

**ENTERPRISE MUNICIPAL AIRPORT
CITY OF ENTERPRISE, ALABAMA**

T-HANGAR LEASE AGREEMENT

THIS Agreement is made and entered into this _____ day of _____, 20____ between the City of Enterprise, Alabama a public corporation (herein referred to as "Lessor"), and _____ (herein referred to as "Lessee").

- 1. Premises.** Lessor hereby leases to Lessee and Lessee hereby leases from Lessor those certain premises, designated as hangar #_____, together with reasonable access for ingress and egress by Lessee as well as taxi-way for Lessee's aircraft and located at the Enterprise Municipal Airport, 867 Aviation Blvd, Enterprise, Alabama 36330, and (the "Leased Premises"). Lessee acknowledges that this Lease is personal to the Lessee not the aircraft stored therein. Lessor acknowledges and agrees that the Leased Premises shall be used only for the purpose of housing **operable** aircraft owned, partially owned or leased by Lessee as set forth in paragraph 4 below. In the case of certificated aircraft, **operable** means **registered N number with Airworthiness Certificate**. In the case of E-LSA and S-LSA aircraft, **operable** means **registered N number with Airworthiness Certificate**. All **homebuilt** aircraft where final assembly is being performed within the lessee hanger shall have **registered N number with Airworthiness Certificate** within 12 months. In the case of a true, single seat ultra-light, the aircraft must meet **all** the requirements of **FAR Part 103.1 (Applicability)**, and that section is incorporated into this Lease agreement by reference and shall be adhered to as though it was reproduced in it's entirety herein.

Upon signing of this Agreement, Lessee will be issued a lock and key (provided by Lessor) which will be used to secure the leased premises. The lock and a key will be assigned to the specific hangar leased and must not be removed, replicated, reproduced or relocated without prior written approval from airport manager. No private locks of any type will be allowed on individual pedestrian doors. If private locks are installed, they will be removed at the discretion of the Lessor and at the cost of the Lessee. Lessor has implemented strict procedures for key protection and removal from its premises such that all keys to hangars are kept in a protective lock and key box and only authorized personnel, as assigned by the Director of Engineering Services or Mayor, shall have access to the key lock box and said personnel shall be required to execute a sign-out and sign-in sheet if a key is removed.

- 2. Term/Termination.** For current tenants, this Lease shall commence on _____, 20____, and shall continue in effect through December 31, 2014, Upon expiration of said term provided the same has not be terminated, the Lease term shall automatically commence on January 1, 2015, and shall continue in effect for one (1) year until December 31, 2015, unless terminated by Lessor or Lessee as hereinafter provided. This Lease will automatically renew each year unless Lessor or Lessee gives prior written notice to the other at least thirty (30) days prior to the expiration date of the term. This Lease may be non-renewed by Lessee or Lessor for any reason, with or without cause. This Lease may be terminated by Lessor for default in payment of rent by Lessee by giving Lessee ten (10) days prior written notice of termination. Or, **if any term, condition or covenant to be kept or performed by Lessee** under this Agreement shall be violated or neglected, then Lessor shall have the right to terminate this Lease by giving Lessee at least ten (10) days prior written notice of termination specifying the date that Lessee must vacate the Leased Premises. If Lessee does not vacate the Leased Premises and remove the aircraft from the above-described hangar before the expiration of said notice period, then Lessee hereby agrees that Lessor is authorized and empowered to remove said aircraft and all contents of the hangar. All costs of removal, including legal fees as well as any additional rent which may be due as a result of Lessee's failure to timely remove the aircraft, shall be paid to Lessor before Lessee's aircraft will be released. In addition, Lessor shall not be liable to Lessee for any damage to Lessee's aircraft during or after removal and impoundment unless said damage, claim or loss is due to the intentional act or gross negligence of Lessor.

If any Lessee enters into this Lease on any date other than January 1 of a given year, the Lease term will be through December 31 of said year after which it will automatically transform into a year-to-year lease as of Jan. 1, provided the Lease is still in effect.

