

AIRPORT HANGAR LEASE

This agreement entered into herein by and between the City of Lancaster, a Wisconsin Municipal Corporation (hereinafter "Landlord") and _____, (hereinafter "Tenant"); and

WHEREAS, Landlord is the owner of the property described below, (hereinafter "Premises"); and

WHEREAS, the Landlord owns and operates an airport known as the Lancaster Municipal Airport and Tenant is desirous of leasing from the Landlord a certain parcel of land, as improved, hereinafter more fully described, on the airport for the permitted uses described within this lease; and

WHEREAS, the Tenant will use the below described property to store and maintain Tenant's aircraft and shall conduct only such aircraft maintenance on Tenant's own aircraft as performed by the Tenant or by hired help of the Tenant; and

WHEREAS, the Common Council for the City of Lancaster, Grant County, Wisconsin, has determined that it is in the owner's best interest to lease the above-referenced premises to Tenant under the terms and conditions set forth below;

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Leased Premises: Landlord hereby agrees to lease to Tenant a hangar located at 7696 Highway 35 & 61, Township of South Lancaster. The premise is a _____ square foot airplane hangar. The location is more specifically identified on the aerial photograph attached hereto as Exhibit 1.

2. Term: This lease shall commence on the date of execution and shall remain in effect for five (5) years. At the end of the term, the lease will be automatically extended for additional one year terms. The Landlord reserves the right to terminate the lease at the conclusion on the initial term or at the end of any of the one year renewal terms.

3. Rent: As consideration for the use of the premises, rights, and easements herein described, Tenant shall pay a yearly rent to the Landlord with the first year's rent due in full at the time of lease execution and subsequent years rent due on or before _____ 1st of each year:
 - a. \$ _____ for the first year of this agreement.
 - b. \$ _____ on _____ 1, 2016.
 - c. \$ _____ on _____ 1, 2017.
 - d. \$ _____ on _____ 1, 2018.
 - e. \$ _____ on _____ 1, 2019.

After the initial five year term, annual rent will increase 4% for each year renewed.

4. Use of Premises: Tenant shall have the right to the non-exclusive use, in common with others, of the airport parking areas, appurtenances and improvements, the right to use the premises to operate, maintain and store, subject to the interests of safety and convenience of all concerned, all equipment necessary for the safe hangaring of the Tenant's aircraft; the right of ingress to and egress from the premises, what shall also extend to Tenant's employees, guests and patrons; the right, in common with others authorized to do so, to use common areas of the airport, including runways, taxiways, aprons, roadways, and other conveniences for the take-off, flying, and landing of aircraft.
5. Storage and Use: Tenant has the right to store aircraft on the lease premises; however, Tenant shall not engage in any other business or operation without the written consent of the Landlord. Tenant understands that a violation of this paragraph is a material default and breach of this lease which gives the Landlord the rights set forth in paragraph 20. Both light and heavy maintenance of Tenant's aircraft, including operation of a workshop for the same, and any other uses incidental or related to such aircraft, may be performed on the premises, but not for hire. Tenant agrees that Tenant shall use the premises for no other purposes without first obtaining the written approval of the City of Lancaster. Tenant shall not use the premises for any unlawful purpose in violation of any Local, State, or Federal statute or ordinance, or of any regulation, order, or directive of any governmental agency.
6. Fuel Storage and Hazardous Materials: Tenant shall not store or maintain on the leased premises any fuels, or other hazardous materials, and agrees not to dispose of same on the airport premises. Tenant is permitted, however, to store lube oil, cleaning solvents, and paints in approved, closed containers. The Landlord may, in its discretion, prohibit or impose restrictions on the storage of said material if, in the Landlord's opinion, the storage is deemed a safety hazard. Disposing of any petroleum products on any portion of the premises shall be cause for immediate termination of the lease at Landlord's discretion.
7. Quiet Enjoyment: The Landlord covenants that upon paying the rent and performing the covenants and conditions herein contained, Tenant shall peacefully and quietly have, hold, and enjoy the leased premises for the term of this lease. Tenant agrees that temporary inconveniences, such as noise, disturbances, traffic detours and the like, caused by or associated with the construction of premises improvements or premises events shall not constitute a breach of quiet enjoyment of the leased premises.
8. Signs: The Tenant agrees that no signs or advertising matter may be erected without the consent of the Landlord.
9. Maintenance of Buildings: The Tenant will maintain the structures occupied by them in good order and make such repairs as are necessary. Tenant shall provide all janitorial services within its' leased hangar. Tenant agrees that there will be no outside storage of equipment, materials, or supplies on the leased premises. Tenant further agrees not to deposit any trash, garbage, etc. on any part of the premises. In the even Tenant fails to comply with this paragraph, the Landlord may notify the Tenant in writing that such

