JNU Hangar Lease Agreement

Appendix A: Property Description & Additional Lease Provisions

Authorized Use of Property

The Leased Premises shall be used exclusively for the indoor parking, storage and routine, light duty maintenance of private aircraft, and related aviation purposes. Any other use is prohibited. Storage outside the hangar facility is prohibited. For this purpose, Lessee is authorized to construct and/or maintain a hangar facility, at no cost to the City, as provided in this Lease.

Vehicle(s) used to access the Leased Premises must be parked entirely on the Leased Premises so as not to obstruct adjoining roadways and taxi lanes. Parking or storage of boats, trailers, additional vehicles or non-aviation related equipment is strictly prohibited, unless specifically authorized in writing by the Airport Manager.

No use, storage or distribution of heating fuel, aircraft fuel or other flammable liquids or hazardous substances in a manner that violates city, state or federal law or regulation or that disregards the warnings, directions or other specifications for the substance shall be permitted on the Leased Premises. Lessee sake or distribution of fuel is prohibited on the Leased Premises.

Events Constituting Default

The City may consider any of the following events to be default under this Lease:

- 1) Failure to comply with any term of the Lease.
- 2) Any unlawful or unauthorized use of the Leased Premises.
- 3) Failure to comply, after notice, with any part of the Lessee's assets; or
- 4) Any institution of proceedings in bankruptcy against the Lessee; provided, however, that the Lessee may defeat such termination if the petition is dismissed within sixty (60) days after the institution thereof; or
- 5) The filing of petition requesting a court to take jurisdiction of the Lessee or its assets under the provision of any Federal reorganization act which, if it is an involuntary petition and is not dismissed within sixty (60) days after its being filed; or
- 6) The filing of a request for the appointments of a receiver or trustee of the Lessee's assets by court of competent jurisdiction, which if the request made by the Lessee is not rejected within sixty (60) days after being made, or the request for the appointment of a receiver or trustee of the Lessee's assets by a voluntary agreement with Lessee's creditors.

Appendix B: Airport Specific Lease Provisions

Federal, State, and Local Law

Lessee, at its own expense, shall comply with all statutes, laws, ordinances, orders, directives, regulations and requirements of the federal, State, and local governments and the rules and regulations, and directives, which may be applicable to Lessee's operation at the Airport. Lessee shall comply with all rules and regulations issues by an insurer or underwriter applicable of nuisance or violations in, upon, or connected with the Leased Premises during the term of this Lease and for the prevention of fires.

Appendix C: Lease Provisions Required by CBJ 53.20

Terms and Conditions of Leases required by CBJ 53.20.190

As required by CBJ 53.20.190, the following terms and conditions govern all Leases and are incorporated into this Lease unless modified by resolution of the assembly for this specific Lease. Modifications of the provisions of this appendix applicable to this specific Lease, if any, must specifically modify such provisions and be supported by the relevant resolution to be effective.

Lease Utilization

The Leased Premises shall be utilized only for purposes within the scope of the application and the terms of the Lease, and in conformity with the provisions of the city and borough code, and applicable state and federal laws and regulations. Utilization or development for other than the allowed uses shall constitute a violation of the Lease and subject the Lease to cancellation at any time.

Subleasing

The Lessee may sub-lease lands or part thereof Leased to him hereunder; provided, that the proposed sublessee first applies to City for a permit therefor; and further provided, that the improvements on the Leased Premises are the substantial reason for the sub-lease. Leases not having improvements thereon shall not be sublet. Sub-leases shall be in writing and be subject to the terms and conditions of the original Lease; all terms, conditions, and covenants of the underlying Lease which may be made to apply to the sub-lease are hereby incorporated into the sub-lease.

Assignments

Any lessee may assign Leased to him; provided, that the proposed assignment shall be first approved by City. The assignee shall be subject to all of the provisions of the Lease. All terms, conditions, and covenants of the underlying Lease which may be made applicable to the assignment are hereby incorporated into the assignment.

Cancellation and Forfeiture

- A) The Lease, if in good standing, may be canceled in whole or in part, at any time, upon mutual written agreement by the Lessee and City.
- B) City may cancel the Lease if it is used for any unlawful purpose
- C) If the Lessee shall default in the performance or observation of any of the Lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force, or any of the provisions of this code, and should the default continue for thirty calendar days after service of written notice by the city and borough without remedy by the Lessee of the conditions warranting default, the city and borough may subject the Lessee to appropriate legal action including, but not limited to, forfeiture of the Lease. No improvements may be removed by the Lessee or other person during any time the Lessee is in default.

D) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of City with the approval of the assembly constitute grounds for cancellation.

Compliance with Regulations and Code

The Lessee shall comply with all regulations, rules, and code of the city and borough of Juneau, and with all state and federal regulations, rules and laws as the code or any such rules, regulations or laws may affect the activity upon or associated with the Leased Premises.

Inspection

The Lessee shall allow an authorized representative of the city and borough to enter the Leased Premises for inspection at any reasonable time.

Appendix D: Standard Provisions

Unsafe Use

The Lessee shall not do anything in or upon Leased Premises, not bring or keep anything therein, which will unreasonably increase or tend to risk of fire or cause a safety hazard to persons or obstruct or interfere with the rights of any other tenant(s) or in any way injure or annoy them or which violates or causes violation of any applicable health, fire, environmental or other regulation by any level of government.