3. **Rent.** During the Term, Lessee agrees to pay rental to Lessor for use of the Leased Premises in the amount of One Hundred Fifty Dollars (\$150.00) per month.* Payment of rent shall be made upon the date of this lease and each thirtieth date thereafter as long as this Lease remains in effect. Rent shall be late if not received within five (5) days of said due date. Rent may be increased at any time, at the sole discretion of the Lessor per the below stated provision. The issued lock and key must also be returned in good working order by the vacating Lessee.

***Notice:** Rent will be \$150.00 per month until December 31, 2014. Thereafter, if this Lease is in effect, for the next 12 months (2015) rent will increase for current tenants to \$175.00 per month and then \$200.00 per month for the 12 months (2016) thereafter, subject to future increases as may be determined by the City and City will give 30 days prior notice of any increased rent.

4. **Use of Leased Premises.**

A. Lessee covenants that he/she is the owner (or lessee) of the following identified operable aircraft which has been properly registered and certificated by the Federal Aviation Administration, copy of insurance declaration page (as required in section 13 of this Lease agreement, **Indemnity and Insurance**) :

- 1) Make/Model: _____
- 2) N-Number _____
- 3) Serial Number _____
- 4) Insured Value _____
- 5) Color: _____
- 6) Emergency Contact Telephone _____
- 7) Valid E-Mail Address _____
- 8) Home Building Schedule (if applicable) _____

B. Lessee covenants and agrees that the Leased Premises shall be used for storage of the above referenced aircraft **only**, and for no other aircraft or purpose without Lessor's prior written consent. Additionally, Lessee may store parts, consumable service items, special tools and maintenance materials therein for use on the above referenced aircraft only. Lessee shall not market, sell or distribute aircraft service or parts from the Leased Premises and absolutely no other commercial activity in the T-hanger shall be conducted by Lessee or any other individual or corporate entity in, from or around the Leased Premises. Lessee agrees that should the above referenced aircraft be disposed of by sale that Lessor shall **immediately** be notified, and Lessee will be allowed sixty (60) days to purchase or lease another aircraft. Information on the **airworthy** replacement aircraft must be furnished to Lessor in writing **before** Lessee stores aircraft in the Leased Premises, and within the sixty (60) day grace period. Vacant Leased Premises **may not be used to store any other aircraft without prior written permission** by Lessor. It is understood and agreed upon by Lessee and Lessor that if another airworthy replacement aircraft is not purchased or leased by Lessee within the sixty (60) day grace period, then this Lease shall terminate and upon the end of the thirty (30) day written notice by Lessor, this lease will be terminated and Lessee will vacate Leased Premises (as outlined in **Section 2: Term; Termination**). The thirty (30) day written notice of Lease termination shall in no way be construed to be an additional thirty (30) day grace period in which to comply with the requirements of this paragraph. Where uncertainty on the specific date of purchase or lease for a replacement aircraft exists on the part of Lessor or Lessee, the date recorded on the Aircraft Bill of Sale (AC Form 8050-2) will be used as proof of compliance for the ninety day grace period. Failure to disclose to the Lessor the sale of an aircraft and/or subsequent removal of said aircraft from the Leased Premises (in

an attempt to extend or circumvent the sixty (60) day grace period) shall **breach** this Lease Agreement, resulting in notice of lease termination being given to Lessee upon discovery by Lessor. Additionally, the storage of automobiles, RVs, water-craft, ATVs, motorcycles, go-carts, pool tables or **any other item not directly pertaining to the support and use of this particular aircraft is strictly prohibited. Aircraft painting and repairs that exceed the definition and limitation of maintenance as provided below are strictly prohibited.** Hangars are not to be used as sleeping quarters. They are not to be used as workshops, repair shops, maintenance shops or general household goods storage unit. Lessee may employ the use of a bicycle or golf-cart or golf-cart like vehicle for conveyance upon the paved property of the Airport proper (where normal vehicular travel is allowed), and it may be stored in the Leased Premises. The aircraft owner's car/truck/motorcycle (the means of conveyance to the airport property) may be *parked* in the hangar while the aircraft is being flown. Lessees who are FAA certificated A&P mechanics and those who have Inspector Authority (IA) are bound by the same general limitations of this Lease; i.e., any maintenance **other than as set out herein** (including annual inspections) shall not be performed inside the lessee's hangar.

