

“T” Hangar Lease

THIS LEASE is made the ___ day of _____ by and between the COUNTY OF KALAMAZOO, a municipal corporation, by and through the Kalamazoo/Battle Creek International Airport, 5235 Portage Road, Kalamazoo, Michigan 49002, hereinafter called the “Lessor” or “County,” and _____, whose address is _____, hereinafter called the “Lessee,” and additional owners and parties to this lease named on Exhibit “A” attached hereto and part of the lease, pursuant to the following terms:

1. Grant of Lease- The County grants to the Lessee the use of an aircraft storage hangar located at the Kalamazoo/Battle Creek International Airport. The T Hangar Number is_____.
2. Use of Property- The Lessee shall use the property solely for the storage of the following described aircraft, and parts, accessories, or equipment necessary to the operation of said aircraft, and for no other purposes.

Aircraft Description: _____

Aircraft Registration No.: _____

Aircraft Description: _____

Aircraft Registration No.: _____

Aircraft Description: _____

Aircraft Registration No.: _____

(If additional Aircraft Description and registration blocks are necessary, please complete the blank Description/Registration form attached as Exhibit “C”)

The Lessee warrants that said aircraft is/are owned by, or under an exclusive lease(s) to, the Lessee. The actual ownership (or interest in an exclusive lease) of an aircraft listed above is a material part of this lease. A copy of Federal Registration of Aircraft shall be provided to the Airport Administration Office for each named aircraft. The County shall have reasonable access to the Hangar for conducting repairs, inspections, maintenance, and for emergencies.

3. Term- The term of this lease shall be one (1) calendar month, automatically renewable upon the approval of the Lessor. This lease may be terminated by either party upon thirty (30) days’ written notice unless otherwise agreed to, in writing, by the parties.

4. Rent- Rent shall be \$ ____ per month, in advance. Rent shall be payable at the Airport Administration Office on or before the first day of each month. Failure to pay said rent by the tenth of any month shall, at the option of the County, and after seven (7) days' written notice to the Lessee, operate as an automatic termination of this agreement; and the County may repossess such hangar and remove therefrom any plane, equipment, and/or materials. Failure of the County to exercise the option to terminate in any given month does not operate as a waiver of that remedy in subsequent months.

Any rental payment over thirty (30) days past due shall be subject to a finance charge as specified in the most current Rates and Charges Resolution. Said rent may be changed by the County by changing the Rates and Charges Resolution. Lessee shall pay all utilities, if metered separately. If multiple hangars are metered together, utilities shall be paid by the Lessor. If utilities are Lessee's responsibility, Lessee shall maintain utility service at all times during lease. If Lessee fails to do so, utilities will revert to Lessor, and Lessor will charge Lessee actual costs plus a 5% administrative Fee. Lessee shall have 45 days from invoice date to remit payment to Lessor.

5. Fire or Other Casualty- In the event that the hangar building is destroyed or damaged by fire or other casualty with the result that it is rendered unsuitable as a hangar for the above-described aircraft, Lessee shall be relieved of obligation to pay rent for the period that the aircraft cannot be stored therein. In the event the said hangar is not repaired nor otherwise made suitable for the storage of the aircraft within a period of thirty (30) days following such damage, Lessee may cancel this lease by written notice to the Airport Director, Kalamazoo/Battle Creek International Airport. Provided that the provisions of this Section do not apply to Lessee if destruction or damage resulted from the Lessee's intentional or negligent act.
6. Damage to Aircraft While Stored- It is agreed that the County of Kalamazoo, Kalamazoo/Battle Creek International Airport, or their employees shall not be liable nor responsible to Lessee, or to any person subrogated to the rights of Lessee, for the destruction, loss, or damage to the aircraft or any components or contents thereof while the aircraft is stored in the said hangar building unless caused by the sole negligence of the County.
7. Property Damage Liability- Lessor and Lessee agree that the County of Kalamazoo, Kalamazoo/Battle Creek International Airport and/or their employees shall not be held responsible for any theft, fire, or property damage or loss occurring on the Airport premises or as a result of the use of said leased hangar unless caused by the sole negligence of the County.
8. Insurance- The Lessor shall provide no hangar insurance coverage except a policy covering the building structure only. Lessee shall provide to the County, a certificate of insurance from an insurance company qualified to do business in the

