



HANGAR GROUND LEASE AGREEMENT SPANISH FORK AIRPORT

LESSOR: SPANISH FORK CITY

LESSEE: _____(Name of Business).

Hangar #:	
Tax ID #:	
Effective Date:	
Lessee Name:	
c/o	
Address:	
City, State, Zip:	
Email:	
Home Phone:	
Work Phone:	
Cell Phone:	

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HANGAR GROUND LEASE AGREEMENT

LEASE AGREEMENT made _____ ("Effective Date") between SPANISH FORK CITY, a Utah municipal corporation, herein called Lessor, and _____, herein called Lessee.

RECITALS

- A. Lessor owns and operates the SPANISH FORK AIRPORT located in Utah County, State of Utah, herein called Airport.
- B. Lessee desires to lease a parcel of land on the Airport premises for the purpose of erecting and/or maintaining an aircraft hangar, which will be owned by Lessee for the storage of aircraft and the purposes permitted herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

- 1. PREMISES. Lessor hereby leases to Lessee the Parcel of land only which is known as Hangar (#)_____ at the Spanish Fork Airport, as per the official drawing held by Spanish Fork City (the "Premises").
- 2. TERM. Subject to all other provisions of this Agreement regarding termination reserved herein, the term of this lease shall commence on the Effective Date and end on December 31, 2055.
- 3. LEASE RENEWAL. Lessee may renew this Agreement for two (2) terms of ten (10) years if Lessee is not in default hereunder at the time of such renewal. Each renewal term shall be automatic at the expiration of the initial term, or the first renewal term, pending external and internal inspection of the hangar by the airport manager and fire marshall. If upgrades need to be made to conform to the airport hangar standards at the time of each renewal, Lessee shall have a one year provisional lease granted to make improvements. Lessee may opt out of the automatic two (2) terms of renewal. After any such renewal, Lessor, in its sole discretion, may determine to permit any subsequent renewal of this Agreement on terms offered by the Lessor when agreed to by both parties in writing. The terms and conditions contained herein shall govern any renewal of this lease unless otherwise agreed between the parties hereto.
- 4. LESSEE'S RIGHT TO REMOVE IMPROVEMENTS AND TERMINATION OF LEASE. Upon the termination of this lease, Lessee shall have the right to one of the following.
 - a. Subject to airport budget availability and the City's interest, the Lessee may offer to sell the building to the Lessor at its appraised value.
 - b. Lessee may remove building, owned or erected by Lessee on the Premises during the lease term or any renewal except those items which have become fixtures. Lessee, upon removal of the building and any improvements, shall restore the land to as good condition as it was in prior to the erection of any improvements thereon. Lessee hereby agrees that removal of the building

shall be completed on or before sixty (60) days from termination of this lease. Lessee hereby consents and agrees that any improvements remaining on the Premises after the sixty (60) day removal period shall be deemed abandoned and owned by Lessor without any claim or right whatsoever in Lessee.

- c. If either of these options are not agreed upon by both parties, the hangar rate will increase to ten times the annual rate and shall be billed annually with a one year provisional lease, renewed annually or until another agreement is met. Subsequent provisional leases shall have the terms set by the Airport Board and City Council.
- d. If any terms or conditions of this lease are broken, the Airport Manager may determine the lease terminated and shall follow the instructions as set forth in Section 17 of this lease agreement.

5. RENTALS, FEES AND CHARGES. Subject to renegotiation and change of rental rates as hereinafter provided, the Lessee agrees to pay the Spanish Fork City for the use of the Premises, facilities, rights, services and privileges granted herein, the following rental, payable to Spanish Fork City, on an annual basis.

