

HANGAR LEASE
(T-Hangar and Box Hangar)

TENANT INFORMATION:

Name:
Address:
City: State: Zip:
Telephone # Alternate #
E-mail Address:

Stored Aircraft Information:
Tail No.: Year Make Model
Color (Base) Color (Trim)

Hangar ID # Initial Base Monthly Rental Rate \$ _____

LANDLORD INFORMATION:

St. Augustine - St. Johns County Airport Authority
4796 US Highway 1, North
St. Augustine, FL 32095
Phone (904) 209-0090 FAX (904) 209-0528
E-mail: ckh@sgj-airport.com

Lease Inception Date:

The Landlord and the Tenant hereby covenant and agree as follows:

SECTION 1. LEASE OF ENCLOSED HANGAR UNITS – Landlord hereby demises and leases the Hangar Unit (the Premises) indicated above, and the Tenant(s) hereby leases the Hangar from the Landlord, for the term, at the rental rate and on the conditions herein set forth. Each Tenant is jointly and severally liable as to all lease obligations.

SECTION 2. LEASE TERM – The lease term shall commence on the date indicated above and shall end the last day of the following September (one year or less), except this Lease shall automatically renew for one (1) consecutive year terms, unless otherwise earlier terminated. The lease shall not automatically renew for a successive year if the tenant has not timely paid rent or is otherwise in default. The parties' early termination rights are described in Section 27.

SECTION 3. PERMITTED USES – Hangar use shall be limited to the following aeronautical uses: 1. Storage of active aircraft; 2. Final assembly of aircraft under construction; 3. Non-commercial construction of amateur-built or kit-built aircraft; 4. Maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of nonoperational aircraft; 5. Storage of aircraft handling equipment, e.g., towbars, glider tow equipment, workbenches, and tools and materials used in the servicing, maintenance, repair or outfitting of aircraft. No other use is permitted. No commercial aviation activity shall be conducted utilizing Premises. Tenant shall promptly provide Landlord with a copy of the title or lease demonstrating Tenant's ownership or rights as a Tenant of any aircraft stored at the Premises at the time the aircraft is located on the Premises.

SECTION 4. RENT - Tenant agrees to pay Landlord the initial sum indicated above per month plus sales tax and, ad valorem tax, if applicable. Rent is due and payable on the first day of each month, in advance of use. A Late Fee of \$50.00 per month shall apply to all rents remaining unpaid after the tenth day of the month. Late fees shall be cumulative and shall not be Landlord's exclusive remedy. The rental rate may be adjusted with a minimum of thirty (30) days advanced notification of the increase having been made to Tenant. The rental rate shall also be subject to annual adjustments based on the Consumer Price Index, and from time to time the rental rate shall be adjusted to reflect Fair Market Rental Value. Each adjustment to Fair Market Rental Value shall serve as the base for subsequent annual CPI adjustments. Any such Fair Market Rental Value adjustment shall exclude sales tax in such computation.

SECTION 5. NOTICES - All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, postage prepaid, addressed as follows: if to the Tenant at the above indicated address and, if to Landlord, at 4796 U.S. Highway 1, North, St. Augustine, FL 32095. The Landlord and the Tenant may, by notice given hereunder, designate any further or different address to which subsequent notices, certificates or other communications shall be sent.

SECTION 7. COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS - Tenant will use the Premises and conduct or allow any activities upon the Premises only in compliance with all applicable laws, governmental regulations, and regulations established from time to time by Landlord.

SECTION 8. ASSIGNMENT, AND GUESTS - Tenant may not assign this lease. Tenant may not sublease or store an aircraft not owned or leased by Tenant. Guest use of the Premises for less than thirty (30) days shall not be considered a sublease provided the Tenant gives written notice to Landlord prior to Tenant's Guest use, and provides a start and end date. No Guest shall be a Guest of any Tenant for a period of 12 months following their last Guest use.

SECTION 9. INSURANCE - Insurance Types and Limits are not presently required. However, the requirement for insurance may from time to time be reviewed and determined by Landlord.

SECTION 10. INDEMNIFICATION –

a. Tenant agrees to indemnify and hold harmless the Landlord and its agents, employees and members thereof, from any claim arising out of injury to any person or damage to any property resulting from Tenant's activity upon the Premises. If there are multiple Tenants of the Premises, then each Tenant is at-risk with regard to aircraft damage and other property damage as a result of the shared leasehold. Landlord assumes no liability for risks associated with a shared leasehold.

b. Tenant shall indemnify and hold Landlord harmless against and from liability and claims of any kind for loss or damage to property of Tenant or any other person, or for any injury to or death of any person, arising out of: (1) Tenant's use and occupancy of the Premises, or any work, activity or other things allowed or suffered by Tenant to be done in, on or about the Premises; (2) any breach or default by Tenant of any of Tenant's obligations under this Lease; or (3) any negligent or otherwise tortious act or omission of Tenant, its agents, employees, invitees or contractors. Tenant shall at Tenant's expense, and by counsel satisfactory to Landlord, defend Landlord in any action or proceeding arising from any such claim and shall indemnify Landlord against all

costs, attorneys' fees, expert witness fees and any other expenses incurred in such action or proceeding. As a material part of the consideration for Landlord's execution of this Lease, Tenant hereby assumes all risk of damage or injury to any person or property in, on or about the Premises from any cause.

c. Landlord shall not be liable for injury or damage which may be sustained by the person or property of Tenant, its employees, invitees or customers, or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water or rain which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or resulting from aircraft damage or property damage resulting from sharing leased premises, whether such damage or injury results from conditions arising upon the Premises or upon other portions of the Building or from other sources. Landlord shall not be liable for any damages arising from any act or omission of any tenant of the Building.

SECTION 11. SECURITY - Landlord makes no implication or guarantees as to the provision of security of the leasehold. The Tenant is solely responsible for the security of the Premises.

SECTION 12. UTILITIES - Landlord shall pay all normal and applicable costs and charges for water and electricity, and any other Landlord provided utilities used in connection with the Premises while this lease remains in force. Any excess use or abuse will be charged to and payable by Lessee. The hangar is provided with electrical outlets for the use of the tenant. It is provided for intermittent use of small electrical devices and normal lighting. Approved devices include items such as: vacuum cleaners, fans, small handheld power tools, small intermittent use battery chargers, radios, air compressors requiring less than 15 amps of peak current draw, or similar devices. The installation or placement of items that consume electricity on a continual basis or automatically cycle on-off such as refrigerators, freezers, dehumidifiers, air conditioners, and similar devices including household appliances or devices not considered with the approved use of the Premises, are not permitted except when complying with one (1) of the following conditions and as approved in writing by the Landlord: **(a)** The Tenant has caused the installation of a separate power meter along with whatever additional modifications are required to facilitate electrical service. All modifications consistent with this provision shall have the written approval of the Landlord; shall be properly permitted with St. Johns County; and shall be installed by a licensed contractor(s) approved for such work. The ongoing cost for electrical service shall be that of the Tenant. The improvements made shall at the expiration of the lease, be completely removed and the hangar restored to a condition like that prior to modification or at the option of the Landlord, shall become a leasehold improvement and become the property of the Landlord. Modifications for power will not be approved by the Landlord to facilitate more than the total leased units by any one Tenant in any one building; **OR (b)** A monthly surcharge would be paid by the tenant. The amount of the surcharge will be per Addendum "A" of this agreement, and as modified by the Landlord at the time of renewal or automatic extension. Tenant shall not connect any apparatus with electric, water, gas or other utility except through existing electrical outlets, faucets, valves or as otherwise existing in the Premises without first procuring the written consent of Landlord, which Landlord may refuse.