State of Michigan, with a Best rating of A or better, providing for a premises liability insurance policy on an occurrence basis with policy limits of at least One Million (\$1,000,000) Dollars to include, but not be limited to, bodily injury and property damage. The certificate of insurance shall specifically provide that the County of Kalamazoo and its officers, agents, employees, and representatives are named as additional insureds and that the insurance policy cannot be canceled without providing a thirty (30) day written notice to the County of Kalamazoo. The Lessee shall also furnish to the County of Kalamazoo a certificate of insurance covering aircraft liability with policy limits of at least One Million (\$1,000,000) Dollars. The usual words in the cancellation clause of the insurance certificates which state “endeavor to” and “failure to mail such notice shall impose no obligation or liability of any kind upon the company” shall be stricken. Failure of the Lessee to provide the certificates of insurance or receipt by the County of a notice of cancellation of the insurance policy(ies) by the Lessee’s insurance company(ies) shall constitute a material breach of contract and this contract may be terminated immediately. Current certificates of insurance shall be provided to the Airport Administration Office on an annual basis.

Additionally, it is the sole responsibility and obligation of the Lessee to ensure that each and every motor vehicle of Lessee’s and his/her guests entering upon Airport property is covered by insurance providing automobile bodily injury and property damage liability of at least Five Hundred Thousand (\$500,000) Dollars and appropriate automobile bodily injury liability coverage as governed by Michigan Law. The Lessee agrees that said proof of automobile insurance will be promptly provided upon request by the Airport Director or his/her designee.

9. Commercial Operations- Lessee agrees to use the hangar for non-commercial aeronautical purposes only and, except as provided herein, no aircraft stored therein shall be used for commercial aviation purposes unless a separate written agreement is entered into with the County. The aircraft may be leased to a fixed-base operator who is doing business on the Airport under a written agreement with the County. The lease shall be in writing and a copy shall be filed with the Airport Director. This provision does not prohibit the operation of a properly organized flying club.
10. Minimum Standards- Lessor and Lessee agree that the above-described hangar space shall not be considered as a part of the minimum building space requirements for any commercial operation as defined in the Kalamazoo/Battle Creek International Airport Rules and Regulations.
11. Rules and Regulations- Lessor and Lessee agree to comply with all rules, regulations, ordinances, or laws of the County of Kalamazoo, State of Michigan, United States Government, or the agencies thereof as the same may exist from time to time.

Each tenant shall comply with the specific provision or provisions of the Airport Security Plan which is/are applicable to T Hangars. Tenant may secure a copy of the applicable provision(s) by requesting same from the Airport Administrative Office.

Any tenant failing to comply with the Airport Security Plan requirements shall, in addition to other penalties provided by law, be liable to the County of Kalamazoo for any fine, penalty, or monetary assessment imposed on the County of Kalamazoo by the Federal Aviation Administration as a result of such tenant's failure to comply.

12. Aircraft Operation- No attempt shall be made to start or run any aircraft engine within the hangar. Under no circumstances shall any aircraft be taxied into or out of the hangar under its own power.
13. Aircraft Fueling- No fueling of aircraft shall be done in the hangar. Aircraft must also be completely out of the hangar during any fueling procedure.
14. Maintenance- No maintenance nor repair of any kind shall be performed in the hangar on any aircraft other than the one(s) named in this lease. Maintenance may only be performed as allowed by City of Kalamazoo Fire Code, Part 43, Appendix A of the Federal Aviation Regulations, and Airport Rules and Regulations. No material used for maintenance shall be stored in the hangar unless allowed under the Fire Code.
15. Hazardous Materials- No gas, oil, paint, solvents or other flammable materials will, under any circumstances, be brought into or stored in the hangar except that contained in the aircraft fuel tanks and as allowed by the Fire Code. The provisions of this paragraph do not prohibit motor vehicles or equipment, such as tugs, aircraft towing vehicles, snow blowers, etc..., from temporarily entering the Hangar in connection with the authorized use of the Hangar. Further, the provisions of this paragraph do not prohibit the use of pre-heaters inside the Hangar so long as the pre-heater is used properly and complies with applicable fire codes and no fuel (except as permitted by the applicable fire code) is stored in the hangar.
16. Repairs- Lessor agrees to repair and keep in good condition the entire hangar excepting damage caused by Lessee. Any damage caused by Lessee shall be promptly repaired and restored by Lessee in a satisfactory manner, subject to the inspection and approval of the Airport Director, or designee. In the event repairs which are the responsibility of Lessee are completed by action of Lessor, Lessee agrees to reimburse Lessor for all costs incurred. Upon initial signing of this lease, an inventory of the hangar shall be taken noting any damage incurred by previous tenants or otherwise, attached as Exhibit B to this lease. The inventory shall be signed by the Lessee and filed in the Airport Administration Office with a copy provided to Lessee. Failure to return inventory list within 7 calendar days

shall mean no damage has been noted. Any door operators or other equipment not integrated into the building are not the property of the County, and shall not be maintained by the County.