- a) Rental for the Premises shall be at the current rate (as set by the Spanish Fork City Council for each year as part of the annual budget). The rate for the first year is ____ cents per square foot of hangar space, based upon the outside dimensions of the hangar (____) Square Feet, with a minimum charge of \$____ annually (based on a minimum square footage of 1680 feet). Therefore, annual rent for the first year for Hangar (#) _____, with outside square footage measuring ____ sq.ft. shall be \$_____.
- b) Rent shall commence on _____ the Effective Date. In the event the Lease term commences on some date other than January 1, the first year's annual rent will be prorated to reflect the actual first year occupancy period of this agreement.
- c) The rent of the above-described land for each following year of the agreement shall be in accordance with the rental rates as set by the Spanish Fork City Council as part of the fee schedule.
- d) All hangars with direct Main Street frontage shall be charged an additional 10% per square foot.
- e) All payments due to the Lessor under this lease, including rent, that are not paid on or before thirty (30) days from the due date shall incur a late fee of three (3%) percent per month (36% per annum) or \$500.00, whichever is greater. If payments are more than four (4) months late, the Lessor, in addition to the late fee, may terminate airport access privileges and may bar the hangar from being entered until prompt payment is made.
- f) All payments due to the Lessor under this lease shall be delivered to Spanish Fork City 40 South Main Spanish Fork, Utah 84660 or as otherwise directed in writing by Lessor.
- g) Upon the sale of the hangar, the Lessee shall remit to the Lessor a hangar transfer fee which is set forth in the annual fee schedule. In instances where an older lease remains in effect at the time of the hangar sale, the buyer shall be required to pay the hangar transfer fee in full prior to the execution of a new ground lease, unless an alternate arrangement for payment of the fee is negotiated and agreed upon between the buyer and seller.

6. USE OF PREMISES. The Premises and any and all improvements located thereupon shall be used solely for conducting the following activities:
- a) Repair and maintenance of aircraft but not the indefinite storage of non-operational aircraft.
 - b) Storage of operational aircraft. Non-aircraft storage must be minimal unless the hangar is used for other valid aeronautical purposes.
 - c) Non-Aviation storage as an incidental use on the condition the hangar space is principally used for aviation purposes.
 - d) No continuous use for residential purposes other than providing short term rest/lounge areas for crew members and support staff integral to flight operations shall be allowed in any Hangar.

Lessee acknowledges that the Premises may not be used for commercial purposes or as a fixed-base operator without Lessee meeting, complying with and obtaining approval for the minimum standards as may exist at that time for such operation. In the event these minimum standards are met, Lessee would need to negotiate a supplemental agreement allowing the expanded use of the premises. This shall be done through executing a Commercial Lease Addendum and through obtaining a Business License with Spanish Fork City.

7. CONSTRUCTION - IMPROVEMENTS. Lessee will maintain improvements on the premises as a hangar facility or facilities. Any reconstruction including interior improvements must be permitted and shall be completed in accordance with current city standards. At the end of the initial lease term, lease will not be renewed until improvements are brought up to current city standards.

Only one large security light may be installed for each hangar. Additional security lights must be approved by the Airport Manager. Light shall be photocell and/or motion sensor triggered and shall be centered over the hangar door. A single smaller security light may be installed over man doors. All lighting shall be dark sky compliant. No compensation will be provided for security lighting.

8. OBLIGATIONS OF LESSEE. Lessee shall uphold and support all of the airport's minimum standards and the grant assurances as dictated by the Federal Aviation Administration and Spanish Fork City.
- a) Lessee shall give notice to Airport Manager in writing of the following within 10 days of basing any aircraft at the airport. Notice shall include contact information for person(s) responsible for aircraft, including off-hours emergency phone numbers.
 - b) In accordance with applicable pavement design specifications, the Lessee may be subject to restrictions regarding an aircraft's wingspan, tail height, and maximum gross weight. Should any of these parameters exceed the established pavement design limitations for any portion of the airport, the aircraft shall not be permitted to be stored in the hangar.
 - c) Lessee shall be solely responsible for all costs or charges for utility services required by the Lessee during the term of this lease.
 - d) Lessee agrees to repair and maintain the Premises and the hangar in a reasonably neat, orderly and safe condition, and free from waste, rubbish, snow

or other hazards throughout the term of this Lease. Lessee shall not store or let stand any equipment or property belonging to the Lessee or under the Lessee's custody, outside the boundaries of the Premises without prior consent of the Lessor's Airport Manager, except when such equipment or property is in the process of being loaded or unloaded. Should the Lessee fail to repair and maintain the leased premises in proper condition, the Lessor's Airport Manager shall notify the Lessee in writing. If the Lessee then fails to make such repair or maintenance within ten (10) days after the notice has been sent the Lessor may cause such repair or maintenance service to be made. Lessee agrees to pay all Lessor's costs incurred thereby and reimburse Lessor therefore on demand. If said costs and expenses are not paid within fifteen (15) days after demand therefore, this Lease shall be deemed to be in default and the Lessor shall be entitled to all legal remedies provided hereunder, including termination of this Lease.

