of the Common Area as Landlord may from time to time prescribe and subject to all covenants, easements and other matters of public record presently in effect or as Landlord may from time to time grant to others with Tenant's consent, which will not be unreasonably withheld. Tenant shall not materially obstruct in any way any portion of the Common Area or materially interfere with the rights of other persons entitled to use the Common Area. Tenant shall be permitted to temporarily park vehicles, or equipment, in the Access Area for use in maintaining and

pairing Tenant's equipment, but shall not be permitted to store vehicles or equipment in the Access rea. The Common Area shall at all times be subject to the exclusive control and management of andlord. Landlord reserves the right at any time and from time to time (i) to change or alter the ocation, layout, nature or arrangement of the Common Area or any portion thereof, including but not imited to the arrangement and/or location of entrances, drive areas, landscaping passageways and doors; and (ii) to construct additional improvements to the Building and make alterations thereof or additions thereto and build additional stories on or in any such buildings or build adjoining same; provided, however, that no such change or alteration shall deprive Tenant of access to the Premises, materially change Tenant's ability to use the Premises for its intended purpose or materially alter Tenant's easements for access, utilities and use of the Common Area. If Landlord desires to demolish the Building, it may do so, provided that Landlord relocates Tenant's equipment to another secure enclosed structure (or a shelter), at Landlord's cost and expense and provided Landlord obtains any consents required from subtenants to relocate this equipment. Except as provided herein, Tenant shall not perform any work in, make alterations to, or construct any improvements in the Common Area. Tenant shall keep the Common Area free of trash or debris from its use thereof. Tenant and its subtenants shall be permitted to install and/or replace equipment in the mechanical room of the Basement Area upon obtaining Landlord's consent, not to be unreasonably withheld or delayed.

6. Hazardous Substances. Tenant covenants and agrees that it will not use or allow the Premises to be used for the storage, use, treatment or disposal of any "hazardous substance", as defined or regulated under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601, *et seq.*, as amended) and any similar federal, state and local laws and statutes governing hazardous substances or materials ("Environmental Laws"). Tenant shall fully comply with the requirements of all Environmental Laws and related regulations and shall immediately notify Landlord in the event of its discovery of hazardous substances at, upon, under or within the Premises or the Property. Tenant shall indemnify and hold harmless Landlord and its agents from and against any damages, claims, judgments, fines, penalties, costs, liabilities (including sums paid in settlement of claims) or loss, including reasonable attorneys' fees, reasonable consultants' fees, and reasonable expert fees incurred as a direct result of Tenant's use, handling, generation, treatment, storage, disposal, other management or release of any hazardous substance at or from the Premises, whether or not Tenant has acted negligently with respect to such hazardous substance. This indemnity shall survive the expiration or earlier termination of this Lease.

7. Utility Expense. Tenant agrees to promptly pay when due all charges for electric, gas, telephone, cable, or any other utility services provided to the Premises. A portion of the electric service provided to the Premises is presently not submetered and is included in Landlord's electric charges for the Building. Unless and until the electric services is separately metered or submetered, Tenant shall pay to Landlord, within ten (10) days after receipt of an invoice therefor, 25% of the electric charges included in Landlord's electric bills that include electric service provided to the Premises. Landlord shall have no liability to Tenant for any interruption or disruption of electric or any other utility service to the Premises unless Landlord intentionally disrupts such service, but will use commercially reasonable efforts to restore such service promptly.

If, at any time during the term of this Lease Agreement, the Federal Aviation Administration, Federal Communications Commission, or other governmental agency changes its regulations and requirements, or otherwise takes any action the result of which is that Tenant may no longer use the Premises for the purposes originally intended by Tenant, or if technological changes render Tenant's intended use of the Premises obsolete or impractical, Tenant shall have the right to cancel and terminate this Lease Agreement upon written notice to Lessor and payment of one month's rent and, at

Landlord's option, shall remove the Tower and all equipment and restore the Premises. Tenant will have the right to reconfigure the Tower and guy wires and anchors on the Premises.

8. Equipment, Fixtures and Signs. Tenant or its customers shall have the right to erect, install, maintain, and operate on the Premises such equipment, structures, fixtures, signs, and personal property as Tenant may deem necessary or appropriate, and such property, including the equipment, structures, fixtures, signs, and personal property currently on the Premises, shall not be deemed to be part of the Premises, but shall remain the property of Tenant or its customers. At any time during the term of this Lease Agreement and within 90 days after termination hereof, Tenant or its customers shall have the right to remove their equipment, structures, fixtures, signs, and personal property from the Premises, except to the extent Landlord elects to retain the Tower in accordance with Section 15(b) below. Tenant shall maintain all equipment, structures, fixtures, signs and personal property, including the Tower, in good, safe and operable condition at all times.

9. Assignment. Tenant shall have the right to sublease or grant leases to use the radio tower or any structure or equipment on the Premises but no such sublease or lease shall relieve or release Tenant from its obligations under this Lease Agreement. Tenant may assign this Lease Agreement to any person or entity at any time without the prior written consent of Landlord, but Tenant will not be relieved of any liability hereunder.

10. Warranties and Agreements. Landlord represents and warrants that it is the owner in fee simple of the Premises, free and clear of all liens and encumbrances except as matters of record as of the date hereof and that it alone has full right to lease the Premises for the term set out herein. Landlord makes no other representations or warranties regarding the Premises. Landlord further represents and warrants that Tenant, on timely paying the rent and performing its obligations hereunder, shall peaceably and quietly hold and enjoy the Premises for the term of this Lease Agreement, including the Renewal Term, without any hindrance, molestation or ejection by Landlord, its successors or assigns, or those claiming through them.

During the term of this Lease Agreement, Landlord covenants and agrees that it will not grant, create, or suffer any claim, lien, encumbrance, easement, restriction, or other charge or exception to title to the Premises except for utility easements required to service the Premises or the Building without the prior written consent of Tenant, which consent shall not be unreasonably withheld, delayed or conditioned so long as the entity which is granted such lien, encumbrance, easement, restriction, or other charge or exceptions enter into a subordination, attornment and non-disturbance agreement with Tenant in form reasonably approved by Tenant.

11. Holding Over by Tenant. Should Tenant or any assignee, sublessee or tenant of Tenant hold over the Premises or any part thereof after the expiration of the Primary Term or Renewal Term hereof, unless otherwise agreed in writing, such holdover shall constitute and be construed as a tenancy from month-to-month only, but otherwise upon the same terms and conditions.

12. Lenders' Continuation Rights.

(a) Landlord agrees to recognize the leases of all tower lessees and will permit each of such lessees to remain in occupancy of its premises notwithstanding any default hereunder by lessee or Tenant so long as each such respective lessee is not in default under the lease covering its premises. Landlord consents to the granting by Tenant of a lien and security interest in Tenant's interest in this Lease Agreement and all of Tenant's personal property and fixtures attached to the real property

described herein, and furthermore consents to the exercise by Tenant's mortgagee of its rights of foreclosure with respect to its lien and security interest. Landlord agrees to recognize Tenant's mortgagee as Tenant hereunder upon any such exercise by Tenant's mortgagee of its rights of foreclosure, provided that such mortgagee cures any outstanding defaults of Tenant and assumes all obligations of Tenant hereunder.

(b) Landlord hereby agrees to give Tenant's mortgagee written notice of any breach or default of the terms of this Lease Agreement, within fifteen days after the occurrence thereof at such address as is specified by Tenant's mortgagee. Landlord further agrees that no default under this Lease Agreement shall be deemed to have occurred unless such notice to Tenant's mortgagee is also given and that, in the event of any such breach or default under the terms of the Lease Agreement, Tenant's mortgagee shall have the right, to the same extent, for the same period and with the same effect, as the Tenant, plus an additional thirty days for non-monetary defaults after any applicable grace period to cure or correct any such default whether the same shall consist of the failure to pay rent or the failure to perform, and Landlord agrees to accept such payment or performance on the part of the Tenant's mortgagee as thought the same had been made or performed by the Tenant. Landlord agrees that it shall not exercise its right to terminate this Lease Agreement or any of its other rights under this Lease Agreement upon breach or default of the terms of this Lease Agreement without so affording Tenant's mortgagee the foregoing notice and periods to cure any default or breach under this Lease Agreement.

(c) Except for the payment of the Deferred Purchase Price, Landlord hereby (i) agrees to subordinate any lien or security interest which it may have which arises by law or pursuant to this Lease Agreement to the lien and security interest of Tenant's mortgagee in the Tenant's personal property or leasehold interest securing all indebtedness at any time owed by Tenant to its mortgagee (the "Collateral"), and (ii) furthermore agrees that upon an event of default under the loan documents between Tenant and its mortgagee or this Lease Agreement, Tenant's mortgagee shall be fully entitled to exercise its rights against the Collateral prior to the exercise by the Landlord of any rights which it may have therein, including, but not limited to, entry upon the Premises and removal of the Collateral free and clear of the Landlord's lien and security interest, provided, that such mortgagees must repair any damage caused to the Premises and the Entire Percent and shall fully restore the Premises.

(d) Landlord acknowledges that nothing contained herein shall be deemed or construed to obligate the Tenant's mortgagee to take any action hereunder, or to perform or discharge any obligation, duty or liability of Tenant under this Lease Agreement unless Tenant's mortgage becomes the "tenant" following a foreclosure sale or delivery of a deed or lieu of foreclosure.

13. Notices and Payments. Any notice, document or payment required or permitted to be delivered or remitted hereunder or by law shall be deemed to be delivered or remitted, whether actually received or not, when deposited in the United States mail, postage prepaid, certified or registered, return receipt requested, addressed to the parties hereto at the respective addresses set out below, or at such other address as they shall have theretofore specified by written notice delivered in accordance herewith:

LANDLORD: 28 Walker Associates LLC
28 Walker Avenue
Baltimore, Maryland 21208

TENANT: Pinnacle Towers, Inc.
c/o Pinnacle Towers Inc.
1549 Ringling Boulevard, 3rd Floor
Sarasota, Florida 34236
Attention: Robert J. Wolsey
Fax: (941) 364-8761

14. Recording. This Lease or short-form memorandum of this Lease Agreement may be recorded at Landlord's or Tenant's option.

15. Miscellaneous.

(a) This Lease Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, and assigns. This Lease Agreement shall be governed by and construed in accordance with the laws of the state where the Premises are located.

(b) Within ninety days after the end of the term, as the term may be extended from time to time ("Termination Date"), Tenant will remove the Tower and other equipment from the Premises at Tenant's expense. By notice to Tenant, Landlord may request Tenant not to remove the tower and equipment and if Tenant agrees, Tenant will leave the Tower and equipment and Landlord will assume responsibility for removal.

16. Indemnification and Insurance. Tenant agrees to indemnify, defend, and hold Landlord harmless for any damage, loss, cost or expense, reasonable attorneys' fees, arising from Tenant's ownership of and operations on the Entire Parcel, including its use of the Common Area. Landlord shall have no liability to Tenant or any third party for any death, injury or damage to Property on the Premises or the Entire Parcel unless caused by Landlord's negligence. Tenant agrees to keep in full force and effect (i) comprehensive general liability insurance with combined policy limits of not less than $2,000,000, which amount shall be increased from time to time in accordance with industry customs and practices and (ii) broad form extended coverage casualty insurance on Tenant's personal property, fixtures, equipment for the full replacement value thereof. Landlord will be named as an additional insured on such policy and on any casualty insurance policies. Such policies shall be maintained with companies licensed to do business in Maryland and in form reasonably acceptable to Landlord. Such policies shall be provided on an occurrence form basis unless otherwise approved by Landlord. To the extent available, such policies shall also contain a waiver of subrogation provision and a provision stating that such policy or policies shall not be canceled, non-renewed, reduced in coverage or materially altered except after thirty (30) days' written notice, said notice to be given in the manner required by this Lease to Landlord. All such policies of insurance shall be effective as of the date Tenant occupies the Premises and shall be maintained in force at all times during the Term of this Lease and all other times during which Tenant shall occupy the Premises. Tenant shall deposit the policy or policies of such required insurance or certificates thereof with Landlord prior to the commencement of this Lease.

If Tenant shall fail to obtain insurance as required under this Section, Landlord may, but shall not be obligated to, obtain such insurance, and in such event, Tenant shall pay, as additional rent, the premium for such insurance upon demand by Landlord.

Landlord agrees to indemnify, defend, and hold Tenant harmless for any damage, loss, cost or expense, reasonable attorneys' fees, arising from Landlord's ownership of and operations on the Entire Parcel,

including its use of the Common Area. Tenant shall have no liability to Landlord or any third party for any death, injury or damage to property on the Entire Parcel unless caused by Tenant's negligence. Landlord agrees to keep in full force and effect comprehensive general liability insurance with combined policy limits of not less than $2,000,000, which amount shall be increased from time to time in accordance with industry customs and practices. Except for the operations of the Antenna Business, in the normal course of business, Tenant shall not do or allow to be done, or keep, or allow to be kept, anything in, upon or about the Premises which will contravene Landlord's policies for the Entire Parcel insuring against loss or damage by fire, other casualty, or any other cause, including without limitation, public liability, or which will prevent Landlord from procuring such policies from companies acceptable to Landlord. If any act or failure to act by Tenant in and about the Premises (other than the operations of the Antenna Business) shall cause the rates with respect to Landlord's insurance policies to be increased beyond those rates that would normally be applicable for such limits of coverage, Tenant shall pay, as additional rent, the amount of any such increases upon demand by Landlord.

17. Default Provisions and Remedies.

(a) Events of Default. Each of the following shall be deemed an Event of Default by Tenant under this Lease:

(i) failure of Tenant to pay any sum required to be paid under the terms of this Lease, including late charges, within thirty (30) days after receipt of written notice from Landlord that such payment is due.

(ii) failure of Tenant to pay the Deferred Purchase Price as such term is defined in Section 16 below;

(iii) failure by Tenant to perform or observe any other term, covenant, agreement or condition of this Lease, on the part of Tenant to be performed within thirty (30) days after notice thereof from the Landlord if, by reason of such failure, Landlord is materially damaged, unless such performance shall reasonably require a longer period, in which case Tenant shall not be deemed in default if Tenant commences the required performance promptly and thereafter pursues and completes such action diligently and expeditiously and in any event within not more than ninety (90) days;

(iv) the filing of a tax or mechanic's lien against the Premises which is not bonded or discharged within thirty (30) of the date such lien is filed;

(v) Tenant commences any bankruptcy proceedings, or any such proceedings are commenced against Tenant;

(vi) the failure of Tenant to vacate the Premises upon the expiration of the Term, or the earlier termination thereof pursuant to the other provisions hereof.

(b) Remedies. Upon the occurrence of an Event of Default, and subject to Lender's rights pursuant to Section 8 hereof, Landlord, without further notice to tenant in any instance(except where expressly provided for below or by applicable law) may do any one or more of the following:

(i) perform, on behalf and at the expense of Tenant, any obligation of Tenant under this Lease which Tenant has failed to perform and of which Landlord shall have given Tenant notice, the cost of which performance by Landlord, together with interest thereon at the rate of eighteen

percent (18%) per annum from the date of such expenditure, shall be payable by Tenant to Landlord, as additional rent, upon demand. Notwithstanding the provisions of this clause (a) and regardless of whether an Event of Default shall have occurred, Landlord may exercise the remedy described in clause (a) without any notice to Tenant if Landlord, in its judgment, believes it would be injured by failure to take rapid action or if the unperformed obligation of Tenant constitutes an emergency;

(ii) either before or after any reentry or reletting of the Premises, elect to terminate this Lease and the tenancy created hereby by giving notice of such election to Tenant, and in such event, this Lease and the estate hereby granted to Tenant shall terminate on the date set forth in such notice with the same effect as if the specified expiration date were the last day of the Term, but Tenant shall remain liable for all damages provided in this Section;

(iii) reenter the Premises, without notice, either by summary proceedings, distress proceedings or otherwise and remove Tenant and all other persons and property from the Premises, without Landlord being deemed guilty of trespass or becoming liable for any loss or damage occasioned thereby and such re-entry shall not be deemed to be an acceptance or surrender of this Lease or as a release of Tenant's liability for damages;

(iv) exercise any other legal or equitable right or remedy which it may have.