17. Lien- Lessee hereby grants the County of Kalamazoo a lien according to applicable law on the above-described aircraft and all other contents of said hangar for the payment of unpaid rent or damages, including the costs of enforcing and executing upon the lien, which arise from a violation of this agreement or any law, rule, regulation, or ordinance. Lessee also waives all rights to claims for damages against the Lessor arising from enforcement of such a lien.
18. Subletting- Lessee shall not assign, transfer, sublet nor encumber any right, title, or interest under this agreement. If the Lessee desires to pursue a sublease, the Lessee shall use, and abide by, the Sublease Form and Sublease Rules approved by the Airport Director, copies of which are available in the Airport Administration Office. A determination that Lessee has assigned, transferred, sublet or encumbered any right, title, or interest under this agreement constitutes a material breach of the lease and is grounds for immediate termination of same.
19. Substitution of Aircraft- No aircraft other than those named in this agreement shall be stored in the hangar. If the Lessee desires to store an aircraft other than the named aircraft, the Airport Director shall be supplied with a written description of the aircraft and it shall be substituted for the aircraft named in this lease. Additionally, proof of ownership by party(ies) named in this lease shall be supplied within thirty (30) days.
20. Access by Lessor- Lessor reserves the right to enter upon said premises at all reasonable times for the purpose of 1) inspection thereof; 2) to maintain, repair, or improve said premises; 3) in connection with any improvement project relating to the Airport; 4) effecting emergency measures; provided that any such activity materially reducing Lessee's use of said premises shall be subject to reasonable notice and a proportionate reduction in rents during said period. The Lessor will be responsible for any damage to stored aircraft caused by Lessor during such activities.
21. Changing of Locks and Keys- Lessee agrees that no locks will be changed or added on said hangar by Lessee. Lessor may change or add locks as deemed necessary. Lessee will be held liable for all costs incurred or damage caused in gaining access to said hangar if locks have been added or changed by Lessee. Keys will be immediately returned to the office of the Airport Administration office upon termination of this lease by either party.
22. Modifications and Additions- Lessee agrees that no modifications or additions will be made to said hangar without having secured prior written permission from the Airport Director. Lessee understands that under no circumstances will

approval be granted for work not in compliance with all applicable Federal, State, and local building codes in existence at date of request.

Any prior modifications not made by Lessor, such as, but not limited to, after-market or stand-alone door operators, heaters, or appliances are not the responsibility of Lessor to maintain or repair. Modifications or items added by any previous or current tenant, with or without aforementioned approval are not the responsibility of Lessor to maintain or repair, regardless of lease exhibit categorization.

23. Signs- No billboards, posters, or signs shall be permitted upon the exterior of the premises except such as have been approved in writing in advance by the Airport Director. A bulletin board or similar device shall be maintained near the hangar pay phone for reasonable use by the Director or Lessees.
24. Exercise of Rights- It is understood and agreed that the rights granted by this lease agreement will not be exercised in such a way as to interfere with or adversely affect the use, operation, maintenance, or development of the Airport.
25. Outstanding Agreements- This lease agreement shall be subordinate to the provisions of any outstanding agreement between Lessor and the United States relative to maintenance, operation, or development of the Airport.
26. Waivers- Waiver of any breach of any condition or covenant shall not constitute waiver of any subsequent breach of the same or different condition or covenant hereunder.
27. Invalid Provisions- If a court of competent jurisdiction declares any part, portion or provision of this Lease Agreement invalid, unconstitutional or unenforceable, the remaining parts, portions and provisions of this Lease Agreement shall remain in full force and effect.
28. Non-discrimination- The Lessee for himself/herself, his/her personal representatives, successors in interest, and assigns—as a part of the consideration hereof—does hereby covenant and agree as a covenant running with the land that 1) no person on the grounds of race, religion, color, national origin, gender, height, weight, or disability shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; 2) that in the construction of any improvements on, over, or under such land and the furnishings of service thereon, no person on the grounds of race, religion, color, gender, national origin, height, weight, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and 3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of

Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

29. Indemnification- The Lessee(s) agrees to indemnify and hold harmless the Lessor, its agents, employees, officers and representatives from all fines, costs, lawsuits, claims, demands and actions of any kind or nature, including reasonable attorney fees, which occur by reason of any wrongful act, negligence or wrongful omission on the part of the Lessee(s), its agents, employees, officers, or representatives, resulting from Lessee(s)'s use of the Airport facilities under this Lease Agreement.
30. Indemnification for Environmental Contamination- In addition to the provisions of Section 29 of this Lease Agreement, Lessee hereby agrees to defend, indemnify, and hold harmless the Lessor, its officers, directors, employees, agents, successors, and assigns, from any and all liabilities, expenses, costs (including any and all testing and remediation costs), claims, damages, and penalties (including, but not limited to, experts' and attorneys' fees), attributable to or resulting from any and all environmental contamination on or from the land, exclusive of any loss resulting from diminution in value, as well as any and all acts, errors, and omissions in connection with the Lessee's use of the storage hangar, including, but not limited to, environmental studies or remediation efforts conducted to date or to be performed hereafter or arising out of the environmental contamination or remediation of the land (including off-site disposal of materials, soil, or water). This covenant and obligation shall extend and inure to the benefit of all subsequent owners of any interest in the Lease and shall run with the land. The foregoing indemnification obligation shall not extend to any claim arising out of environmental contaminants which are brought to and introduced to the land by the Lessor or its agents, successors, and assigns during the term of the Lease. The foregoing indemnification obligation shall not extend to any claim arising out of environmental contaminants which are brought to and introduced to the land by third parties unless the third party brings or introduces the environmental contaminants to the land in connection with a contract for goods or services between the Lessee and the third party. The obligations of this Paragraph shall survive the expiration or termination of this Lease.
31. Termination for Breach- In the event of breach of any of the above covenants, the County of Kalamazoo shall have the right to terminate the lease and to re-enter and repossess said land and the facilities thereon.
32. Security Deposit- Lessee shall provide a security deposit of one month's rent for the sum total of all keys and ID/Gate cards issued to a specific hangar. This deposit shall be returned to Lessee upon receipt of all keys and ID/Gate Cards by the Airport Administration Office. Deductions may, at the discretion of the Airport Director, be made for a less-than-30-day notice, repairs beyond normal wear and tear, and/or cleaning of hangar upon vacancy.

33. Keys- Lessee shall provide the Airport Administration Office with a list of all persons holding keys and ID's to said hangar. This list shall be kept current.
34. Non-Aircraft Storage- The purpose of the T-Hangar is to store aircraft and supporting equipment, and non-motorized/non-hazardous materials if approved under the Fire Code. Lessee shall not use the T-Hangar for any purpose other than storing aircraft and supporting equipment. Lessee may leave the T-Hangar unoccupied by an aircraft for up to six consecutive months if Lessee is in the process of selling, trading, or actively searching for an aircraft to purchase. For purposes of this section, automobiles will be considered supporting equipment if the automobile is parked inside the T-Hangar while the aircraft is in use.
35. Headings- The Headings of the Sections of this Lease Agreement are provided for reference purposes only. If any discrepancy or disagreement exists between a Heading and the text of the Section, the text shall control.
36. Notices- All notices required under this Lease shall be sent by certified mail, return receipt requested, to the following address:

Lessor: Kalamazoo/Battle Creek International
 Airport Director's Office
 5235 Portage Road
 Kalamazoo, Michigan 49002

Lessee: _____

37. Entire Agreement- This Lease Agreement constitutes the entire Agreement between the Parties with respect to the subject matter identified in this lease Agreement, and no modification or revision to this Lease Agreements shall have any force and effect unless it is in writing and signed by all parties. The failure of any Party to insist on the strict performance of any condition, promise, agreement, or undertaking set forth herein shall not be constructed as a waiver or relinquishment of the right to insist upon strict performance of the same condition, promise, agreement or undertaking at a future time.
38. This Agreement shall be binding on the heirs, personal representatives, successors, and assigns of the parties hereto.

COUNTY OF KALAMAZOO
 KALAMAZOO/BATTLE CREEK
 INTERNATIONAL AIRPORT

LESSEE:

By: _____

Its: Airport Director

By: _____

Its: _____

By: _____

Its: _____

Exhibit A

By signature below, I hereby acknowledge the following individuals have permission to access the hangar without escort, and therefore will require an airport issued access badge. Additionally, pursuant to the terms of the Lease, I will advise the Airport Director's Office of any subsequent changes. Flying clubs are required to update this list annually per Airport Rules and Regulations section 16.5.

Name: _____

Name: _____

Name: _____

Name: _____

Name: _____

Lessee Signature

Lessee Signature

Exhibit B

Lease Inspection Checklist

Lease Inspection Exhibit B

Hangar# _____

Tenant _____

Tenant to Complete:

| Item | Issues noted by tenant |
|---------------|-------------------------------|
| Walls | _____ |
| Overhead Door | _____ |
| Man Door | _____ |
| Utilities | _____ |
| Other | _____ |

Tenant Signature: _____

Staff Signature: _____

Lessor to Complete

Non-Lessor installed items not maintained by Lessor:

Staff Signature: _____