- e) Lessee shall exercise due and reasonable caution to prevent fire, accidents, hazards or nuisances on the premises. Lessee shall not and shall not permit any Tenant Related Parties to use, store, generate, release, or dispose of Hazardous Materials in, on, about, or from the Property in violation of applicable law.
- f) The term "Hazardous Materials" shall mean any substance:
 - i) which is flammable, explosive, radioactive, toxic, corrosive, infectious, carcinogenic, mutagenic, or otherwise hazardous and which is or becomes regulated by any governmental authority, agency, department, commission, board or instrumentality of the United States, the state in which the Property is located or any political subdivision thereof;
 - ii) which contains asbestos, organic compounds known as polychlorinated biphenyls; chemicals known to cause cancer or reproductive toxicity or petroleum, including crude oil or any fraction thereof; or which is or becomes defined as a pollutant, contaminant, hazardous waste, hazardous substance, hazardous material or toxic substance under the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901-6992k; the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§ 9601-9657; the Hazardous Materials Transportation Authorization Act of 1994, 49 U.S.C. §§ 5101-5127; the Clean Water Act, 33 U.S.C. §§ 1251-1387 the Clear Air Act, 42 U.S.C. §§ 7401-7671q; the Toxic Substances Control Act, 15 U.S.C. §§ 2601-2692; the Safe Drinking Water Act, 42 U.S.C. §§ 300f to 300j- 26; the Emergency Planning and Community Right-To-Know Act of 1986, 42 U.S.C. §§ 11001-11050; and title 19, chapter 6 of the Utah Code, as any of the same have been or from time to time may be amended; and any similar federal, state and local laws, statutes, ordinances, codes, rules, regulations, orders or decrees relating to environmental conditions, industrial hygiene or Hazardous Materials on the Property, including all interpretations, policies, guidelines and/or directives of the various governmental authorities responsible for administering any of the foregoing, now in effect or hereafter adopted, published and/or promulgated;

- iii) the presence of which on the Property requires investigation or remediation under any federal, state, or local statute, regulation, ordinance, order, action, policy, or common law; or
- iv) the presence of which on the Property causes or threatens to cause a nuisance on the Property or to adjacent properties or poses or threatens to pose a hazard to the health and safety of persons on or about the Property.

If Lessee discovers that any spill, leak, or release of any quantity of any Hazardous Materials has occurred on, in or under the Property, Lessee shall promptly notify Airport Manager. Lessee shall (or shall cause others to) promptly and fully investigate, cleanup, remediate and remove all such Hazardous Materials as may remain and so much of any portion of the environment as shall have become contaminated, all-in accordance with applicable government requirements, and shall replace any removed portion of the environment (such as soil) with uncontaminated material of the same character as existed prior to contamination. Within twenty (20) days after any such spill, leak, or release, the party responsible for the remediation of such release shall give the Lessor a detailed written description of the event and of such responsible parties' investigation and remediation efforts to date. Within twenty (20) days after the event, such responsible party shall provide the Lessor with a copy of any reports or analytical results relating to any such spill, leak, or release. In the event of a release of Hazardous Material in, on, or under the Property by the Tenant Related Parties, Tenant shall not be entitled to an abatement of Rent during any period of abatement.

Should the Lessee fail to remove or abate said hazard or nuisance after notified to do so, the City may abate said hazard or nuisance and charge the cost thereof to the Lessee as provided in paragraph 'c' above.

- g) Lessee agrees, at its own expense, to cause the premises and improvements and appurtenances thereto to be maintained in a presentable condition consistent with good maintenance practices. This shall include, although not be limited to, the obligations of the Lessee to maintain the premises in a clean, neat and orderly condition at all times, and to perform any necessary mowing, including weed removal within thirty (30) feet around the perimeter of the hangar, to maintain the asphalt for fifteen (15) feet in front of the hangar, and snow removal on the premises during the appropriate periods of the year. The Airport will assist in snow removal when capability and priority permit.
- h) Lessee shall not erect, install, or cause to permit to be erected, installed or operated upon the premises herein any sign or advertising device without first having obtained the City's consent thereto as to size, construction, location and general appearance as specified in Spanish Fork City Municipal Code Section 5.36.050 Permitted Permanent Signs.
- i) Lessee shall not have the right to sell or distribute any parts, fuels, oils, or similar products upon said demised premises or upon said airport properties pursuant to this Lease.
- j) Lessee agrees to keep the Premises free of any mechanic's or materialmen's liens or other lien of any kind or nature for any work done, labor performed or material furnished thereon at instance or occasion of the Lessee and the Lessee further agrees to indemnify and save the Lessor harmless from and against any

and all claims, demands, costs and expenses of any nature whatsoever from any such work done, labor performed or materials furnished.

- k) Lessee shall obey all applicable rules, regulations, ordinances and laws that may be from time to time promulgated by the City, State and Federal Government or agency thereof.
- l) Lessee agrees to cause to be removed from the premises, at its own expense, all waste, garbage, and rubbish and agrees not to deposit the same, except temporarily in connection with collection for removal in Airport designated locations, on any part of the premises or other property of the city constituting the Airport.
- m) The Lessee shall provide the Lessor with a copy of the bond to protect mechanics and materialmen as required by Utah Code Ann. §14-2-1 as amended, during the course of construction of any improvements on the leased Premises.

9. INDEMNIFICATION AND HOLD HARMLESS. Provided that the Lessor gives prompt notice of claim or loss and allows Lessee to defend such claim or loss with attorney of Lessee's choice at Lessee's expense, Lessee expressly agrees to defend, protect, indemnify and hold harmless the Lessor, its officers, agents and employees free and harmless from and against any and all claims, demands, damages, expenses, losses, and liability of any kind or nature whatsoever which the Lessor, its officers, agents or employees may sustain or incur or which may be imposed upon them for injury to or death of persons or damages to property arising out of or resulting from the intentional, willful, and negligent acts or negligent omissions of the Lessee, its officers, agents or employees use or misuse of the premises. Lessee agrees to defend at its own cost, expense and risk all claims or legal actions that may be instituted against either the Lessee or the Lessor, which arise out of the intentional, willful, and negligent acts or omissions of the Lessee or its agents. If any claim or legal action is brought arising out of the intentional, willful, and negligent acts or omissions of the Lessee and is also brought against the Lessor, the Lessor agrees to cooperate with the defense of the claim or legal action. In such claim or legal action wherein, the defense of Lessor is in conflict with the defense of Lessee, the Lessor may select its own attorney to defend such action. If after written notice of such conflict Lessee is unable or unwilling to defend such claim or legal action the Lessor may defend such a claim or legal action at the expense of the Lessee. Any settlement of any claim or lawsuit made by the Lessor or Lessee that results in liability against either party is subject to written approval of such other party and will not affect the claims or lawsuits still pending against the other party. Lessee agrees to pay any settlement entered into and satisfy any judgment that may be rendered against either the Lessee or the Lessor as a result of any intentional, willful, and negligent injuries or damages which have resulted from or are connected with this Lease or the occupancy or use of the premises by the Lessee, its officers, agents, employees or licensees, including reasonable attorney fees. Conversely, any judgment or settlement resulting from the acts or omissions solely of the Lessor, Lessee shall not be responsible or liable for indemnity of any damages or judgements (including awards of attorney's fees) resulting therefrom. Neither Lessee nor Lessor may enter into any settlement or

agreement that would result in liability to the other party without the other party's written permission.

10. COMPLIANCE WITH TITLE 11 OF THE SPANISH FORK CITY MUNICIPAL CODE. Lessee hereby acknowledges the applicability of Title 11 Spanish Fork City Municipal Code to this Lease Agreement. Lessee hereby acknowledges notice of the terms, conditions and requirements contained therein and agrees, so far as said ordinances apply to persons such as Lessee herein, to comply with such ordinances in effect or as it may be amended during the term of this Lease or any renewal thereafter.

11. INSURANCE. Concurrent with the execution of this Lease and as partial performance of the obligations assumed under Clause 9, INDEMNIFICATION AND HOLD HARMLESS, the Lessee shall, have from a reliable insurance company or companies authorized to do business in the State of Utah, liability insurance in the minimum amount of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate. If hangar valuations are higher than \$2,000,000.00, insurance covering the actual value of the building is required. Additional insurance policies and limits may be required as per airport Minimum Standards.

The above insurance policy or policies shall contain an endorsement which provides that the Lessor is named as an additional insured as it pertains to said leasehold. Lessee shall provide Lessor with written evidence of said insurance at all times this Lease is in effect.

In addition to any other requirements of this Lease, the Lessee shall notify the Lessor of any modification which affects the leasehold premises, termination or cancellation of any policy of insurance secured by the Lessee pursuant to this paragraph as soon as the Lessee learns of any such modification, termination or cancellation. Each of said policies shall stipulate that the policy provided coverage is not subordinate to nor contributing with any other insurance coverage held or maintained by the Lessor. The procuring of such policy or policies of insurance shall not be construed to be a limitation upon the Lessee's liability or a waiver of performance on the Lessee's part of the indemnification and hold harmless provisions of this Lease; and the Lessee understands and agrees that notwithstanding any policy or policies of insurance it remains the Lessee's obligation to protect, indemnify and hold harmless the Lessor hereunder for the full and total amount of any damage, injuries, loss, expense, costs or liabilities, including attorney's fees, caused by or in any manner connected with or attributed to the negligent acts or omissions of the Lessee, its officers, agents, employees, licensees or the operations conducted by the Lessee, or the Lessee's use, misuse or neglect of the premises described herein.

12. PERMITS, LICENSES AND CERTIFICATES. Lessee shall obtain any and all permits, licenses and certificates which may be required in connection with the improvement and use of the demised premises and aircraft operations. Lessee shall comply with all applicable federal, state and local laws and regulations and the Lessee shall keep in effect any and all licenses, permits, notices and certificates as are required.

13. ASSIGNMENT. Lessee shall not assign this Lease. In the event Lessee decides to sell the improvement the Lessor will execute a new lease agreement with the new Lessee under the same terms of this Lease. Subleasing is permissible so long as the sub lessor is using the hangar for aeronautical purposes and is not storing non-aviation related items in the hangar. Lessee shall notify the airport manager, in writing, and such notice shall include the tenant's name, and phone number and length of sub lease. Written approval of the Lessor shall not be unreasonably withheld, conditioned or delayed. Lessor hereby agrees that Lessee's leasehold interest may be granted as security for any loan obtained by Lessee, provided that such grant permits Lessee to remain in possession except in the event of foreclosure. In the event of foreclosure or forfeiture by the holder of such security, the Lessor consents to further assignment to any person, firm or corporation which is fully competent and has the necessary facilities, experience and financial resources to perform the obligations contained in this agreement on the part of the Lessee to be performed, provided such proposed assignee shall expressly assume said obligations in writing.
14. RIGHT OF ENTRY AND INSPECTION. Lessor hereby reserves the right to enter into and upon the leased premises and any improvements thereon at all reasonable times and for all reasonable purposes with seven (7) days prior notice to the Lessee. Lessor will also provide the Lessee with the opportunity to be present when entry is made upon the leased premises. The airport manager or their designated representative shall exercise this right.
15. RULES AND REGULATIONS. The Lessor shall have the right to adopt and enforce reasonable rules and regulations with respect to the use of the airport and the public terminal building and appurtenances, provided that such rules and regulations shall not be inconsistent with safety and with rules and regulations of the Federal Aviation Administration with respect to aircraft operations at the airport.

Lessee acknowledges and agrees that the Airport Management retains sole authority and responsibility for maintaining all perimeter security measures and controlling access to the airport property. Lessee further acknowledges that any applicable gate access fees, as determined by Airport Management, may be assessed to the Lessee and any sub-tenants of the Lessee. Lessee agrees to comply with all security protocols and access requirements established by Airport Management. Additionally, Lessee is solely responsible for ensuring the security of their leased hangar and any associated property or contents within the hangar.

16. GOVERNMENTAL RESERVATIONS AND RESTRICTIONS.
- a) During the time of war or national emergency, the 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 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.

- b) The Lessor reserves the right to further develop or improve the airport as it sees fit, regardless of the desires or views of the Lessee and without interference or hindrance from Lessee.
- c) There is hereby reserved to the Lessor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises hereby leased, together with the right to cause such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from or operating on the airport.
- d) The 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 the Lessee from erecting, or permitting to be erected, or maintaining any building or other structure on or adjacent to the airport which, in the opinion of the Lessor, would limit the usefulness of the airport or constitute a hazard to aircraft. It is understood and agreed that nothing in this Lease shall be construed to grant or authorize the granting of any exclusive rights to Lessee within the meaning of the civil Aeronautics Act.
- e) The Lessor reserves the right to block access to hangars for air show events as needed. Hangars within the air show aerobatic box must be vacated during air shows. A 30 day notice of air show closure dates and back up dates must be given to all hangar owners.

17. LESSOR'S RIGHT OF CANCELLATION. In addition to all other remedies reserved by Lessor, this Lease, shall be subject to cancellation by the Lessor should one or more of the following events occur:

- a) If the Lessee fails to pay when due the whole or any part of the amounts agreed upon for rents and charges and such default continues for ten (10) days after the Lessor has demanded payment in writing.
- b) If the Lessee shall fail to perform or keep and observe any of the covenants and conditions contained in this Lease to be performed, kept and observed by Lessee, and Lessee fails to correct any breach hereof thirty (30) days after receipt of written notice from Lessor, then and in such event the Lessor shall have the right at once to declare this Lease terminated. Upon termination, if Lessee fails to remove all belongings from the premises within 60 days of termination, belongings shall be removed by Airport Management and Spanish Fork Police Department.
- c) If the Lessee fails to comply with the terms of lease cancellation, the Lessor shall have the right to take possession of the hangar and must auction off the hangar within six months of vacancy. The highest bidder shall take possession of the hangar and the Airport Manager will execute a new lease agreement. The previous Lessee may not bid in the hangar auction.

18. LESSEE'S RIGHT OF CANCELLATION. In addition to all other remedies available to the Lessee at law or in equity, this Lease shall be subject to cancellation by the Lessee should any one or more of the following events occur:

- a) The permanent and complete abandonment of the airport as an aviation facility.

- b) The issuance by any court of competent jurisdiction of an injunction in any way preventing or restricting the use of the airport and the remaining in force of such injunction for at least thirty (30) days.
- c) The breach by the Lessor of any terms, conditions and covenants of this agreement to be kept, performed and observed by the Lessor and the failure to remedy such a breach for a period of thirty (30) days after written notice from the Lessee of the existence of such a breach.
- d) The assumption by the United States Government, the State of Utah, other government, or any authorized agents of the same, of the operation, control or use of the airport and its facilities, in such a manner as to substantially restrict the Lessee from normal use, if such restriction is continued for a period of ninety (90) days or more.
- e) In the event Lessor receives notification of any proceedings affecting the Premises, Lessor will provide notice of the proceeding to Lessee within twenty-four (24) hours. If a condemning authority takes all of the Premises, or a portion sufficient, in Lessee's sole determination, to render the Premises unsuitable for Lessee, this Lease will terminate as of the date the title vests in the condemning authority. The parties will each be entitled to pursue their own separate awards in the condemnation proceeds, which for Lessee will include, where applicable, the value of its real property improvements upon Premises, moving expenses, prepaid Rent, and business dislocation expenses. Lessee will be entitled to reimbursement for any prepaid Rent on a *pro rata* basis.

19. FORCE MAJEURE. If either party hereto shall be delayed or prevented from the performance of any act required hereunder by reason or act of God, flood, hurricane, tornado, earthquake, strikes, lockouts, governmental mandates or orders, pandemics, or infectious disease, which are beyond the control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay and the period of the performance of any such act shall be extended for a period equivalent to the period of such delays; provided, however, nothing in this clause shall excuse the Lessee from the prompt payment of rental or other charges required hereunder to be paid by Lessee except as may expressly be provided elsewhere in this Lease.