maintenance, cleaning, repair or replacement shall be done, and in the event that Tenant fails to correct the condition within fifteen (15) days of the Landlord's written notice, the Landlord may enter the hangar premises of Tenant and provide the necessary custodial service and bill the Tenant for the expense thereof.

10. Utilities: The Landlord shall provide for electrical and water service to the premises. The cost to provide said services shall be included in the rent so long as the Tenant uses a reasonable amount of electricity and water.
11. Snow Removal: The Landlord agrees to provide snow removal service to the Tenants leased premises in the hangar area, except within three (3) feet of hangar door. Snow removal shall be accomplished only after all runways, apron, and primary taxiways have first been cleared.
12. Laws and Ordinances: Tenant shall comply with, at its own cost and expense, all applicable federal, state, or local laws, ordinances, rules or regulations of the Airport now in effect or hereinafter promulgated. Any violation of this paragraph shall be construed as a material breach of the lease authorizing the termination thereof at the election of the Landlord, unless Tenant, upon receipt of written notice, takes immediate remedial measures acceptable to the Landlord.
13. Risk of Operation: Tenant takes possession of the premises subject to the hazards of operating, maintaining, and storing an aircraft and assumes all risks of accidents to himself, his family, employees and agents in the pursuance of said uses detailed in paragraphs 4 and 5 of this lease. Further, Tenant agrees that Landlord shall in no way be liable for any damages or losses due to any reason other than those set forth in this lease or by virtue of a reckless or negligent act by the Landlord.
14. Airport Development: The Landlord reserves the right to further develop or improve the landing area and common areas of the airport as it sees fit, regardless of the desires or view of the Tenant, and without interference or hindrance.
15. Return of Possession: At the termination of this lease, Tenant shall surrender peaceable possession of the property to Landlord in as good of condition as when Tenant entered into this agreement, reasonable wear and tear accepted.
16. Access by Landlord: Tenant shall allow Landlord to enter upon the premises at any reasonable time for purposes such as but not limited to inspecting, repairing, or showing the premises to third parties.
17. Insurance:
 - a. Liability Insurance: The Tenant agrees to obtain and keep in force and effect during the term of this lease a policy of comprehensive liability insurance. The policy shall be issued by a company licensed to do business in Wisconsin and shall insure the Tenant against loss

from liability to the amount of at least \$1,000,000 of combined single limits for bodily injury or death of any individual and for property damage. Said policy shall name the Landlord as an additional insured. Tenant shall carry Fire Legal Liability coverage in an amount of at least equal to the replacement value of the leased building. A certificate of insurance evidencing this coverage shall be provided by the Tenant to the Landlord at the time of execution of this Lease and is shall be attached hereto as Exhibit 2. Said coverage shall remain in effect until the termination of this lease.

- b. Property Insurance: The Tenant may elect to carry appropriate property insurance to cover any and all property of any description either owned by the Tenant or for which the Tenant is responsible. This property, to be insured by the Tenant for physical damage, shall include any and all property of any type or description. If the Tenant elects not to insure pieces of property for physical damage, the Tenant shall solely be responsible for assuming the financial consequences of any type for any and all loss by any means or cause. In the case of loss of this property by any means or cause, the Tenant shall waive all of its rights of subrogation against the Landlord, its officers, directors, employees, and agents.
18. Indemnity Regarding Use of Property: Tenant agrees to indemnify, hold harmless and defend Landlord from and against any and all losses, claims, liabilities and expenses, including reasonable attorney fees, if any, except those caused by negligence of the Landlord, which Landlord may suffer or incur in connection with Tenant's use of the premises.