Any costs and expenses incurred by Landlord (including, without limitation, reasonable attorneys' fees) in enforcing any of its rights or remedies under this Lease shall be paid to Landlord by Tenant, as additional rent, upon demand.

(c) Damages. If this Lease is terminated by Landlord pursuant to Section 13(b), Tenant nevertheless shall remain liable for (a) any damages which may be due or sustained prior to such termination, and (b) all reasonable costs, fees and expenses including, but not limited to, attorneys' fees, brokerage fees, costs and expenses incurred by Landlord in pursuit of its remedies hereunder.

Damages shall be due and payable immediately upon demand by Landlord following any termination of this Lease.

Nothing contained in this Lease shall limit or prejudice the right of Landlord to prove and obtain in proceedings for the termination of this Lease by reason of bankruptcy or insolvency, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above.

(d) No Waiver. No act or omission by Landlord shall be deemed to be an acceptance of a surrender of the Premises or a termination of Tenant's liabilities hereunder, unless Landlord shall execute a written release of Tenant. Tenant's liability hereunder shall not be terminated by the execution by Landlord of any new lease for all or any portion of the Premises or the acceptance of rent from any assignee or subtenant.

(e) Remedies Not Exclusive. All rights and remedies of Landlord set forth in this Lease shall be cumulative, and none shall exclude any other right or remedy, now or hereafter allowed by or available under any statute, ordinance, rule of court, or the common law, either at law or in equity, or both. For the purposes of any suit brought or based hereon, this Lease shall be construed to be a divisible contract, to the end that successive actions may be maintained on this Lease as successive

periodic sums shall mature hereunder. The failure of Landlord to insist, in any one or more instances, upon a strict performance of any of the covenants, terms and conditions of this Lease or to exercise any right or option herein contained shall not be construed as a waiver or a relinquishment for the future, of such covenant, term, condition, right or option, but the same shall continue and remain in full force and effect unless the contrary is expressed by Landlord in writing. The receipt by Landlord of rents hereunder, with knowledge of the breach of any covenant hereof or the receipt by Landlord of less than the full rent due hereunder, shall not be deemed a waiver of such breach or of Landlord's right to receive the full rents hereunder, and no waiver by Landlord of any provision hereof shall be deemed to have been made unless expressed in writing and signed by Landlord.

18. Payment of Deferred Purchase Price. Tenant acknowledges and agrees that its obligation to pay the Deferred Purchase Price if an when due, as such term is defined in the Stock and Asset Purchase Agreement between Landlord and Tenant dated as of November 7, 1997 (the "Purchase Agreement"), is a material obligation under this Lease and that notwithstanding anything to the contrary contained in this Lease upon the failure of Tenant to make such payments when due, this Lease may be terminated by Landlord and Landlord shall be entitled to retain all fixtures, goods, chattels, equipment and personal property of Tenant on the Premises, including without limitation, any radio and communications towers, antennas, buildings and equipment which are the property of Tenant.

19. Limitation on Landlord Liability. The term "Landlord" as used in this Lease shall mean only the owner then in possession of the Property so that in the event of any transfer by Landlord of its interest in the Property, the Landlord in possession immediately prior to such transfer shall be, and hereby is, entirely released and discharged from all covenants, obligations and liabilities of Landlord under this Lease accruing after such transfer, provided that the successor landlord agrees to be liable for the same. In consideration of the benefits accruing hereunder, Tenant, for itself, its successors and assigns, covenants and agrees that, in the event of any actual or alleged failure, breach or default hereunder by the Landlord, and notwithstanding anything to the contrary contained elsewhere in this Lease, the remedies of Tenant under this Lease shall be solely and exclusively limited to Landlord's interest in the Property, and to no other property of Landlord or its agents, directors, employees, shareholders, officers, principals or affiliates. No agent, officer, director, shareholder, partner or principal (disclosed or undisclosed) of Landlord shall be liable to Tenant or Tenant's agents, employees, contractors, invitees or licensees or any other occupant of the Premises. Notwithstanding anything to the contrary contained elsewhere in this Lease, Landlord shall not be liable to Tenant and Tenant shall not be liable to Landlord for any indirect, consequential or special damages or for loss of business from whatever cause or reason.

20. Subordination and Attornment. Provided that the Mortgagee enters into a nondisturbance subordination and attornment agreement with Tenant in form reasonably acceptable to Tenant and Mortgagee, this Lease shall be subject and subordinate to the liens of all mortgages, deeds of trust and other security instruments now or hereafter placed upon the Entire Parcel or any portion thereof (said mortgages, deeds of trust, other security instruments, being hereinafter referred to as "Mortgages" and the mortgagees, beneficiaries, secured parties, and ground lessors thereunder from time to time being hereinafter called ("Mortgagees"), and to any and all renewals, extensions, modifications, or refinancings thereof, without any further act of the Tenant. If requested by Landlord, however, Tenant shall promptly execute any certificate or other document confirming such subordination. Tenant agrees that, if any proceedings are brought for the foreclosure of any of the Mortgages, Tenant, if requested to do so by the purchaser at the foreclosure sale, shall attorn to the purchaser, recognize the purchaser as the landlord under this Lease, and make all payments required hereunder to such new landlord without any deduction or set-off of any kind whatsoever. Tenant waives the provisions of any law or regulation, now or

hereafter in effect, which may give, or purport to give, Tenant any right to terminate this Lease or to alter the obligations of Tenant hereunder in the event that any such foreclosure or termination or other proceeding is prosecuted or completed.

Notwithstanding anything contained herein to the contrary, any Mortgagee may at any time subordinate the lien of its Mortgages to the operation and effect of this Lease without obtaining the Tenant's consent thereto, by giving the Tenant written notice thereof, in which event this Lease shall be deemed to be senior to such Mortgages without regard to the respective dates of execution and/or recordation of such Mortgages and this Lease and thereafter such Mortgagee shall have the same rights as to this Lease as it would have had were this Lease executed and delivered before the execution of such Mortgages.

If, in connection with obtaining financing for the Building, a Mortgagee shall request reasonable modifications in this Lease as a condition to such financing, Tenant will not unreasonably withhold, delay or defer its consent thereto, provided that such modifications do not materially adversely increase the obligations of Tenant hereunder, or materially adversely affect the leasehold interest hereby created or Tenant's use and enjoyment of the Premises, or increase the amount of rent payable hereunder.

21. Estoppel Certificates. Tenant shall, without charge, at any time and from time to time, within fifteen (15) days after receipt of request therefor by Landlord, execute, acknowledge and deliver to Landlord a written estoppel certificate, in such form as may be determined by Landlord, certifying to Landlord, Landlord's Mortgagee, any purchaser of Landlord's interest in the Entire Parcel or any other person designated by Landlord, as of the date of such estoppel certificate, the following, without limitation: (a) whether Tenant is in possession of the Premises; (b) whether this Lease is in full force and effect; (c) whether there have been any amendments to this Lease, and if so, specifying such amendments; (d) whether there are then existing any set-offs or defenses against the enforcement of any rights hereunder, and if so, specifying such matters in detail; (e) the dates, if any, to which any rent or other charges have been paid in advance and the amount of any Security Deposit held by Landlord; (f) that Tenant has no knowledge of any then existing defaults of Landlord under this Lease, or if there are such defaults, specifying them in detail; (g) that Tenant has no knowledge of any event having occurred that authorizes the termination of this Lease by Tenant, or if such event has occurred, specifying it in detail; and (h) the address to which notices to Tenant under this Lease should be sent. Any such certificate may be relied upon by the person or entity to whom it is directed or by any other person or entity who could reasonably be expected to rely on it in the normal course of business. The failure of Tenant to execute, acknowledge and deliver such a certificate in accordance with this Section 17 within fifteen (15) days after a request therefor by Landlord shall constitute an acknowledgment by Tenant, which may be relied on by any person who would be entitled to rely upon any such certificate, that such certificate as submitted by Landlord to Tenant is true and correct. Landlord will execute an estoppel certificate containing equivalent information within fifteen (15) days after Tenant's request.

22. Landlord's Access to Premises. Landlord and its agents may at any reasonable time after advance notice to Tenant and without incurring any liability to Tenant, other than liability for personal injuries and damages resulting solely from the negligence of Landlord or its agents, enter the Premises to inspect them.

23. Mechanics' Liens. In the event that any mechanics' or materialmen's liens shall at any time be filed against the Premises purporting to be for work, labor, services or materials performed or furnished to Tenant or anyone holding the Premises through or under Tenant, Tenant shall cause the same to be discharged of record or bonded within thirty (30) days after the filing thereof. If Tenant shall fail

to cause such lien to be discharged within thirty (30) days after the filing thereof, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the same by paying the amount claimed to be due; and the amount so paid by Landlord, and all costs and expenses, including reasonable attorneys' fees incurred by Landlord in procuring the discharge of such lien, shall be due and payable by Tenant to Landlord, as additional rent, on the first day of the next succeeding month. Notice is hereby given that Landlord shall not be liable for any labor or materials furnished to Tenant upon credit and that no mechanics', materialmen's or other liens for any such labor or materials shall attach to or affect the estate or interest of Landlord in and to the land and improvements of which the Premises are a part.

Pinnacle Towers, Inc., a Delaware corporation

By: _____
(Vice) President

28 Walker Associates LLC, a Maryland limited liability company

By: _____
Mark Sapperstein, Manager

District of)
) ss
Columbia)

I, Barbara H. Kemp, a Notary Public for the aforesaid jurisdiction, do hereby certify that Mark Silverstein, who is personally well known to me or satisfactorily proven to be the person who executed the foregoing instrument personally appeared before me and acknowledged said instrument to be his act and deed on behalf of 28 Walker Associates LLC, a Maryland limited liability company for the purposes contained therein.

WITNESS my hand and seal this 31st day of December, 1997.

Barbara H Kemp
Notary Public

My commission expires 6-30-2001

District of)
) ss
Columbia)

I, Barbara H Kemp a Notary Public for the aforesaid jurisdiction, do hereby certify that Jamie Dell'Appa, who is personally well known to me or satisfactorily proven to be the Vice President of Pinnacle Towers, Inc., a Delaware corporation, executed the foregoing instrument personally dated the 3rd day of December, 1997 personally appeared before me and acknowledged said instrument to be his act and deed for the purposes contained therein.

WITNESS my hand and seal this 3rd day of December, 1997.

Barbara H Kemp
Notary Public

My commission expires 6-30-2001

EXHIBIT A

Description

0.018 Acre Parcel

Lease Area

28 Walker Associates LLC

Third Election District, Baltimore County, Maryland

ne Walker, Inc.

nsylvania Avenue
Maryland 21286
tp://www.dmw.com
410 296 3333
x 410 296 4705

m of Land Planners,
Landscape Architects,
ngineers, Surveyors &
nmental Profesionals

Beginning for the same at a point situate South 72 degrees 14 minutes 44 seconds West 30.12 feet from the end of the second or North 84 degrees 41 minutes 20 seconds East 65.05 foot line of the 5687 square feet parcel of land which by deed dated August 11, 1993, and recorded among the Land Records of Baltimore County, Maryland, in Liber S.M. 9973, Folio 722, was conveyed by Sharon L. Guida, et al., to 28 Walker Associates LLC, said point also being the northeast corner of a chain link fence enclosing a communications monopole and its accompanying structures, thence binding on said fence for lines of easement through the aforesaid parcel of land, the following six courses and distances, viz: (1) South 28 degrees 39 minutes 01 second East 23.87 feet, thence (2) South 57 degrees 42 minutes 26 seconds West 17.94 feet, thence (3) South 29 degrees 16 minutes 12 seconds East 1.64 feet, thence (4) South 56 degrees 35 minutes 59 seconds West 11.80 feet, thence (5) North 29 degrees 30 minutes 12 seconds West 27.65 feet, and thence (6) North 61 degrees 23 minutes 44 seconds East 30.06 feet to the point of beginning; containing 762 square feet or 0.018 acres of land, more or less, as described by Daft-McCune-Walker, Inc., in November 1997.

Being a portion of the 5678 square feet parcel of land which by deed dated August 11, 1993, and recorded among the Land Records of Baltimore County,

Maryland, in Liber S.M. 9973, Folio 722, was conveyed by Sharon L. Guida, et al., to 28 Walker Associates LLC.

October 18, 1997

Project No. 94083.B (L94083.B)

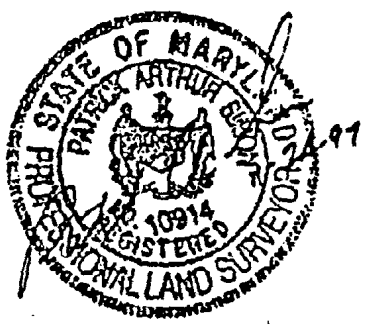
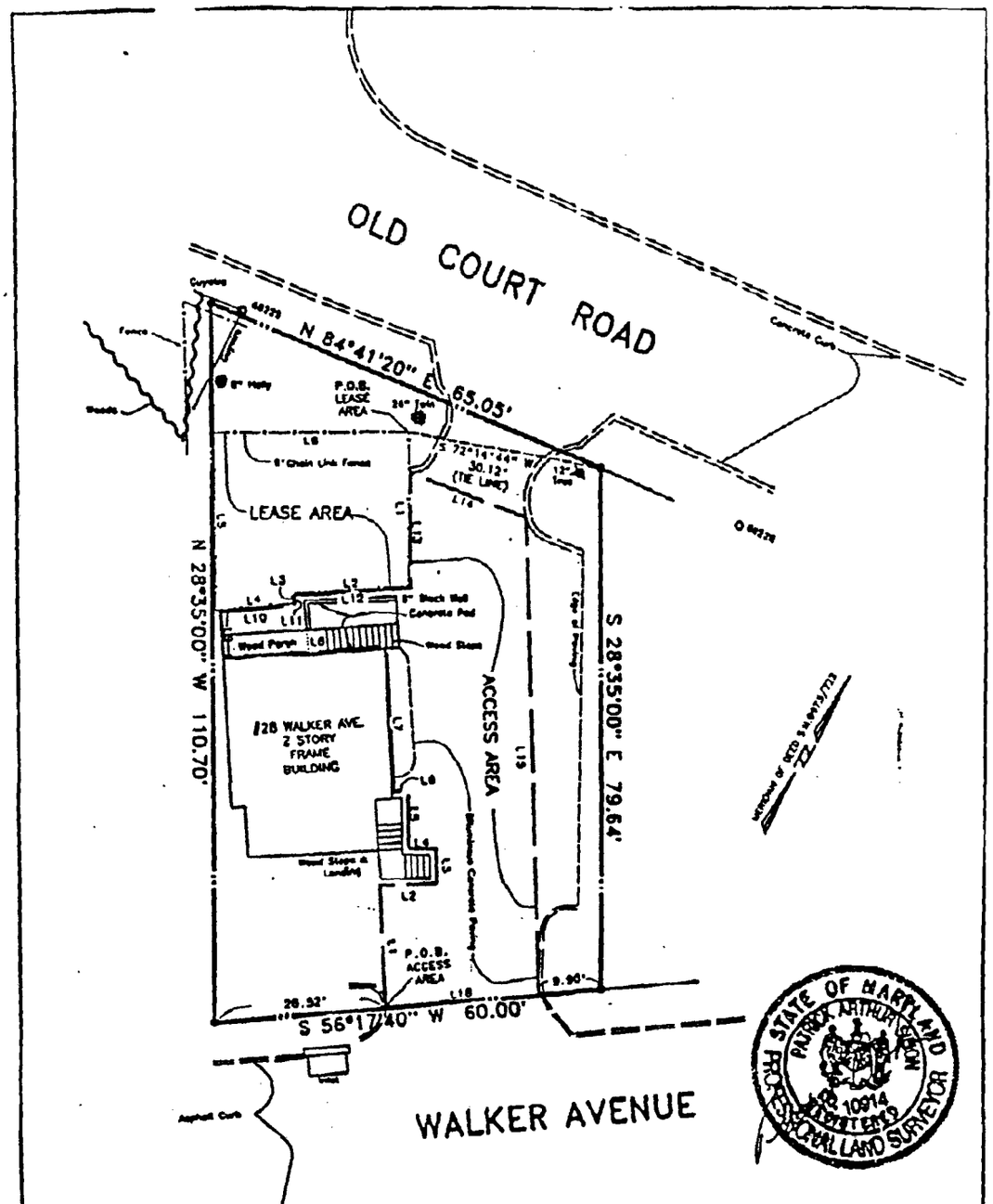


EXHIBIT A-1



LEASE AREA

Line	Bearing	Distance
L1	S 28°39'01" E	23.67'
L2	S 57°42'28" W	17.84'
L3	S 28°18'12" E	1.84'
L4	S 28°33'38" W	11.80'
L5	N 28°30'12" W	27.83'
L6	N 61°23'44" E	30.08'

Containing 782 Square Feet or 0.018 Acres +/-

ACCESS AREA

Line	Bearing	Distance
L1	N 30°51'18" W	18.71'
L2	N 59°34'00" E	8.80'
L3	N 30°07'43" W	5.48'
L4	S 82°53'21" W	6.19'
L5	N 28°45'31" W	9.08'
L6	S 56°50'25" W	2.38'
L7	N 31°30'35" W	21.35'
L8	S 57°53'36" W	24.80'
L9	N 31°30'35" W	7.32'
L10	N 58°35'58" E	11.05'
L11	N 29°18'12" W	1.84'
L12	N 57°42'28" E	17.84'
L13	N 28°39'01" W	17.65'
L14	N 82°35'22" E	18.30'
L15	S 28°36'10" E	73.02'
L16	S 56°17'40" W	23.98'

Containing 1626 Square Feet or 0.042 Acres +/-

Scale 1" = 20'

-20 -10 0 20 40 60

PLAT TO ACCOMPANY DESCRIPTION OF A PORTION OF THE

28 WALKER ASSOCIATES LLC

PROPERTY

Liber S.M. 9973 Folio 722

Baltimore County, Maryland

DMW

Daft · McCune · Walker, Inc.

A Team of Land Planners, Landscape Architects, Engineers, Surveyors & Environmental Professionals

200 East Pennsylvania Avenue
Towson, Maryland 21286
410 296 3333
Fax 296 4705

Scale: 1" = 20' Date: OCTOBER 18, 1997

Drawn by:RTD Checked by: PJL File: 9408.38 <SUR> Job No.: 9408.38

Description

0.042 Acre Parcel

Access Area

28 Walker Associates LLC

Third Election District, Baltimore County, Maryland

McCune Walker, Inc.

East Pennsylvania Avenue
Towson, Maryland 21286
http://www.dmw.com
410 296 3333
Fax 410 296 4705

A Team of Land Planners, Landscape Architects, Engineers, Surveyors & Environmental Professionals

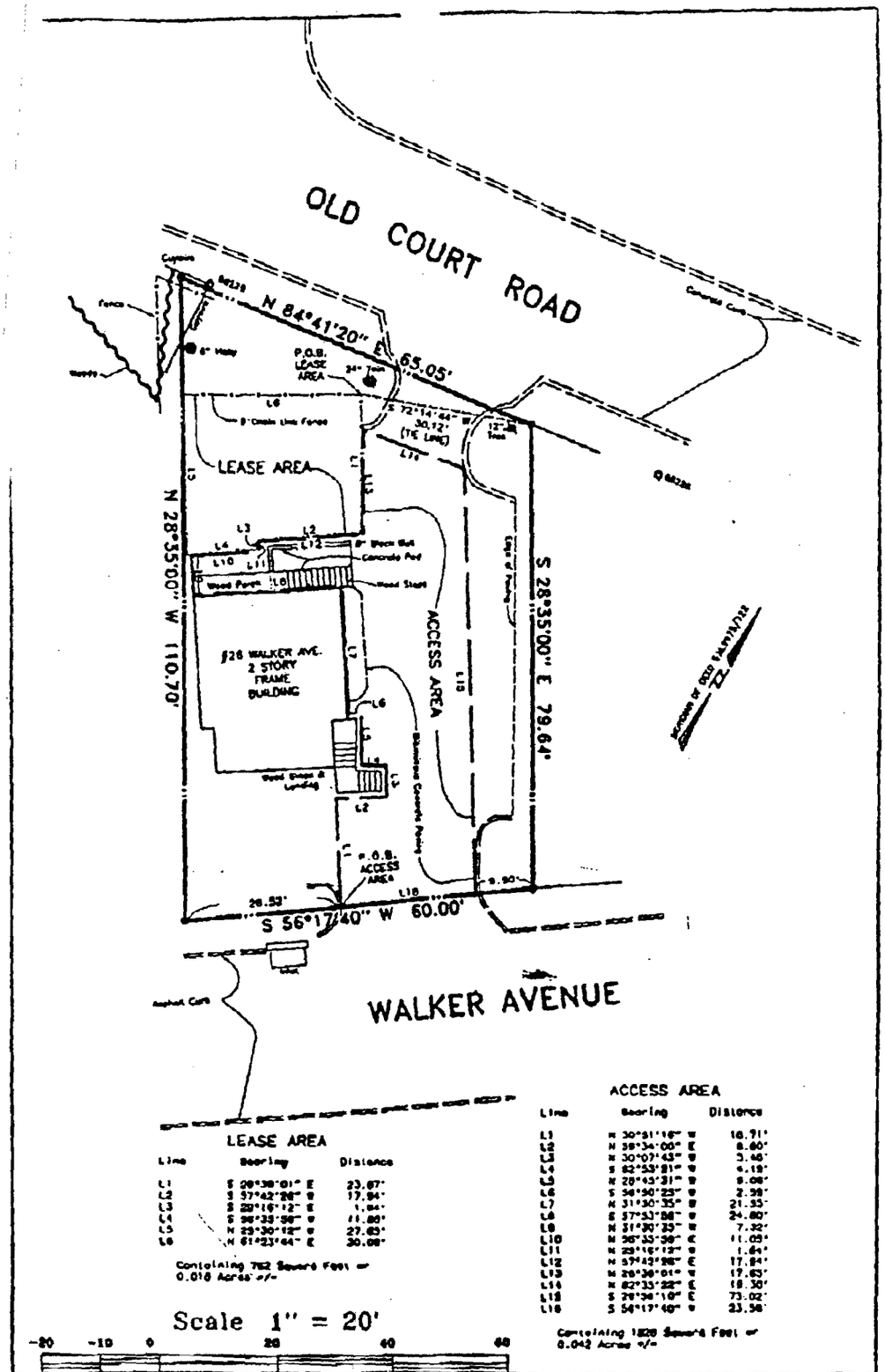
Beginning for the same at a point in the fourth or South 56 degrees 17 minutes 40 seconds West 60.00 foot line of the 5687 square feet parcel of land which by deed dated August 11, 1993, and recorded among the Land Records of Baltimore County, Maryland, in Liber S.M. 9973, Folio 722, was conveyed by Sharon L. Guida, et al., to 28 Walker Associates LLC, said point being situate North 56 degrees 17 minutes 26 seconds East 26.52 feet, measured reversely on said line from the end thereof, said point also being on the northwest side of Walker Avenue, thence leaving said line and running for lines of easement, through the aforesaid parcel of land, the following six courses and distances, viz: (1) North 30 degrees 51 minutes 16 seconds West 18.71 feet, thence (2) North 59 degrees 34 minutes 00 second East 8.80 feet, thence (3) North 30 degrees 07 minutes 43 seconds West 5.46 feet, thence (4) South 62 degrees 53 minutes 21 seconds West 4.19 feet, thence (5) North 28 degrees 45 minutes 31 seconds West 9.06 feet, and thence (6) South 56 degrees 50 minutes 25 seconds West 2.59 feet to intersect the northeast face of the two-story frame building there situate, thence binding on the northeast and northwest faces of said building, the two following courses and distances, viz: (7) North 31 degrees 30 minutes 35 seconds West 21.55 feet, and thence (8) South 57 degrees 53 minutes 56 seconds West 24.80 feet, thence leaving said face of building (9) North 31 degrees 30 minutes 35 seconds West 7.32 feet to intersect a chain link fence line enclosing a communications