20. DESTRUCTION OF PREMISES. Should the improvements to the Premises or the hangar be damaged or destroyed in whole or in part, by fire, earthquake or any other casualty at any time during the term of this Lease so that the same cannot be repaired within ninety (90) working days to substantially the same condition it was in immediately prior to the happening of such casualty, then either the Lessor or the Lessee may, within fifteen (15) working days after the ninety (90) working days after the happening of such casualty, terminate this Lease as of the date of said casualty. If this Lease is not terminated, Lessee shall commence, within ninety (90) working days after the casualty event, with the process of the restoration and reconstruction of the improvements on the demised premises to substantially the same condition in which they were in prior to the happening of the casualty. In no event shall the Lessor be liable to the Lessee for any damages resulting to the Lessee from the happening of such fire or other casualty or from the repair or

construction of the demised premises or from the termination of this Lease as herein provided, nor shall the Lessee be released thereby from any of its obligations hereunder except as expressly stated in this clause.

21. COSTS OF SUSTAINING AN ACTION FOR BREACH OR DEFAULT. In the event either the Lessor or the Lessee commences legal action against the other claiming a breach or default of this Lease, the prevailing party in such litigation shall be entitled to recover from the other reasonable attorney fees and all costs connected with said litigation.
22. PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
23. ABANDONMENT. If the Lessee shall abandon or be dispossessed by process of law or otherwise, any personal property belonging to the Lessee and left on the premises after such abandonment or dispossession shall be deemed to have been transferred to the Lessor; and the Lessor shall have the right to remove and to dispose of the same without liability to account therefore to the Lessee or to any person claiming under the Lessee.
24. AFFIRMATIVE ACTION. The Lessee assures that it will undertake and comply with the program as required by Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, to insure that no person shall on the grounds of race, creed, color, national origin, sex or other prescribed ground, be excluded from participation in any employment activities covered in said Title 49. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by the subpart. The Lessee assures that it will require assurances from their sub-organizations to provide assurance to the Lessor that they similarly will undertake and comply with the Title 49 programs and laws.
25. UNLAWFUL USE. Lessee agrees that no improvement shall be erected, placed upon, operated or maintained on the demised premises, nor shall business be conducted or carried on therein in violation of the terms of this Lease or any applicable law, statute, ordinance, regulation, rule or order of any governmental agency having jurisdiction here over.
26. NONDISCRIMINATION. In the operations to be conducted pursuant to the provisions of this Lease and otherwise in the use of the airport, the Lessee will not discriminate or permit discrimination against any person or class of persons by reason of race, color, creed, sex, national origin or other prescribed ground, in any manner prohibited by Title 49, Code of Federal Regulations, Subtitle A, Part 21 or any amendments thereto. If Lessee provides services to the public, Lessee shall make its accommodations and/or services available to the public on a fair,

reasonable and nondiscriminatory price for each item, article, unit or service; provided that the Lessee may be allowed to make reasonable and non-discriminating discounts, rebates or other similar type of price reduction to volume purchasers. Noncompliance with provisions of this clause shall constitute a material breach thereof; and in the event of such noncompliance, the Lessor shall have the right to terminate this Lease and the estate hereby created without liability therefore, or at the election of the Lessor or the United States, either or both said governments shall have the right to judicially enforce said provisions.

27. LEASE SUBORDINATE TO AGREEMENTS WITH U.S.A. This Lease shall be subordinate to the provisions of any 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 expenditures of Federal funds for the development of the Airport.
28. WAR OR NATIONAL EMERGENCY. This Lease and all of the provisions hereof shall be subject to whatever right the United States Government has or may have affecting the control, operation and taking over of said Airport, or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency. In such event, the parties' obligations to each other under this Lease thereby made inconsistent shall be suspended.
29. DEVELOPMENT OF AIRPORT. Lessor reserves the right to further develop or improve the Airport as it sees fit, regardless of the desires or views of the Lessee and without interference or hindrance by the Lessee.
30. AIRPORT FACILITIES. Lessee is hereby granted the nonexclusive right, in common with all present and future users, to the use of such of the Lessor's Spanish Fork Airport public facilities as are designated by the Airport Manager from time to time. As an incident to all the other uses provided for in this Lease, the Lessee, its employees, authorized representatives, invitees, permittees, licensees, customers and patrons shall have the right to use all public waiting rooms and public lavatories provided such use shall be in common with others and may be suspended during any period when maintenance, repairs or improvements are being made thereto.
31. BANKRUPTCY. Should the Lessee make an assignment for the benefit of creditors or should a voluntary or involuntary petition of bankruptcy or for reorganization or any arrangement be filed by or against the Lessee, or if the Lessee should become bankrupt or insolvent or if a receiver be appointed at the request of the Lessee's creditors (except as a receiver appointed at the request of the Lessor) such action shall constitute a breach of this Lease for which the Lessor at its option, may terminate all rights of the Lessee or Lessee's successors in interest under this Lease.
32. TAXES AND ASSESSMENTS. Lessee shall pay before delinquency, all taxes, license fees, assessments and other charges which are levied and assessed against and upon the improvements, fixtures, equipment or other property caused or suffered

by the Lessee to be installed, located or placed upon the leased premises. The Lessee shall furnish the Lessor with satisfactory evidence of these payments upon demand from the Lessor. Lessee acknowledges that this Lease may create a possessory interest subject to property taxation and that the Lessee may be subject to the payment of property taxes levied on such interest. Lessee agrees to assume and pay any such assessment.

33. MARGINAL CAPTIONS. The various headings and numbers herein and the grouping of the provisions of this Lease into separate section, paragraphs and clauses are for the purpose of convenience only and shall not be considered a part thereof.
34. AMENDMENTS TO BE IN WRITING. This Lease sets forth all of the agreements and understandings of the parties and is not subject to modification except in writing, duly executed by the legally authorized representatives of each of the parties.
35. SUCCESSORS IN INTEREST. The covenants herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all the parties hereto; and all of the parties shall be jointly and severally liable hereunder.
36. NONEXCLUSIVE RIGHTS. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 1349, of the United States Code.
37. WAIVER OF RIGHTS. The failure of the Lessor or Lessee to insist upon strict enforcement of any of the terms, conditions and covenants herein shall not be deemed a waiver of any rights or remedies that either party may have and shall not be deemed a waiver of any subsequent breach or default by a party of the terms, conditions and covenants herein contained.
38. NOTICES. All notices given or to be given, by either party to the other shall be given in writing and shall be addressed or delivered to the parties at the addresses hereinafter set forth or at such other addresses as the parties may by written notice hereafter designate. Notices shall be sent via certified mail (return receipt requested), overnight delivery, or personal service. Notices to the Lessor and the Lessee shall be addressed as follows:

TO: LESSEE

Lessee Name:	
c/o	
Address:	
City, State, Zip:	
Email:	
Home Phone:	
Work Phone:	
Cell Phone:	

TO: LESSOR
Airport Manager
2050 N 300 W
Spanish Fork, UT 84660

39. HOLDOVER. In the event the Lessee shall hold over after the term granted herein, then such holding over shall be construed to be a tenancy from month-to-month only. Prepayment of rent beyond one month shall not be construed to alter or change the month-to-month status of any holdover tenancy. Lessee agrees to comply and abide with all other terms and conditions of this Lease in the event Lessee holds over after the term provided in this Lease expires. The month-to-month tenancy may be terminated by Lessor upon ten (10) days notice.

40. TIME. Time is of the essence of this Lease.

41. APPLICABLE LAW; FORUM, VENUE AND JURISDICTION. This Lease and the work performed hereunder shall be governed in all respects by the laws of the State of Utah and the jurisdiction, forum, and venue for any litigation with respect thereto shall be in the Fourth Judicial District Court, Utah County, Utah, and in no other court.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed, in duplicate, with all the formalities required by law on the respective dates set forth opposite their signatures to be effective the day and year first above written.
SPANISH FORK CITY, by

Lessor:
SPANISH FORK CITY, by

CHRISTIAN DAVIS, Airport Manager

Date: _____

CORY PIERCE, Public Works Director

Date: _____

Lessee:

Date: _____

Building Owner (printed)

Hangar #: _____