

**SAMPLE
HANGAR AREA LEASE**

This agreement, made and entered into on the date indicated below by and between the _____, (State), a municipal corporation, hereinafter called the Lessor, and _____, hereinafter called the Lessee.

WHEREAS, the _____ owns and operates an airport known as the _____ and Lessor is desirous of leasing to the Lessee a certain parcel of land on the said airport hereinafter more fully described, for the purpose of aircraft storage.

WHEREAS, the Lessee will use the below described property for the purpose of storing aircraft and shall conduct only such aircraft maintenance on its own aircraft as performed by the Lessee or by regular employees of the Lessee.

NOW, THERFORE, for and in consideration of the rental charges, covenants, and agreements herein contained, the Lessee does hereby lease from the Lessor and the _____ does hereby grant, demise and lease unto the Lessee the following premises, right, and easements on and to the airport upon the following terms and conditions:

1. Property Description: The _____ does hereby grant, demise and lease unto Lessee the following described tract of land at said airport with respect to which Lessee is to have for the term of this lease the exclusive use of said tract described as follows: (Here describe the property leased. Include lot # from Land Use Map and square footage of land.)

2. Hangar Construction: The Lessee shall have the right to erect, maintain and alter buildings or structures upon said premises providing such buildings or structures conform to the Building code Requirements of the (State Industrial Commission or Agency) and any (city, county, or town) ordinance now or hereafter in effect. All plans for such buildings or structures shall be reviewed and approved by the said Airport Committee/Commission. Title to the buildings erected by the Lessee shall remain with the Lessee and shall be transferable.

3. Term: The term of this lease shall be for a period of _____ years commencing on _____.

4. Rent: The Lessee agrees to pay to the Lessor for the use of the premises, rights,

and easements herein provided for, a yearly rental of _____ cents per square foot for the land leased, for total annual charge of \$ _____, payable on _____. It is understood and agreed that the rental rate herein specified shall be subject to re-examination and readjustment at the end of each three-year period of this lease, provided that any readjustment of present rates shall be reasonable.

- 5. Non-Exclusive Use:** The Lessee shall have the right to the non-exclusive use, in common with others, of the airport parking areas, appurtenances and improvements thereon; the right to install, operate, maintain and store, subject to the approval of the Lessor in the interests of safety and convenience of all concerned, all equipment necessary for the safe hangaring of the Lessee's aircraft, the right of ingress to and egress from the demised premises, which right shall extend to Lessee'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, taxiing and landing of aircraft.
- 6. Laws and Regulations:** The Lessee agrees to observe and obey during the term of this lease all laws, ordinances, rules and regulations promulgated and enforced by Lessor, and by other proper authority having jurisdiction over the conduct of operations at the airport.
- 7. Hold Harmless:** The Lessee agrees to hold the Lessor free and harmless from loss from each and every claim and demand of whatever nature made upon the behalf of or by any person or persons for any wrongful act or omission on damages by reason of such acts or omissions.
- 8. Insurance:** The Lessee shall carry liability insurance on the premises in the amount of \$ _____ and a copy of the said policy is to be filed with the airport manager and kept in full force and effect at all times during the term of this lease.
- 9. Maintenance of Buildings:** The Lessee will maintain the structures occupied by him and the surrounding land premises in good order and make such repairs as are necessary. In the event of fire or any other casualty, the owner of any such structure so affected shall either repair or replace the building or restore the leased land to its original condition, or remove the damaged building and restore the leased area to its original condition; such action must be accomplished within 120 days of the date the damage occurred. Upon petition by the Lessee, the Lessor may grant an extension of time if it appears such extension is warranted.
- 10. Right to Inspect:** Lessor reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this agreement.
- 11. Taxes:** Lessee shall pay all taxes or assessments that may be levied against the personal property of the Lessee or the buildings which he may erect on lands leased exclusively to him.
- 12. Signs:** Lessee agrees that no signs or advertising matter maybe erected without the consent of the Lessor.

- 13. Default:** Failure on the part of Lessee to pay the rent hereunder within 30 days after same shall become due shall authorize Lessor, at its option and without legal proceedings, to declare this lease void, cancel the same, and re-enter and take possession of the premises. Also if Lessee shall violate any of the restrictions in this lease, or shall fail to keep any of its covenants after written notice to cease such violation and shall fail to correct such violation within thirty days, the Lessor may at once, if it so elects, terminate the same and take possession of the premises.
- 14. Snow Removal:** Lessor agrees to provide snow removal services to the Lessee's leased premises in the Hangar area.
- 15. Lease Transfer:** Lessee may not, at any time during the time of this lease, assign, hypothecate or transfer this agreement or any interest therein, with out the consent of the Lessor. The Lessor shall have the first option to purchase at the termination of the lease.
- 16. Airport Development:** The Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee, and without interference or hindrance. If development of the airport requires the relocation of the Lessee, the Lessor agrees to provide a compatible location and agrees to relocate all buildings or provide similar facilities for the Lessee at no cost to the Lessee.
- 17. Approach Protection:** The Lessor reserves the right to take any action it considers necessary to protect the aerial approaches to the airport against obstruction, together with the right to prevent the Lessee from erecting or permitting to be erected any building or other structure on the airport which, in the opinion of the Lessor, would limit the usefulness of the airport or constitute a hazard to aircraft.
- 18. Subordination Clause:** The lease shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States, 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.
- 19. Arbitration:** Any controversy or claim arising out of or relating to this Lease or any alleged breach thereof, which cannot be settled between the parties, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the dispute rendered by the arbitrator(s) shall be final and binding on the parties.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals
 this _____ day of _____, 19_____,
 in the city of _____:

IN THE PRESENCE OF:

Subscribed and sworn to before me
this _____ day of _____, 19_____

Notary

My Commission Expires: _____

LESSOR:

By: _____

By: _____

LESSEE:
