

AIRPORT LEASE

T-HANGAR

THIS LEASE is made between the City of Minot, North Dakota, a municipal corporation, hereinafter called the "City" and Jason Nelson, hereinafter called the "Tenant".

It is agreed:

The City hereby leases to the Tenant T-Hangar No. 5 located at the City of Minot International Airport.

The lease term will commence immediately and continue on a month-to-month basis until cancelled by either Party.

Tenant shall pay the City monthly rent in the amount of **\$75.00** a month, with each month's payment to be made in advance. If this lease commences on a date other than the first of the month, then the first month's rent shall be pro-rated. Tenant will also pay immediately a deposit equal to one month's rent as security against unpaid rent, damages, and any necessary cleaning expenses.

The Tenant may use the hangar only for the purpose of storing an aircraft owned by Tenant or in which there is an ownership interest. If requested, Tenant shall provide the Airport Director with proof of ownership. The hangar may not be used for the storage of pails, barrels, boxes, chemicals, tanks, refuse, junk, aircraft parts, or other such items. The Tenant shall exercise good housekeeping practices both within the leased hangar and exterior. The City, in addition to the remedies provided for hereafter with regard to a breach of this lease, shall have the right to give notice to the Tenant to perform specified clean-up work. If the work is not performed within three (3) days following the day when

notice was given, not counting the day of notice itself, the City may do the work. All expenses incurred by the City for such clean-up work shall be an additional rent charge to the Tenant; payable within five (5) days after notice of the amount due is given to the Tenant, not counting the day when notice was given.

The City provides hangar space as an incidental service to promote use of the airport, and if the Tenant does not store their aircraft in the hangar for a period of sixty (60) or more consecutive days, the City may elect to declare this lease to be forfeited and may relet the space. The procedure to declare forfeiture shall be the same as provided hereafter with regard to default on the part of the Tenant or a breach of the lease agreement by the Tenant.

The Tenant may not perform any major maintenance on aircraft or on any other mechanical equipment or machinery. Minor maintenance is permitted such as replacing spark plugs or changing oil.

Under FAA regulations, it is necessary that the hangar be equipped at all times with an approved and functioning fire extinguisher. As additional consideration, the Tenant shall provide the extinguisher during the term of this lease. In this paragraph approved means approved by the fire marshal of the City of Minot or his designee.

In order for the City to have access to the hangar in the event of fire or other emergency, and because of the retained right of entry provided hereafter, it is necessary that only City supplied locks be used on the hangar doors so that the City's master key will operate the locks. The Tenant will not change these locks.

If the Tenant fails to remove their personal property at the termination of this lease,

it may be removed by the City and stored elsewhere at the Tenant's expense or discarded if it appears to be of no worth or value. Upon termination of this lease the Tenant is obligated to the City and the City may claim, and the Tenant hereby grants, a lien on or security interest in the personal property to secure the obligation.

This lease may not be sublet or assigned and any attempted assignment or subletting shall constitute a breach of this lease.

The City retains a right of entry at all times without notice to show the hangar, to respond to emergencies, to inspect the hangar for needed repair work and to repair the hangar if in its sole judgment repairs for which it is responsible are required, to inspect the hangar for violations of this lease, and for all other lawful purposes. The Tenant shall not prevent or hinder the City from exercising this right of entry.

The Tenant has had an opportunity to inspect the hangar and leases it in its present condition. Tenant shall repair all damage caused by the Tenant to the hangar at the termination of this lease, reasonable wear and tear excepted, unless the damage to the hangar was attributable to action or inaction on the part of the City or some other third party over whom the Tenant had no control.

The Airport Director shall have the authority to issue additional regulations pertaining to the use of the hangar and the Tenant shall abide by these as well as all applicable FAA regulations.

In the event the Tenant becomes in default under this lease or breaches its provisions, Tenant shall be given notice of such default and shall have three (3) days grace period thereafter, exclusive of the day of notice, to contest the occurrence of the default or breach. If Tenant fails to do so, or if the default or breach is established

pursuant to the next paragraph, the City may elect to terminate this lease and to relet the premises, without thereby waiving any claims it may have against the Tenant. Alternatively, the City may waive a default or breach and allow Tenant to cure the default or breach without being required thereafter to waive the same or any other default or breach.

The Airport Director shall have the final and conclusive authority to determine whether a default or breach of this lease has occurred, or has been timely cured, and he shall have the final and conclusive authority otherwise to interpret the provisions of this lease, assuming always that his decisions in that regard are made in objective good faith.

The Tenant shall have the right to terminate this lease at the end of the month following the month in which the Tenant gives the City notice of election to terminate the lease. Tenant must pay the rent for the month in which the lease terminates pursuant to this paragraph.

The City shall have the right to terminate this lease at the end of the month following the month during which the City gives notice to the Tenant of such termination.

Tenant agrees to indemnify the City and hold it harmless with respect to all claims, damages, and costs (including the costs of defending or bringing a legal action) arising out of the use or leasing of the hangar space by the Tenant.

Notice by the City shall be deemed to be given on the day when it is mailed to the Tenant

at the following address: **PO Box 3230, Minot, ND 58702**

Effective this 15 day of April, 2017.

CITY OF MINOT,
A municipal corporation

Witness

Barney, Mayor

Chuck

TENANT

Witness

BY: _____

Jason Nelson