C. Lessee, during the Term of this Lease, agrees, at Lessee's sole cost and expense, to maintain the Leased Premises free and clear of all trash, debris and any other items that may create a hazard or nuisance to the Enterprise Municipal Airport or to any user thereof. Household furniture, oil-soaked rags, used oil, and other combustible material in and around the Leased Premises are prohibited. Lessee shall keep Leased Premises clean at all times and it shall be subject to inspection by the Lessor when given a 24 hour notice to Lessee. It is Lessee's responsibility to at all times provide accurate contact phone numbers and an address of Lessee such that said notice can be given. If Lessor's airport manager or other representative attempts contact with Lessee and Lessee cannot or does not acknowledge said notice, Lessee shall be deemed to consent to the aforementioned inspection. Airport management reserves the right to gain immediate entry to the leased premises in the event of emergency purposes or suspected security issues as provided in Section #14 of your hangar Lease Agreement. Lessee shall not permit any property whatsoever to be stored outside the Leased Premises or permit any advertising signs, names, or materials to be placed on the outside of the hangar. Gasoline in the amount of ten (10) gallons may be stored (this amount is exclusive of fuel in the plane's fuel tanks) in the Leased Premises providing it is in an **approved container that meets NFPA and OSHA requirements.** Other consumable service item and supplies (aircraft engine oil, spray lubricants, cleaners, and fuel additives) may be stored in their original containers in the Leased Premises.

D. No maintenance on the Aircraft shall be performed in the Hangar without the prior written approval of Lessor, except such maintenance as would normally be performed by an aircraft owner or such maintenance performed by a certified Airframe and Powerplant mechanic or holders of a FAA Inspection Authorization for the performance of Annual and 100 Hour inspections and other minor and routine maintenance to include oil changes, spark plug maintenance, maintenance to engine accessories such as magnetoes and vacuum pumps, replacement and calibration of avionics and flight instruments, which may required the services of certified maintenance personnel. Lessee shall take such steps so as to ensure that the performance of such maintenance work shall not damage the Hangar. Lessee shall control the conduct and demeanor of its employees and invitees, and of all those doing business with, in and around the Hangar, and shall take all steps necessary to remove persons whom Lessor may, for good and sufficient cause, deem objectionable. In utilizing the Hangar during the term of this Agreement, Lessee agrees to and shall comply with all applicable ordinances, rules and regulations established by any federal, state, or local government agency.

E. Home Building - Lessee may perform final assembly of home building aircraft projects in the hangar with approved techniques outlined in this agreement. Lessee shall complete all items that can be completed offsite and only use the hangar for final assembly. Final assembly of home building project shall be completed within 12 months. Durations longer than 12 months may be approved on a case by case basis by the lessor with an approved build schedule. Notification of any home building project shall be given to the Airport Manager prior to starting. There shall be a limit of one (1) home building project per lease agreement.

F. If Lessee desires to employ an FAA certificated mechanic or LSA Repairman to perform other than preventive maintenance on the Airport property (**minor/major airframe, engine or component repairs,**

aircraft annual inspections, annual condition inspections of E/S-LSA aircraft, 100 hour inspections) the following policy shall be adhered to: All mechanics, repairmen, or other persons doing business for remuneration (or those who wish to offer their services for free or for "other considerations" to certain Lessees) that do not lease commercial space on the Airport shall be deemed "Through-the-Fence Contractors." Said Contractors shall be required to register with the Airport Manager, and sign a statement holding Lessor and its individual officers and employees, Airport Manager and City of Enterprise harmless. They shall list their qualifications and licenses (A&P, IA, LSA Repairman/Inspector) and purchase an Enterprise Business License from the Enterprise City Hall. All hot work performed by a FAA certificated mechanic or LSA Repairman shall be in compliance with part G of this section.