SECTION 13. SIGNS - Tenant shall not affix, paint, erect or inscribe any sign, projection, awning, signal or advertisement of any kind to any part of the Premises, including without limitation, the inside or outside of windows or doors, without the written consent of Landlord, which may be withheld for any or no reason. Landlord shall have the right to remove any signs or other matter, installed without Landlord's permission, without being liable to Tenant by reason of such removal. Landlord reserves the right to name the Building and to change the name or street address of the Building and to install and maintain all signs on the exterior and interior of the Building, including ADA signage.

SECTION 14. ACCESS AND PARKING - Tenant automobile parking for personal vehicles shall be permitted within the Premises or on the access driveway to the individual hangar unit. At all times, automobile parking shall be accomplished in a manner to provide unrestricted movement of aircraft and other automobiles on common taxiways. Other parking areas may be provided by Landlord. No on-street parking is permitted. Vehicle Access to the hangar area is to be accomplished through gates designated by Landlord. No hangar access is to be accomplished utilizing the FBO Area. No automobile, wheeled vehicle or pedestrian use of airfield movement areas is permitted. At all times, vehicle surface traffic shall yield to aircraft. Tenant acknowledges that the airport is a secured facility. Tenant shall abide by any and all parking regulations and rules established from time to time by Landlord, Landlord's parking operator or other security personnel. Tenant acknowledges that any violation of the provisions of this Section may result in immediate termination of this Lease.

SECTION 15. MAINTENANCE - Landlord assumes and retains reasonable maintenance responsibilities for the Premises, building and surrounding grounds. Tenant shall maintain the interior of the hangar, including any HVAC. Tenant agrees that in the event of abuse or damage to Landlord's property the cost of repairs may be charged to the Tenant. Landlord reserves the right to facilitate all maintenance and repairs of the Premises. Landlord shall have no liability to Tenant nor shall Tenant's obligations under this Lease be reduced or abated in any manner whatsoever by reason of any inconvenience, annoyance, interruption or damage arising from Landlord's making any repairs, upgrades, renovations or changes which Landlord is required or permitted by this Lease or required by law to make in or to any portion of the Building or the Premises. Landlord shall nevertheless use reasonable efforts to minimize any interference with Tenant's use of the Premises.

SECTION 16. SOLID WASTE AND REFUSE DISPOSAL - The disposal of solid waste and refuse must be in conformance with the system of disposal used on the Airport and must comply with local and State governmental requirements, including compliance with airport recycling programs.

SECTION 17. HAZARDOUS STORAGE - No material of a hazardous or toxic characteristic shall be permitted to be stored in the Premises. This provision shall not apply to aircraft fuel and lubricants stored within an aircraft. The storage of fuel in portable containers, regardless of type, shall not be permitted in the Premises.

SECTION 18. SUITABILITY OF PREMISES - Tenant has examined the Premises before entering into this lease and does not rely upon any representations by Landlord as to the condition of the Premises or its suitability for Tenant's purposes.

SECTION 19. REMEDIES FOR DEFAULT - If Tenant fails to pay Landlord the rent required hereunder when due and said failure continues for thirty (30) days or if the Tenant otherwise fails to perform any of the Tenant's obligations hereunder and said failure continues for thirty (30) days, Landlord may declare a default and retake possession of the Premises, including retaking by but not limited to, forcible eviction. Landlord shall also be entitled to recover from Tenant any special damages to Landlord by reason of Tenant's default. The remedies specified above are not in limitation to any other remedies allowed by law. All costs incurred by Landlord in enforcing the terms of this lease shall be borne by Tenant, including reasonable legal fees. If Landlord declares a default, then the Premises shall be subject to random inspection as necessary to confirm compliance with all Airport Rules, Regulations, Policies, and this lease.

SECTION 20. AIRPORT MATTERS - This Lease is subordinate to the provision of any existing agreement between the Landlord and the United States of America, the State of Florida or their agencies, relative to the operation of maintenance of the St. Augustine - St. Johns County Airport and specifically subject to all rules and regulations of the Federal Aviation Administration and the State of Florida, the St. Augustine - St. Johns County Airport Authority.

SECTION 21. STANDARD PROTECTION CLAUSES - **(a)** Landlord reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the real property hereinafter described together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and

for use of said airspace for landing on, taking off from, or operation on the St. Augustine - St. Johns County Airport. **(b)** The Tenant expressly agrees for itself, its successors and assigns, to prevent any use of the hereinafter described real property which would interfere with or adversely affect the operation or maintenance of the airport, or otherwise constitute an airport hazard.

SECTION 22. COVENANTS - (a) As a part of the consideration for this Lease, Tenant covenants and agrees to further pay or discharge all taxes, assessments, penalties, charges, rates or liens of any nature whatsoever which may for the period following the effective date of this lease be levied, assessed, charged, imposed or claimed on or against this lease, leasehold, interest, lot or land or any improvements of fixtures thereon or appurtenances thereto, or any part thereof, or against the Owner or Owners of said land or the improvements, by reason of said ownership, by whatsoever authority levied, assessed, charged, imposed, claimed and whether the same be on or about the property herein leased, its improvements, fixtures, or appurtenances, or any part thereof, on or against the income from said land or its improvements, it being the intention of the parties to this lease that the rents herein reserved shall constitute a net income to the Landlord from said land herein leased, equal in amount to said rents. **(b)** That in the event the Tenant, without the written consent of the Landlord, shall sell, assign or in any manner encumber or pledge this lease, store any aircraft other than that indicated above, or if the Tenant shall fail to comply with any statute, ordinance, rule, order, regulation or requirement of the Federal or State governments, or the St. Augustine - St. Johns County Airport Authority, or any of their departments, or bureaus applicable to said Premises, the Landlord may immediately terminate this Lease without prior notice.

SECTION 23. RIGHT TO INSPECT – Landlord shall be entitled to maintain pass keys to access the Premises and all doors within the Premises (any doors found to not be on the Landlord's pass key will be rekeyed by Landlord at Tenant's expense). Landlord may at any time during the Term, and without prior notice to Tenant, to inspect the Premises, and to show the Premises to others having an interest in the Premises. Landlord shall have the continual right to enter the Premises for the purpose of making inspections, repairs, alterations, additions or improvements to the Premises or the Building (including, without limitation, checking, calibrating, adjusting or balancing controls and other parts of the HVAC system), and to take all steps as may be necessary or desirable for the safety, protection, maintenance or preservation of the Premises or the Building or Landlord's interest therein, or as may be necessary or desirable for the operation or improvement of the Building or in order to comply with laws, orders or requirements of governmental or other authority. Landlord agrees to use its best efforts (except in an emergency) to minimize interference with Tenant's use in the Premises. Landlord may also enter the Premises for purposes of installation and maintenance of a security camera system to be able to observe the Premises and other airport facilities.

SECTION 24. DELIVERY OF POSSESSION – If for any reason Landlord does not deliver possession of the Premises to Tenant on the Commencement Date, Landlord shall not be subject to any liability for such failure, the Expiration Date shall not change and the validity of this Lease shall not be impaired, but Rent shall be abated until delivery of possession unless such delayed possession extends for more than 20 days, whereupon Tenant may terminate this Lease and be entitled to the return of any and all deposits and rents paid or pre-paid. "Delivery of possession" shall be deemed to occur on the date Landlord tenders delivery of keys to Tenant. If Landlord permits Tenant to enter into possession of the Premises before the Commencement Date, such possession shall be subject to the provisions of this Lease, including, without limitation, the payment of Rent prorated on a per diem basis. Tenant taking possession of the Premises shall be deemed conclusive evidence that as of the date of taking possession the Premises are in good order and satisfactory condition.

SECTION 25. ALTERATIONS – Tenant shall not make any addition, alteration or improvement to the Premises.