monopole and its accompanying structures, thence binding on a part of said chain link fence, the following four courses and distances, viz: (10) North 56 degrees 35 minutes 59 seconds East 11.05 feet, thence (11) North 29 degrees 16 minutes 12 seconds West 1.64 feet, thence (12) North 57 degrees 42 minutes 26 seconds East 17.94 feet, and thence (13) North 28 degrees 39 minutes 01 second West 17.65 feet, thence leaving said chain link fence and continuing to run for lines of easement, the following two courses and distances, viz: (14) North 82 degrees 35 minutes 22 seconds East 19.30 feet, and thence (15) South 29 degrees 56 minutes 10 seconds East 73.02 feet to intersect the northwest side of Walker Avenue and the aforesaid fourth line of the aforesaid 5687 square feet parcel of land, said point of intersection being distance 9.90 feet from the beginning of said fourth line, thence binding on and running with a part of said fourth line, and binding on the northwestern side of Walker Avenue (16) South 56 degrees 17 minutes 40 seconds West 23.58 feet to the point of beginning; containing 1826 square feet or 0.042 acres of land, more or less, as described by Daft-McCune-Walker, Inc., in November 1997.

Being a portion of the 5687 square feet parcel of land which by deed dated August 11, 1993, and recorded among the Land Records of Baltimore County, Maryland, in Liber S.M. 9973, Folio 722, was conveyed by Sharon L. Guida, et al., to 28 Walker Associates LLC.

October 18, 1997

Project No. 94083.B (L94083B.1)



LEASE AREA

Line	Bearing	Distance
L1	S 28°35'01" E	23.67'
L2	S 57°42'28" W	17.94'
L3	S 28°16'12" E	1.84'
L4	S 56°33'56" W	11.80'
L5	N 29°30'12" W	27.65'
L6	N 61°23'44" E	30.08'

Containing 782 Square Feet or 0.018 Acres +/-

ACCESS AREA

Line	Bearing	Distance
L1	N 30°51'16" W	16.71'
L2	N 59°34'00" E	8.60'
L3	N 30°07'43" W	5.46'
L4	S 82°53'21" W	6.19'
L5	N 28°45'31" W	9.08'
L6	S 56°50'25" W	2.98'
L7	N 31°30'35" W	21.35'
L8	S 57°53'08" W	24.80'
L9	N 31°30'35" W	7.32'
L10	N 56°33'56" E	11.05'
L11	N 28°16'12" W	1.84'
L12	N 57°42'28" E	17.94'
L13	N 28°36'01" W	17.63'
L14	N 82°33'22" E	18.30'
L15	S 28°36'10" E	73.02'
L16	S 56°17'40" W	23.58'

Containing 1828 Square Feet or 0.042 Acres +/-

Scale 1" = 20'

-20 -10 0 20 40 60

PLAT TO ACCOMPANY DESCRIPTION OF A PORTION OF THE

28 WALKER ASSOCIATES LLC

PROPERTY

Liber S.M. 9973 Folio 722

Third Election District — Baltimore County, Maryland

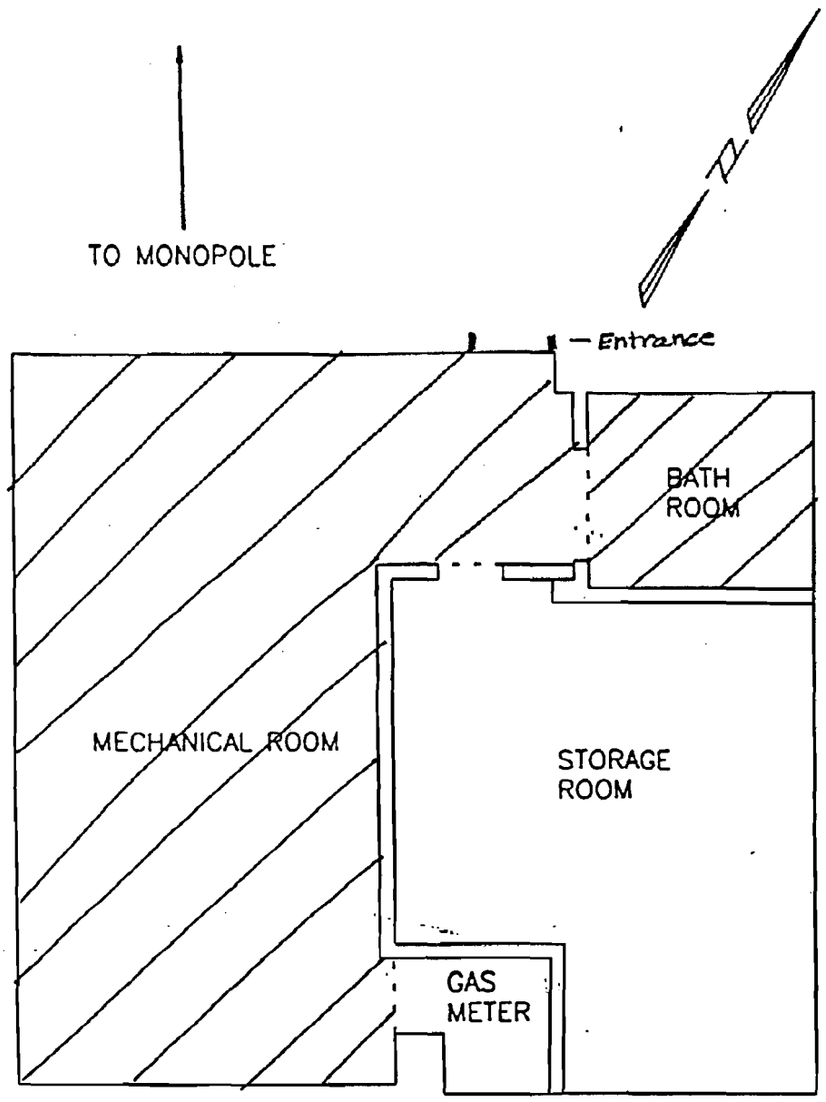
DMW

Daft - McCune - Walker, Inc.

