

Jasper County Airport
2326 West Clark Street
Rensselaer, IN 47978
219.866.2100



Jasper County Airport Authority
Lease of Real Estate

THIS AGREEMENT, made and entered into this ____ day of _____, 20 ____, by and between the Jasper County Airport Authority, hereinafter referred to as Lessor, and _____, hereinafter referred to as Lessee;

WITNESSETH:

WHEREAS, Lessor owns and/or operates in Jasper County, State of Indiana, an airport known as Jasper County Airport and said Lessor is desirous of leasing to Lessee certain premises hereinafter more fully described and located on said airport, together with the rights to use and enjoy individually and in common with others all facilities referred to herein; and

WHEREAS, Lessee will engage in the aviation activity hereinafter more specifically set out, and Lessee desires to lease a portion of said premises and rights from Lessor,

NOW, THEREFORE, for and in consideration of the rights, covenants and agreements herein contained, Lessor does hereby lease, demise, grant and let unto Lessee, and Lessee does hereby hire, take and lease from Lessor, the following premises, rights and easements on and to the airport upon the following terms and conditions, to-wit:

- (1) Lessor does hereby lease and demise to Lessee the following described parcel of real estate at Jasper County Airport:

See attached Exhibit "A"

for a term of twenty (20) years, commencing on the ____ day of _____, 20 ____, and terminating on the ____ day of _____, 20 ____, unless sooner terminated according to the terms hereof. The rental charged may be adjusted by Lessor every five (5) years. Said rental shall be commensurate with comparable rents being charged at the time for land by Lessor.

Lessee shall have an option to renew this lease for an additional ten (10) years at the price per square foot being charged to similarly situated tenants at Jasper County Airport at that time. To exercise said option, Lessee shall notify Lessor by certified mail sixty (60) days prior to the expiration of this lease.

Upon expiration of this lease, Lessor shall have the option to purchase the hangar at the price:

- (a) Which may be mutually agreed upon between the parties hereto; if a price cannot be mutually agreed upon between the parties hereto, then the price shall be
- (b) Equal to the price offered to Lessee by a bona fide purchaser; if a bona fide purchaser does not exist, then the price shall be



- (c) Determined to be one hundred percent (100%) of fair market value. Fair market value shall be determined by MAI designated appraisers, one selected by Lessor and one selected by Lessee. If the independent appraisals are within eight percent (8%) of each other, the average of the two appraisals will be considered fair market value. If not within eight percent (8%), and if the value cannot be resolved between Lessor and Lessee, the two appraisers will select a third MAI designated appraiser to perform an independent appraisal. Then, the highest and lowest of the three appraisals will be rejected, and the mid-value appraisal will be considered as the fair market value. It is agreed that the cost of these appraisals will be shared equally by Lessor and Lessee.

If the purchase option is not exercised, or if a new lease is not negotiated, Lessee shall remove the hangar. Lessee shall have the right to remove any building or improvements erected by him or her on the premises herein leased during the tenancy of this lease, provided that he or she shall not damage said premises and shall clear away and remove all debris and restore the premises to a neat and proper condition, and subject to all of the other provisions contained herein.

- (2) In connection with the leasing of said premises, and as a part thereof, Lessee is hereby given a permit to engage in the aviation activity designated as storage and more particularly defined as follows:

STORAGE: is defined to mean hangaring, storing, parking, or otherwise providing space for either locally based or itinerant aircraft, Lessee's aircraft and other of Lessee's properties and equipment, which are associated with the use of aircraft.

Nothing herein contained shall authorize or permit Lessee to engage in any other activities or business on the leased premises or from the airport unless said Lessee shall be specifically authorized so to do in writing by Lessor.

- (3) In connection with the leasing of said premises, and as a part thereof and included in the permit to engage in the aviation activity of storage, shall be the right on the part of Lessee to store aircraft owned by him, her or others; provided, however, that it is expressly understood and agreed that said premises shall not be used for, or in connection with, any other commercial activities.
- (4) It is hereby acknowledged by and between Lessor and Lessee that Lessee is hereby renting ground only. Lessee is the present owner of a structure constructed or to be constructed, at no expense to Lessor, on, over and above Lessor's within described real estate. As rent for the use of said parcel of ground, upon which Lessee's building is situated and the adjacent land thereto as set forth in attached drawings and owned by Lessor, Lessee agrees to pay to Lessor a rental computed at the rate of ten cents (\$0.10) per square foot of parcel per year, which rental amounts to \$_____ per year, the same to be paid in yearly installments in advance on the ____ day of the month of _____ during the term hereof, all payments to be made without notice to