Indemnification and Hold Harmless: Tenant also agrees that it will not hold the City of Lancaster or any of its agents, employees, or officials responsible for any loss occasioned by fire, theft, rain, windstorm, hail or from any other cause, whether that cause be the direct, indirect, or merely a contributing factor in producing the loss to any airplane, automobile, personal property, parts or surplus that may be located or stored in the hangars, offices, aprons, field, or any other location at the airport. Tenant further agrees that the planes, and their contents are to be stored at Tenant's risk. Further, Tenant agrees to indemnify Landlord, its agents, officers, representatives, and employees, against all liability of any nature arising directly or indirectly out of the activities of Tenant, its agents, servants, guests, or business visitors under this agreement or by reasons of any act or omission of those people.

19. City of Lancaster Not Responsible for Acts or Omissions of Third Parties: The City of Lancaster shall not be responsible or liable to Tenant for any loss or damage that may be occasioned by or through either the acts or omissions of persons occupying any part of the hangar adjacent to the premises, or tenants in any other part of the hangar or improvements on the premises under any subleases then in effect. Nothing shall preclude Tenant from bringing any action necessary to obtain damages from third parties on the premises if damages are incurred by the Tenant as a result of the actions of such third parties.
20. Defaults: Any defaults in any of the terms of this lease shall be grounds for termination of the Lease by the non-defaulting party. If Tenant shall default by failing to provide any of the insurance required by the terms of this lease to be provided by the Tenant, or shall fail

to make any payment required by them by this lease, Landlord may give notice of default. If Tenant does not cure such default within fifteen (15) days after the receipt of such notice, Landlord may terminate this lease and remove Tenant. If Tenant defaults in any other condition of this lease, Landlord shall give notice of such default and if such default is not cured by Tenant within thirty (30) days after the receipt of such notice, this lease may, at the option of the Landlord, be terminated and possession of the premises recovered. In any litigation to enforce the terms of this lease, Landlord may recover all costs, damages and expenses suffered by Landlord by reason of Tenant's default, including attorney fees to the extent permitted by law. As an alternative, Landlord may elect to cure any default and add the cost of such cure to Tenant's rent and recover the same at the next rent paying period, and in case of failure to so recover such amount, it shall be additional damages recoverable by the Landlord in a suit to enforce this lease.

- 21. Cumulative Right: The rights of the parties under this lease are cumulative and shall not be construed as exclusive unless otherwise required by law.
- 22. Assignability: Tenant may not assign this lease or any other interest in the premises without the written consent of the Landlord.
- 23. No Agency or Partnership: Nothing in this lease shall be construed to create any type of partnership, agency or any other type of relationship between the parties other than Landlord/Tenant.
- 24. Notices under this lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:
 - i. Landlord: Steve Winger
City Administrator
206 South Madison Street
Lancaster, WI 53813
 - ii. Tenant: _____

Such address may be changed from time to time by either party by providing notice as set forth above.

- 25. Entire Agreement/Amendment: This lease contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This lease may be modified or amended in writing, if the writing is signed by the party obligated under the agreement.
- 26. Subordination Clause: This lease shall be subordinate to the provisions of any existing or future agreement between the Landlord and the United States or the State of Wisconsin relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the

development of the airport. Furthermore, this lease may be amended to include provisions required by those agreements with the United State or the State of Wisconsin.

27. Severability: If any portion of this lease shall be held invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this lease is invalid or unenforceable, but that by limiting such provisions it would become valid and enforceable, then such provision shall be deemed to be written, construed and enforceable as so limited.

Dated: _____

Dated: _____

City of Lancaster by:

Steve Winger, City Administrator