G. In accordance with **safety and common fire prevention methods**, the following activities will not be allowed within hangars: Aircraft preventative maintenance repairs requiring use of open flame, heating parts above 500 degrees Fahrenheit or welding. Lessee shall provide one 4 A:60 BC approved fire extinguisher for their hangar and shall ensure that the extinguisher has the required certifications and inspections to comply with City, State, and Federal laws and codes along with and NFPA 10 codes. Also prohibited within hangars, but not limited to, are the following:

- 1) Spray painting with Class I or II liquid finishes
- 2) Smoking
- 3) Fueling of aircraft
- 4) Engine start or run-up
- 5) Open flame or other sources of ignition
- 6) Unattended use of kerosene, gas or electric space heaters
- 7) Taxiing into or out of hangars
- 8) Possessing, drinking or dispensing alcoholic beverages

H. It is understood and agreed between Lessee and Lessor that electrical outlet service is provided as a **courtesy** for additional temporary lighting, powering small plugin portable air compressors (30 gallons or less), shop-vacs and for battery charging of small handheld power tools and aircraft battery recharging. Drill presses, table saws, chop saws, air-conditioners, large air compressor (greater 30 gallons or hard-wired), swamp coolers, unattended electric space heaters, micro-wave ovens are **strictly forbidden**. Lessor reserves the right to further limit or to discontinue providing electrical outlet service at any time it deems advisable, with no liability to Lessee in damages and would have no obligation to Lessee if a violation is found.

5. **Alterations and Repair.** Lessee accepts the hangar comprising the Leased Premises as is. The Lessor shall be responsible for maintenance/repairs to the Leased premises, including hangar doors, except when necessitated by the negligence or willful misconduct of the Lessee, its agents, employees or guest. The responsible party shall conduct such maintenance/repairs with due diligence at its own cost. Lessee may construct or install **free-standing** work benches and/or tables, shelves and/or cabinets, and may store tool lockers and chests in the Leased Premises providing their purpose and use is for the **permitted maintenance requirements of the Lessee's aircraft only**. These temporary installations must have no attachment to the hangar walls or floor, and must be removed by Lessee from the Leased Premises and Airport property when Lease expires or upon earlier termination. Installations must not create a crowded, hazardous environment, and shall not be positioned in such a manner that would impede the normal movement of the aircraft into or out of the Leased Premises. **Lessor reserves the right to determine whether or not any installation by the Lessee under this Lease is suitable or allowable, and Lessee will comply with any directives by Lessor regarding same.** Lessee may not make or construct any improvements or make any alterations (**whether structural, non-structural or electrical**) in, on or under the Leased Premises without the prior written consent of the Lessor. Lessee further agrees that all damage or injury done to the Leased Premises by Lessee or by any person who may be in or upon the Leased Premises at the direction of or with the consent of Lessee, **shall be repaired by Lessee at its expense**, subject to the proviso below as to Lessor's employees and agents. Lessee agrees at the expiration of this Lease or upon the earlier termination thereof, to quit and surrender said Leased Premises in good condition and repair, reasonable wear and tear excepted.