Scale: 1" = 20' — Date: OCTOBER 16, 1997

Drawn by: — Checked by: — Fax: 9408.38 — Job No.: 940638

EXHIBIT B



BASEMENT FLOOR PLAN
OF 2 STORY FRAME BUILDING
LOCATED AT

28 WALKER AVENUE

DMW
Daft · McCune · Walker, Inc.
A Team of Land Planners, Landscape Architects, Engineers, Surveyors & Environmental Professionals
200 East Pennsylvania Avenue
Towson, Maryland 21286
410 296 3333
Fax 296 4705

Scale: 1" = 5'
Date: OCTOBER 18, 1997

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

This Subordination, Nondisturbance and Attornment Agreement ("Agreement") is entered into as of the ___ day of December, 1997 by and among 28 Walker Associates LLC, a Maryland limited liability company ("Landlord") and Pinnacle Towers, Inc., a Delaware corporation ("Tenant") and Maryland Permanent Bank and Trust Co. ("Bank").

Factual Background

A. Landlord is the owner of certain real property located in Baltimore County, Maryland, and more particularly described in the attached Exhibit A. As used herein, the term "Property" means that real property, together with all improvements (the "Improvements") located on it.

B. Bank has made a loan to Landlord in the principal amount of 400,000 Dollars (US$ 400,000.00) (the "Loan"). The Loan is evidenced by that certain Promissory Note (the "Note") made payable to Bank or to its order. The Note is secured by a deed of trust and security agreement encumbering the Property with a principal secured amount of 400,000 Dollars (US$400,000.00) (the "Deed of Trust"). Landlord as Grantor executed the Deed of Trust as of 2/20/97 to Joseph A. Martin, as Trustee, for the benefit of Bank as beneficiary. The Note, the Deed of Trust, and all other documents and instruments connected with the Loan, including this Agreement, shall be collectively referred to here as the "Loan Documents."

C. Tenant and Landlord entered into a lease dated December 3, 1997, (the "Lease"), under which Landlord leased to Tenant a portion of the Property, and more particularly described in the Lease (the "Premises").

D. Bank is willing not to disturb the Lease, provided that Tenant confirms that Tenant's rights under the Lease are subordinate to the lien or charge of the Loan Documents and agrees, among other things, to attorn to Bank on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Bank agrees not to disturb Tenant's possession under the Lease, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

1. Subordination. The Loan Documents, and all supplements, amendments, modifications, renewals, replacements and extensions of and to them, shall unconditionally be and remain at all times a lien or charge on the Property prior and superior to the Lease, to the leasehold estate created by it, and to all rights and privileges of Tenant under it. That Lease and leasehold estate, together with all rights and privileges of Tenant under that Lease, are hereby unconditionally subjected and made subordinate to the lien or charge of the Loan Documents in favor of Bank.

2. Definitions of "Transfer of the Property" and "Purchaser." As used here, the term "Transfer of the Property" means any transfer of Landlord's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser," as used here, means any transferee, including Bank, of the interest of Landlord as a result of any such Transfer of Property, and also includes any and all successors and assigns, including Bank, of such transferee.

3. Nondisturbance. So long as Tenant is not in default in the performance of the terms, provisions and conditions, beyond grace and/or cure periods, contained in the Lease and so long as Tenant observes the provisions of this Agreement:

(a) Tenant shall not be named or joined in any foreclosure, trustee's sale or other proceeding to enforce the Deed of Trust unless the joinder is required by law in order to perfect such foreclosure, trustee's sale or other proceeding (provided that such joinder does not disturb or interfere with Tenant's possession and use of the Premises and shall not affect Tenant's rights under the Lease);

(b) The enforcement of the Deed of Trust shall not terminate the Lease, disturb or interfere with Tenant's possession and use of the Premises and shall not affect Tenant's rights under the Lease; and

(c) The leasehold estate granted by the Lease shall not be affected in any manner by any Transfer or the Property or any other proceeding instituted (including but not limited to an action to remove or evict Tenant) or action taken under or in connection with the Deed of Trust, or by Bank's taking possession of the Property or the Premises in accordance with any provision of the Deed of Trust; provided that Bank, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(i) be liable for any damages or other relief attributable to any act or omission of any prior landlord under the Lease (including Landlord) with respect

to which Purchaser has not received prior written notice and except for acts or omissions which are continuing and are subject to being cured by Purchaser;

(ii) be liable for any damages or other relief attributable to any latent or patent defects in construction with respect to any portion of the Property, unless due to gross negligence or willful misconduct of Purchaser;

(iii) be liable for any consequential damages attributable to an act or omission of Purchaser with respect to which Purchaser has not received prior written notice and except for acts or omissions which are continuing and are subject to being cured by Purchaser;

(iv) be liable for any damage or other relief attributable to any breach of any representation or warranty contained in the Lease by Purchaser or any prior landlord under the Lease with respect to which Purchaser has not received prior written notice and except for breaches which affect Tenant's rights under the Lease which are continuing and are subject to being cured by Purchaser;

(v) be subject to any offsets or defense not specifically provided for in the Lease and which Tenant may have against any prior landlord under the Lease with respect to which Purchaser has not received prior written notice and except for offsets or defenses with respect to rights which are continuing to be affected and are subject to cure by Purchaser; or

4. Attornment. If any Transfer of the Property should occur, and if Tenant is not in default under the Lease, Purchaser shall be bound to Tenant and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and extensions or renewals of it which may then or later be in effect under any validly exercised extension, renewal, expansion or purchase rights contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. Tenant does hereby attorn to Purchaser, including Bank if it should become the Purchaser, as the landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments, upon Purchaser's succeeding to the interest of the landlord under the Lease and providing written notice thereof to Tenant.

5. Default By Landlord. In the event of a default by Landlord in its performance of the terms, provisions and conditions of the Loan Documents, Landlord directs Tenant and Tenant agrees to recognize the assignment of rents made by Landlord to Bank in the Deed of Trust, and to pay to Bank as assignee all rents due under the Lease, upon Tenant's receipt of written notice from Bank that Landlord is in default under the terms of the Loan Documents. Borrower hereby authorizes Tenant to accept and rely upon the validity of such direction from Bank (without the obligation of Tenant to inquire as to such validity) and waives all claims against Tenant for any sums so paid at Bank's direction. Such payments of rents by Tenant to

Bank by reason of that assignment and of Landlord's default shall continue until the first to occur of the following:

(a) No further rent is due or payable under the Lease;

(b) Bank gives Tenant notice that the default of Landlord under the Loan Documents has been cured and instructs Tenant that the rents shall thereafter by payable to Landlord; or

(c) A Transfer of the Property occurs and Purchaser gives Tenant notice of such transfer. Purchaser shall thereupon succeed to the interest of Landlord under the Lease as provided in Sections 3 and 4 above, after which time the rents and other benefits of Landlord under the Lease shall be payable to Purchaser as the owner of them.

6. Limitation on Bank's Performance. Nothing in this Agreement shall be deemed or construed to be an agreement by Bank to perform any covenant of Landlord as landlord under the Lease unless and until Bank or its agents or nominees obtains title to the Property as Purchaser or obtains possession of the Property under the terms of the Deed of Trust (by receivership or otherwise) and then only with respect to obligations accruing under the Lease during the time when Bank holds title to the Property.

7. No Merger. Landlord, Tenant and Bank agree that unless Bank shall otherwise consent in writing, Landlord's estate in and to the Property and the leasehold estate created by the Lease shall not merge, but shall remain separate and distinct, notwithstanding the union of such estates either in Landlord or Tenant or any third party by purchase, assignment or otherwise.

8. Notices of Default; Material Notices. Tenant, from and after the date of this Agreement, shall send a copy of any notice of default or similar statement under the Lease to Bank at the same time such notice or statement is sent to Landlord under the Lease. Landlord and Tenant shall send copies of all material notices given under the Lease to Bank. Such notices shall be delivered to Bank in the manner and at the addresses set forth below.

9. Limitation on Liability. Subject to the terms of the Lease, no Purchaser who acquires title to the Property shall have any obligation or liability beyond its interest in the Property. Tenant shall look exclusively to Purchaser's interest in the Property for payment and discharge of any of Purchaser's obligations under this Agreement or under the Lease. Tenant shall not collect or attempt to collect any judgment based upon such obligations out of any other assets of Purchaser. By executing this Agreement, Landlord specifically acknowledges and agrees that nothing contained in this Section shall impair, affect, lessen, abrogate or otherwise modify the obligations of Landlord to Tenant under the Lease.

10. Tenant's Estoppel Certificate. This Agreement satisfies any condition or requirement in the Lease relating to the granting of a nondisturbance agreement from Bank.

11. Integration. This Agreement integrates all of the terms and conditions of the parties' agreement regarding the subjection and subordination of the Lease and the leasehold estate created by it, together with all rights and privileges of Tenant under it, to the lien or charge of the Loan Documents. This Agreement supersedes and cancels all oral negotiations and prior and other writings with respect to such subjection and subordination (only to such extent, however, as would affect the priority between the Lease and the Loan Documents), including any provisions of the Lease which provide for the subjection or subordination of the Lease and the leasehold estate thereby created to a deed or deeds of trust or to a mortgage or mortgages. This Agreement is intended by the parties as the final expression of the agreement, and as the complete and exclusive statement of the terms agreed to by the parties, with respect to such subordination and subjection, to the extent specified in the foregoing sentence. If there is any conflict between the terms, conditions and provisions of this Agreement and those of the Loan Documents, the terms, conditions and provisions of the Loan Documents shall prevail. If there is any conflict between the terms, conditions and provisions of this Agreement and those of the Lease, the terms, conditions and provisions of this Agreement shall prevail. If there is any conflict between the terms, conditions and provisions of the Lease and those of Loan Documents, the terms, conditions and provisions of the Lease shall prevail. This Agreement may not be modified or amended except by a written agreement signed by the parties or their respective successors in interest.

12. Tenant's Property. None of Tenant's Property, including without limitation, the tower structure and equipment, shall be subject to the lien of the Deed of Trust.

13. Notices. All notices given under this Agreement shall be in writing and shall be given by overnight receipted courier, or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt or when proper delivery is refused. Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section. Service of any notice on any one Landlord shall be effective service on Landlord for all purposes.

To Bank:

Maryland Permanent Bank
9612 Reisterstown Road
Owings Mills, Maryland 21117

To Landlord:

c/o Mark Sapperstein
28 Walker Avenue
Baltimore, Maryland 21208

To Tenant:

Pinnacle Towers, Inc
1549 Ringling Boulevard, 3rd Floor
Sarasota, Florida 34236
Attention: Robert Wolsey

14. Dispute Resolution. Any controversy or claim between or among the parties which arises out of or relates to this Agreement, including any claim based on or arising from an alleged tort, shall be determined by a court of competent jurisdiction where the Property is located. The parties waive the right to trial by jury.

15. Attorneys' Fees. If any lawsuit, reference or arbitration is commenced which arises out of or relates to this Agreement, the prevailing party shall be entitled to recover from each other party such sums as the court, referee or arbitrator may adjudge to be reasonable attorneys' fees in the action, reference or arbitration, including the allocated costs for services of in-house counsel in addition to costs and expenses otherwise allowed by law.

16. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the jurisdiction where the Property is located without regard to the choice of law rules of that State. As used here, the word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to."

IN WITNESS WHEREOF, as of the day and year first above written the parties have caused these presents to be executed by their duly authorized officers, managers or appointees.

TENANT:

Pinnacle Towers, Inc.

By: Shirley M. Putnam
Name: Shirley M Putnam
Title: Asst. Secretary

LANDLORD:

28 Walker Associates LLC

By: _____
Name: Mark Sapperstein
Title: Member

BANK:

Maryland Permanent Bank and Trust Co.

By: _____
Name: Joseph A. Martin
Title: Senior Vice President

TENANT ACKNOWLEDGEMENT

)
) ss:
)

BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date Shirley M. Putnam, who being duly authorized so to do, executed said Subordination, Non-Disturbance and Attornment Agreement on behalf of Pinnacle Towers, Inc. and acknowledged the same as his free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 05 day of December, 1997.

Christina K Impariato
Notary Public

[Notarial Seal]

My Commission Expires: 07-17-98

NOTARY PUBLIC STATE OF FLORIDA
CHRISTINA KATHERYN IMPARATO
Commission CC 393174
Expires JULY 17, 1998
Alan Insurance Services
1-800-488-8040

DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT
OFFICE OF THE ATTORNEY GENERAL
217 E. REDWOOD STREET, BALTIMORE, MARYLAND 21202
410/767-6454
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MEMORANDUM

TO: Alex A. Agwuna

FROM: Susan B. Dubin

DATE: February 6, 1996

RE: Shore Communications, Inc.
Pre-Closing No. C1405
Closing No. C235

On December 19, 1995, a closing was held for a term loan from Provident Bank of Maryland (the "Lender") to Shore Communications, Inc. (the "Borrower") in the amount of $600,000 insured 20% by MIDFA not to exceed $120,000 and a guidance line in the amount of $600,000 insured 50% by MIDFA not to exceed $300,000 (the "Loans").

The proceeds of the Loans are for (a) construction (including acquisition and installation of equipment) and operation of communications towers and (b) general working capital. The Loans are secured by deeds of trust on the communications tower sites, the Borrowers, and the personal guarantees of Mark Sapperstein and Stacy Sapperstein.

Insurance premiums were waived by the Authority. I have enclosed for your file the Financing and Security Agreement, the Insurance Agreement and the Guaranty Agreement.

cc: Arthur S. Drea, Jr.
Catherine Kates
Charles McGee
Evelyn Rogers
Dennis Trencher

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

DONALD D. STONE	:	**CASE NO. 98-14069**
Plaintiff	:	**CIV-MOORE**
v.	:	
WARFIELD, LONGO, SAPPERSTEIN, et al.	:	
Defendants	:	

AFFIDAVIT OF GILBERT S. SAPPERSTEIN

I, Gilbert S. Sapperstein, depose and say as follows:

1. I am over 18 years of age and competent to testify as to the facts stated herein based on personal knowledge as to those facts.

2. I am a resident and engaged as a real estate developer in the state of Maryland. My business address is 113-15 Hamburg Street, Baltimore, Maryland, 21202. I have never had any dealings with the Plaintiff, Donald D. Stone.

3. I have never operated, conducted, engaged in, or carried on a business or business venture in the state of Florida or had an office or agency in the state of Florida.

4. I have never committed a tort in the state of Florida.

5. Although I do own a vacation home in Hillsborough Beach, Florida, I do not hold a mortgage or other lien on any real property within the state of Florida.

6. I have never contracted to insure any person, property, or risk located within the state of Florida.

7. I have never engaged in solicitation or service activities in the state of Florida as contemplated by Fla. Stat. Ann., Title IV, §48.193(f)(1).

8. No products, materials, or things processed, serviced, or manufactured by me anywhere were used or consumed in the state of Florida in the ordinary course of commerce, trade, or use.

9. I have never breached a contract in the state of Florida by failing to perform acts required by the contract to be performed in the state of Florida.

10. I have never engaged in substantial and not isolated activity in the state of Florida.

I SOLEMNLY AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THE FOREGOING AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: 3/31/15

Gilbert S. Sapperstein

#39202

CERTIFICATE OF SERVICE

I hereby certify that on January 24th 2001, a true and correct copy of the foregoing **Petition to Show Cause Why Mark C. Sapperstein Should Not Be Held In Criminal Contempt Of Court** was served by first-class mail, postage prepaid, upon the following:

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