SECTION 26. TERMINATION - Either party to this agreement may at any time terminate the agreement in advance of the expiration date by providing written notification at least thirty (30) days in advance of the proposed cancellation. If the Premises or the portion of the Building necessary for Tenant's occupancy is damaged by fire, earthquake, act of God, the elements of other casualty, or the Premises reach age of life, Landlord may terminate this Lease without advanced notice. Upon the expiration or earlier termination of this Lease, Tenant shall return the Premises to Landlord clean and in the same condition as on the date Tenant took possession, except for normal wear and tear, and in a broom clean condition. If Tenant abandons or surrenders the Premises, or is dispossessed by process of law or otherwise, any of Tenant's property left on the Premises shall be deemed to be abandoned, and, at Landlord's option, title shall pass to Landlord under this Lease as by a bill of sale. If Landlord elects to remove all or any part of such Tenant's property, the cost of removal, including repairing any damage to the Premises caused by such removal, shall be paid by Tenant. Upon termination, Tenant shall surrender all keys to the Premises.

SECTION 27. MISCELLANEOUS.

- a. *Accord and Satisfaction. Allocation of Payments.* No payment by Tenant or receipt by Landlord of a lesser amount than the Rent provided for in this Lease shall be deemed to be other than on account of the earliest due Rent, nor shall any endorsement or statement on any check or letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of the Rent or pursue any other remedy provided for in this Lease. In connection with the foregoing, Landlord shall have the absolute right in its sole discretion to apply any payment received from Tenant to any account or other payment of Tenant then not current and due or delinquent.
- b. *Attorneys' Fees.* If any action or proceeding is brought by either party against the other pertaining to or arising out of this Lease, the finally prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred on account of such action or proceeding.
- c. *Captions, Articles and Section Numbers.* The captions appearing within the body of this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Lease. All references to Article and Section numbers refer to Articles and Sections in this Lease.
- d. *Choice of Law.* This Lease shall be construed and enforced in accordance with the laws of the State of Florida. The parties waive trial by jury. Venue shall be exclusively State Court in St. Johns County, Florida.
- e. *Corporate Authority.* If Tenant is a corporation, each individual signing this Lease on behalf of Tenant represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of the corporation, and that this Lease is binding on Tenant in accordance with its terms. Tenant shall, at Landlord's request, deliver a certified copy of a resolution of its board of directors authorizing such execution.
- f. *Counterparts.* This Lease may be executed in multiple counterparts, all of which shall constitute one and the same Lease.
- g. *Prior Agreements; Amendments.* This Lease contains all of the agreements of the parties with respect to any matter covered or mentioned in this Lease, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose. No provisions of this Lease may be amended or added to except by an agreement in writing signed by the parties or their respective successors in interest.
- h. *Recording.* Tenant shall not record this Lease without the prior written consent of Landlord. Tenant, upon the request of Landlord, shall execute and acknowledge a "short form" memorandum of this Lease for recording purposes.

- i. *Severability.* A final determination by a court of competent jurisdiction that any provision of this Lease is invalid shall not affect the validity of any other provision, and any provision so determined to be invalid shall, to the extent possible, be construed to accomplish its intended effect.
- j. *Successors and Assigns.* This Lease shall apply to and bind the heirs, personal representatives, and permitted successors and assigns of the parties.
- k. *Time of the Essence.* Time is of the essence of this Lease.
- l. *Waiver.* No delay or omission in the exercise of any right or remedy of Landlord upon any default by Tenant shall impair such right or remedy or be construed as a waiver of such default. The receipt and acceptance by Landlord of delinquent Rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular Rent payment involved. No act or conduct of Landlord, including, without limitation, the acceptance of keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the Term. Only a written notice from Landlord to Tenant shall constitute acceptance of the surrender of the Premises and accomplish a termination of the Lease. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act by Tenant. Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of the Lease.
- m. *Compliance.* The parties hereto agree to comply with all applicable federal, state and local laws, regulations, codes, ordinances and administrative orders having jurisdiction over the parties, property or the subject matter of this Agreement, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment In Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.

IN WITNESS WHEREOF, the Landlord and Tenant have caused this Lease to be executed as of the date first above written.

TENANT:

LANDLORD: St. Augustine - St. Johns County Airport Authority

BY: _____

BY: _____

Cindy K. Hollingsworth, Office Manager

DATE: _____

DATE: _____