6. **Lessee's Liability.** The relationship of the parties to this Lease is that of **landlord and tenant only**. Lessee further agrees that any and all damage or injury done to the Leased Premises by Lessee or by any person, who may be in or upon the Leased Premises during Lessee's occupancy of the Leased Premises, shall be repaired by Lessee at its expense. **Lessor shall not be liable to Lessee or any other person for any damage, claim, or loss, suffered by Lessee, Lessee's aircraft or any third party which results from any cause whatsoever, unless said damage, claim or loss is due to the wrongful act or omission of Lessor and then (a) only where Lessor's employee or agent is acting in the line and scope of their Lessor's authority and employment and (b) only to the extent of any insurance coverage proceeds available through the City's insurance carrier.**
7. **Assignment and Subletting.** Lessee shall **not assign** this Lease or **sublease** the Leased Premises to any other person nor permit the use of the hangar comprising the Leased Premises by any other person without the prior written consent of Lessor.
8. **Compliance With Laws.** Lessee shall comply with all federal, state and local laws, rules and regulations, including but not limited to those promulgated by of for the Federal Aviation Administration, the City of Enterprise, and the Enterprise Municipal Airport. **It is unlawful to possess, drink, or dispense alcoholic beverages on Airport property.**
9. **Security.** Lessee agrees to cooperate with Lessor and to abide by all enforcement action or rules implemented for security purposes or general maintenance and welfare or the Enterprise Municipal Airport by Lessor or any government or governmental entity having jurisdiction over the Enterprise Municipal Airport or any access thereto.
10. **Attorney's Fees.** In the event of any breach of any covenant or condition of this Lease by Lessee for which Lessor employs legal counsel to defend or pursue, then Lessor shall be allowed all reasonable attorney's fees and costs expended or incurred by Lessor, said fees and costs to be recovered from Lessee.
11. **Default for failure to pay rent or violation of provisions of lease.** This Lease is made upon the express condition that if Lessee fails to pay the rental payments reserved hereunder or any part thereof after the same shall become due, then Lessor at any time thereafter, may give a ten (10) days written notice to Lessee that the lease is terminated and may, in Lessor's sole and absolute discretion, after the expiration of said ten (10) day notice, re-enter said Leased Premises or any part thereof, and expel, remove and put out Lessee or any person or persons occupying said Leased Premises, and may remove all personal property therefrom without prejudice to any remedies which might otherwise be used for the collection of arrears of rent or for preceding breach of covenant conditions. Moreover, this Lease is made upon the express condition that if Lessee fails to comply with the provisions, covenants and agreements stated in this Lease, then Lessor at any time thereafter, may give a ten (10) day written notice to Lessee that said Lease is terminated and may, in Lessor's sole and absolute discretion after the expiration of said ten (10) day notice, may re-enter said Leased Premises or any part thereof, and expel, remove and put out Lessee or any person or persons occupying said Leased Premises, and may remove all personal property therefrom without prejudice to any remedies which might otherwise be used for the collection of arrears of rent or for preceding breach of covenant conditions. Nothing herein in any way alters Lessor's right to non-renew this Lease with or without cause, by giving a thirty (30) day notice as set out in paragraph 2 above.
12. **Non-waiver of Default.** The subsequent acceptance of rent hereunder by Lessor shall not be deemed a waiver of any preceding breach of any obligation hereunder by Lessee other than the failure to pay the particular rental payment or payments so accepted, and waiver of any breach of a covenant or condition by Lessor shall not constitute a waiver of any other breach regardless of knowledge thereof.
13. **Indemnity and Insurance.**
 - 1) **Indemnity.** Lessee indemnifies Lessor and its individual officers, councilmen, mayor and

employees against and holds Lessor and its officers and board members harmless from any and all actions, claims, suits, awards, judgments, decrees, demands for loss of or damage to property or for injury or death to any person from any cause whatsoever while in or about said airport, or for costs, including reasonable attorneys fees, incurred by Lessor during the Term hereof or during Lessee's occupancy.