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- Lessee. Said rental is acknowledged to be computed by multiplying ten cents (\$.10) per square foot by the number of square feet acknowledged and agreed to as being rented and as appears on the attached drawings made a part hereof.
- (5) It is agreed and understood that no commercial use shall be made of said premises, or of said airport under this lease, other than the renting of space in the hangar on said premises for the storage as defined in paragraphs (2) and (3); and the use thereof, for or in connection with any other commercial purpose, shall terminate this lease.
- (6) Lessee shall have control and use over the above described real estate leased to Lessee by Lessor subject to the following, to-wit:
- (a) Lessee's use and control shall not interfere with the movement of aircraft, automobile or pedestrian traffic on or about the airport premises;
 - (b) Lessee shall construct no additional facilities or structures on the real estate herein leased without the consent of Lessor;
 - (c) Storage by Lessee or others outside the structure existing on said property is prohibited, except for itinerant automobiles connected with the use of aircraft unless permission for specific storage is given by Lessor;
 - (d) By the use and control of said real estate, Lessee covenants not to interfere with the operations of the airport;
 - (e) In the use and control of said real estate, Lessee shall comply with all rules set out by Lessor from time to time and with all existing rules and regulations or rules to be made by the Federal Aviation Administration (FAA) and the Indiana Department of Transportation (INDOT) Office of Aviation. Lessee certifies that Lessee is knowledgeable of the current applicable FAA, INDOT and Jasper County Airport Authority rules and regulations.
- (7) Lessee shall have the right to remove any building or improvements erected by him or her on the premises herein leased during the tenancy of this lease, provided that he or she shall not damage said premises and shall clear away and remove all debris and restore the premises to a neat and proper condition, and subject to all of the other provisions contained herein. In the event that Lessee shall desire to sell or remove any building and/or improvements placed by him or her on the premises, Lessor shall have an option to purchase the same in accordance with the provisions set forth in paragraph (1).
- Lessee shall give Lessor notice by certified mail, return receipt requested, of Lessee's desire to sell or of any offer that Lessee may receive. Lessor shall then have thirty (30) days in which to notify Lessee of Lessor's intention to exercise its option as stated herein.
- (8) Lessee is to charge fair, reasonable and not unjustly discriminatory prices for each unit of

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service allowed to be provided under this lease; provided, that Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

- (9) Lessee shall not, on the grounds of race, color, national origin, sex, creed or disability, discriminate or permit discrimination against any person or group of persons in any manner, and Lessee shall comply with all Federal and State non-discrimination acts. Lessor reserves the right to take such action as the United States Government may direct to enforce this covenant.
- (10) If provided in this lease or other operating agreement, Lessee engages in an aviation business, said business shall be non-exclusive, and nothing contained herein shall be construed to give Lessee any exclusive right to conduct any business or to enjoy any exclusive privileges on or about the airport; provided, however, that Lessor will set the minimum standards or requirements for all others that may apply for permits to operate in any aviation business herein set out.
- (11) Lessee shall have the right in common with others authorized so to do to use common areas of the airport, including runways, taxiways, aprons, landing lights, signals, flood lights, roadways and other conveniences for the taking off, flying, and landing of aircraft, subject always to such rules and regulations as Lessor has made, or may hereafter make, concerning the use and operation of said airport. Lessee certifies that Lessee is knowledgeable of the applicable rules and regulations.
- (12) It shall be the obligation of Lessee to maintain the leased premises in a clean, orderly, neat, painted and attractive condition as per Lessor's specifications from time to time and at all times to conform with other buildings now on said airport; and to pay any and all taxes, which may be assessed against the same, and at the expiration or sooner termination of this lease, Lessee agrees to surrender up the possession of said premises and improvements to Lessor in a clean and neat condition, the same as they appear at the time of negotiations for such purchase of Lessee's improvements, reasonable wear and tear excepted.

Should Lessee fail to maintain the leased premises, Lessor shall give written notice to Lessee of said failure, and Lessee shall have thirty (30) days to correct said failure. Should Lessee fail to correct said failure within said time, Lessor, at its option, may terminate the lease and take immediate possession of the premises without further notice. Lessee shall then have sixty (60) days to remove the buildings or hangar from said premises as herein stated, or the same shall become the sole property of Lessor. The notice hereunder required shall be deemed given upon the deposit of the same, postage prepaid, in the United States Mail.

- (13) Lessor reserves the right to further develop or improve the airport as it sees fit, regardless of the desires or views of Lessee, and without interference or hindrance. In the event that Lessor requires the space herein set out for airport expansion, Lessor shall have the



- option to terminate the lease and to purchase the improvements thereon in accordance with the provisions set forth in paragraph (1), should not Lessee choose to remove the improvement as herein set forth.
- (14) Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport, together with the rights to direct and control all activities of Lessee in this regard.
 - (15) Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstructions, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the airport, which, in the opinion of Lessor, would limit the usefulness of the airport or constitute an obstruction or a hazard to navigable airspace.
 - (16) During time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use, and, if any such lease is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.
 - (17) This lease shall be subordinate to the provisions of existing or future agreement between 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 funds for the development of the airport.
 - (18) Lessee will indemnify and save harmless the Lessor against any and all losses, claims, costs, damages and expenses arising out of any accident or other occurrence causing injury to any persons or property upon said leased premises. Lessee agrees to carry Public Liability Insurance in the amount of One Million Dollars (\$1,000,000.00) and Property Damage Insurance in the amount of One Million Dollars (\$1,000,000.00), and either the original policy of such insurance or a satisfactory certificate of such coverage shall be left with Lessor at all times. Lessor and its agents shall be named as an additional insured in the coverage of all such policies.
 - (19) Lessee shall not, at any time during the term of this lease, in any manner, either directly or indirectly, assign, sublet, hypothecate or transfer this agreement or any interest hereunder, or sublet the whole or any portion of the premises without written consent of Lessor, other than the renting of hangar space hereinabove set out. Lessor shall not discriminate on the basis of race, color, national origin, sex, creed or disability, and Lessor shall comply with all Federal and State non-discrimination acts.
 - (20) Lessor reserves the right to enter said premises at any reasonable time for the purpose of making any inspection it deems necessary to the proper enforcement of the conditions or covenants of this lease agreement.
 - (21) Lessee agrees not to erect or post any signs or advertising material upon said leased

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- premises without the approval of Lessor.
- (22) In the event of any involuntary sale or assignment by operation of law, or in the event of the appointment of a receiver or the adjudication of Lessee as bankrupt, this lease shall terminate at the option of Lessor.
- (23) It is agreed that no waiver by Lessor or Lessee of any of their rights hereunder, nor any delay on the part of either of them in the enforcement of any of their terms or covenants of this lease, shall operate or be construed to impair, limit or postpone the rights of the parties hereto to enforce any of the covenants or conditions herein contained upon any subsequent cause arising therefrom.
- (24) This agreement shall be governed by, construed and enforced in accordance with the laws of the State of Indiana.
- (25) There will be no amendment or modification of this agreement or additional obligation assumed by either party in connection with this agreement unless it is in writing, signed by each party or an authorized representative of each party.
- (26) Any notice provided for or concerning this agreement shall be in writing and be deemed sufficiently given when sent by United States Mail or personally delivered if sent or delivered to the respective address of each party as set forth below:
- (a) Lessor: Jasper County Airport Authority
2326 West Clark Street
Rensselaer, Indiana 47978
- (b) Lessee:
- (27) Lessor shall have, and Lessee hereby grants to Lessor, a prior lien upon Lessee's improvements constructed over and upon Lessor's real estate to secure the performance by Lessee of each and all of its covenants herein contained.
- (28) All sums of money due Lessor under and by virtue of this lease shall be payable without relief from valuation and appraisal laws and with attorney fees.
- (29) Lessor shall be entitled to specific performance and mandatory and injunctive relief in any court with equity jurisdiction to enforce the covenants and terms of this lease.
- (30) In the event Lessee fails or refuses to pay any installment of rent promptly when same is due according to the terms hereof, or fails or refuses to faithfully, fully and promptly perform any of its other covenants to be kept and performed by said Lessee according to the terms hereof, then in either of these events, Lessor will give Lessee a ten (10) day written notice of such delinquency in payment, and in the event that Lessee shall not cure said default within ten (10) days of such notice, Lessor may declare this lease and the



rights of Lessee hereunder forfeited and determined and may enter and take possession of the leased premises and any improvements placed thereon by Lessee, but Lessee shall have the privilege of removing said improvements placed thereon by him or her, provided he or she removes the same within sixty (60) days after said termination of said lease, and prior to removal pays to Lessor any sums that may be due Lessor hereunder, and pays to any other property owners such damages as they may suffer, if any. If Lessee fails to remove any improvements after the termination of this lease, the same shall thereupon be and become the absolute property of Lessor. In the event Lessee shall desire to remove any improvements placed by him or her on the premises, Lessor shall have an option to purchase the same in accordance with the provisions set forth in paragraph (1).

- (31) Lessor shall approve all plans and specifications for the buildings or hangars to be erected on said premises, and said plans and specifications shall be submitted to Lessor in writing prior to the commencement of any work on the premises if the buildings or hangars are not already in existence on said premises. Said plans shall be in general conformity with the size and layout as shown on the current Airport Layout Plan. The exterior construction of any and all buildings shall be started within 6 months of the agreement date and completed within six (6) months of the start of construction. The construction site shall be maintained in a clean condition, and all materials, tools and equipment shall be secured. Lessee is responsible for the safety and security of all personnel, tools and materials from damage, harm or theft. Any and all buildings shall be securely anchored, and Lessor shall approve all foundations, anchoring and building colors upon both construction and repainting. It shall be the responsibility of Lessee to pave and maintain any and all ramps for aircraft, vehicle parking or movement upon the premises herein leased at Lessee's expense, and it shall be the responsibility of Lessee to maintain the landscape to the parcel limits and to remove snow from the ramps and any vehicle parking areas. It shall be the responsibility of Lessor to install electric infrastructure to the lot line of the leased parcel, and it shall be the responsibility of Lessee to install and maintain electrical infrastructure, including separate metering, on the leased parcel.

Should the State require interior drains, Lessee shall install an oil and contaminant separator and provide for effluent holding and disposal. Should access to water and/or sewers become available and Lessor notifies Lessee of such availability, Lessee, at Lessee's cost, shall connect to said water and/or sewer within six (6) months. Lessee shall drill no wells on the real estate leased.

Lessee shall acquire all permits required by Lessor, including, but not exclusive thereof, federal, state and local permits and construct the buildings or improvements on the leased premises in compliance with those permits. Should Lessee violate any provision of this paragraph, the notice and default of paragraph (12) shall apply.

- (32) This lease and several covenants hereof shall extend to and be obligatory upon the respective heirs, devisees, administrators, executors, assigns and successors of the parties hereto, and Lessee shall have no right, power or authority to assign Lessee's interest hereunder without first obtaining the written consent thereto hereon to be endorsed by

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Lessor.

- (33) Lessee further agrees that he or she will comply with the covenants of this agreement, and that this Agreement is subject to Federal Aviation Administration Policy and Procedure Memorandum No. 5190.6 as amended from time to time as it applies to the activities set forth herein, and said Memorandum is incorporated herein by reference and made a part of this Agreement.

IN WITNESS WHEREOF the undersigned have hereunto set their hands.

LESSOR:

LESSEE:

JASPER COUNTY
AIRPORT AUTHORITY

BY:

Timothy A. Curless

David W. Pettet

W. Craig Jackson

Adam G. Alson

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STATE OF INDIANA)
) SS:
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for said county and state, this _____ day of _____, 20 _____, personally appeared the Jasper County Airport Authority, by Timothy A. Curless, David W. Pettet, W. Craig Jackson and Adam G. Alson and acknowledged the execution of the foregoing.

In Witness Whereof, I have hereunto subscribed my name and affixed my official seal.

(SEAL)

Printed Name: _____, Notary Public

My Commission expires: _____
Resident of _____ County

STATE OF INDIANA)
) SS:
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for said county and state, this _____ day of _____, 20 _____, personally appeared _____ and acknowledged the execution of the foregoing.

In Witness Whereof, I have hereunto subscribed my name and affixed my official seal.

(SEAL)

Printed Name: _____, Notary Public

My Commission expires: _____
Resident of _____ County

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law.

This instrument prepared by Richard F. Comingore, Attorney at Law (20069-37), 209 E. Kellner Blvd, P.O. Box 223, Rensselaer, IN 47978 (219) 866-7988