2) Insurance. Lessee shall bind and maintain with a reputable insurance company rated "A" or better in Bests and duly licensed in the state of Alabama, at no cost and expense to Lessor, aircraft liability insurance (with *Broadform Endorsement*—which provides premises liability insurance) against property damage, personal injury or death arising out of the use of the aircraft—occurring on or about the Leased Premises, with liability limits for property damage and personal injury combined, per accident, of \$1,000,000 USD. Lessor shall be named as an *additional insured* on Lessee's liability policy. Lessee acknowledges that Lessee **has the risk of loss of his/her aircraft or other property located on the Leased Premises.**

14. Keys, Entry and Inspection. Locks are furnished with each hangar. These locks shall not be replaced, removed or re-keyed. If lock changes are necessary for any reason, it shall be accomplished through the office of the Airport Manager. A fifty dollar (\$50.00) fee for lock or key replacement due to loss or damage by Lessee will be assessed. Lessee shall permit Lessor and its agents to enter upon the Leased Premises at any time to inspect the Leased Premises for maintenance purposes, to check the aircraft in the hangar, to insure Lease agreement compliance, to post notices of non-responsibility for alterations, additions and repairs or for **any** other reason deemed necessary by Lessor. Lessor shall provide Lessee with twenty-four (24) hour prior notice unless otherwise required due to emergency circumstance; Airport Manager will attempt to coordinate access to Lessee's hangar prior to entry. Lessor shall have such right of entry and the right to fulfill the purpose thereof without any rebate of rent to the Lessee for any loss of occupancy or quiet enjoyment of the Leased Premises thereby occasioned. In addition to any other inspections authorized or required by this Lease, a yearly inspection of the Leased Premises may be made by the Enterprise Fire Department and the Airport Manager.

15. Residency. It is understood and agreed between Lessee and Lessor that the aircraft being stored in the hangar is to be considered **based** at Enterprise Municipal (KEDN), and as such, shall be hangared there at least nine months out of the year. Waivers may be granted by the City (through the office of the Airport Manager) when extended maintenance for repair or aircraft restoration is being performed at another location.

16. Abandonment. Lessee agrees not to vacate or abandon the Leased Premises at any time during the demised Term. Should Lessee vacate or abandon said Leased Premises or be dispossessed by process of law or otherwise, such abandonment, vacation, or dispossession (without prior written approval by Airport Manager) shall be a breach of this Lease and, in addition to any other rights which Lessor may have, Lessor may remove any aircraft and personal property belonging to Lessee which remains on the Leased Premises and store the same, such removal and storage to be for the account of the Lessee.

17. Notices. All notices, except those related to entry notification in connection with non-emergency inspection or maintenance to be given to Lessee shall be in writing, deposited in the United States mail with first class postage prepaid via certified or registered mail and addressed to Lessee as follows (Note: It is the responsibility of Lessee to at all times give current address information to the City Clerk and Lessee understands that if the below address changes, he/she/it has the obligation to immediately provide written notice to the City Clerk of the correct address):

Name: _____
Address: _____

Phone: _____
Email: _____

Written notices by Lessee to Lessor shall faxed to 334-348-2613, Attention: City Clerk and shall be

deposited in the United States mail with postage prepaid and sent certified or registered mail, and addressed to Lessor as follows:

City Clerk
PO Box 311000
Enterprise, Alabama 36331

Notices shall be deemed delivered when deposited in the United States mail, as above provided. Change of address by either party must be by notice given to the other in the same manner as above specified.

- 18. Miscellaneous.** (a) The paragraph captions in this Lease are for convenience only and shall not in anywise limit or be deemed to construe or interpret the terms and provisions hereof. (b) Time is of the essence of this Lease and of all provisions hereof. (c) This Lease shall be construed and enforced in accordance with the laws of the State of Alabama. (d) Any addenda or amendments to this Lease shall be in writing and executed by an authorized representative of each party hereto. (e) Any court proceedings which relate in any manner, directly or indirectly, to this Lease shall be exclusively brought in the state courts of the Enterprise Division of Coffee County and Lessee submits to the jurisdiction of said courts and venue.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease on the __ day of _____, 20__.

LESSOR:

City of Enterprise, Alabama

By: _____

Its: _____

LESSEE:
