

**LEASE**

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the AIRPORT AUTHORITY of Laurel, Yellowstone County, Montana, hereinafter known as Lessor, and \_\_\_\_\_, hereinafter known as Lessee:

**WHITNESSETH**

**I.**

The Lessor covenants and agrees to Lessee, and Lessee covenants and agrees to lease from Lessor upon the terms and conditions hereinafter set forth, **for non-commercial aircraft storage only**, the following described property:

**II.**

It is mutually agreed that this lease shall be for a period of \_\_\_\_\_ (\_\_\_\_\_) year(s), commencing on \_\_\_\_\_, and ending on \_\_\_\_\_, with Lessee having an option to renew this lease on the same terms as contained herein for an additional ten (10) year period. Lessee shall exercise this option to renew by giving written notice of the same to Lessor at least ninety (90) days prior to the date of expiration of the lease.

Within thirty (30) days after the expiration of the lease, Lessee shall remove, at his/her own expense, all buildings, structures and other improvements which he/she may have constructed or placed on the premises, and Lessee shall return the ground to its original condition and contour as directed by Lessor. Failure of the Lessee to remove all such improvements within said 30 day period will cause the Authority to have such improvement removed at the Lessee's expense or to cause ownership of same to transfer to Lessor.

If at any time the installed improvements become inconsistent with the master plan for phased airport development and land use the Airport Authority may terminate this lease by reimbursing Lessee for the unamortized value of the installed improvements.

### **III.**

It is mutually agreed that Lessee shall pay to Lessor:

- a. \$100 assessment for natural gas line
- b. Fire assessment to be determined each year
- c. Gas line and electric assessment for the area to be built in
- d.           per square foot per year of leased space,           per year

The rental amount owned by Lessee for the first year or portion of year, prorated to July 1<sup>st</sup>, shall be due and payable at the time of execution of this agreement. Thereafter, the rental year shall begin on July 1<sup>st</sup> of each year, and the total yearly lease will be due in advance on each succeeding July 1<sup>st</sup>.

It is also mutually agreed that the terms of this particular provision, relating to yearly rent owned by Lessee, may be renegotiated at the instance of Lessor at the end of every third year following the date of execution of this agreement, or at the end of any year thereafter. The new yearly rental rates settled upon shall then be owed by Lessee for the following three years, or until the rates are renegotiated again, whichever is longer. Rates arrived at upon any subsequent renegotiation shall not be altered for at least three years. In the event the parties to this lease cannot agree on reasonable rates during the renegotiations, the matter shall be submitted to a three-member Board of Arbitrators, members to be chosen as follows:

1. First, one member chosen by Lessee, and one member by Lessor, then the third member shall be chosen by the first two members.
2. The new annual rates shall be chosen by majority vote of the Board of Arbitrators.

### **IV.**

Lessee agrees to have any and all plans for building on the airport approved in writing by the Airport Authority or their Agent prior to the commencement of said building; Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on or adjacent to the airport with in the opinion of Lessor would limit the usefulness of the airport, or constitute a hazard to aircraft.

**V.**

Each closed building shall have a fire extinguisher thereon. The Lessee specifically agrees to maintain the leased premises in a manner satisfactory to the Airport Authority. If at any time any building does not meet Building and Fire Code requirements, Lessor may give to Lessee written notice of the same, and Lessee shall have thirty (30) days to bring the building up to code requirements. In the event Lessee fails to remedy the deficiency within the said 30-day period, then Lessor may cause the building or other structure to be removed at Lessee's expense.

**VI.**

Lessee, at his/her own expense, may remove any buildings or foundation which he/she has constructed, before termination of the lease; provided, however, that in such event Lessee shall return the ground to its original condition and contour as directed by Lessor.

**VII.**

Lessee agrees to keep down all weeds on the leased premises and, not only on the leased premises, but also to the center of the taxiway or roadway and/or 15 feet in all directions. Any weeds not so cut by Lessee may be cut by Lessor and the charge for the same placed against the leased premises. This area not so maintained a charge will be placed against the leased premises, which is due thirty (30) days following charge.

**VIII.**

Lessee agrees and understands that no storage outside of the buildings is allowed.

**IX.**

It is mutually agreed that Lessee may not assign this lease nor any portion thereof without the prior written consent of Lessor.

**X.**

It is mutually agreed that in the event the privilege of assigning this lease in whole or part is expressly allowed in writing by Lessor, then the covenants herein contained shall extend to Lessee's successors or assigns; but, no change in the ownership of the lease shall be binding unless Lessor first expressly approves the assignments in writing and has been furnished with a written transfer of assignment or a certified copy thereof. In the event this lease shall be assigned in part or parts of the above-described property, and the assignee or assignees of such part or parts fail to make default in the payment of the proportionate part of the rents due from them, the default shall not operate to defeat or affect this lease insofar as it covers a part or parts of the property on which the Lessee or any assignees thereof have made due payment of the rentals.

**XI.**

It is mutually agreed that this agreement shall insure to the benefit of and be binding upon the parties hereto, their heirs, representatives or assigns as though each were specifically mentioned herein and hereof made a part; however, the waiver or relinquishment by Lessor of any term, benefit, condition or covenant due Lessor from Lessee shall not in and of itself subsequently waive or relinquish the same term, benefit, condition or covenant by the original parties hereto or anyone lawfully taking over them. It is further agreed that time is of the essence of this agreement.

**XII.**

It is mutually agreed and understood that if Lessee should fail to make his annual lease payments as described above, or fail to perform any condition or covenant of this lease or fail to maintain the leased premises in a manner satisfactory to Lessor, and such condition or conditions exist for thirty (30) days after written notice thereof is given to Lessee, Lessor may then terminate and end this lease and re-enter and retake possession of the premises. All buildings and improvements placed on the premises by Lessee shall be removed and the ground shall be returned to its original condition and contour as directed by the Lessor within thirty (30) days after termination hereof. Any buildings or other structures remaining at the expiration of the said removal period after the lease has been terminated shall revert to Lessor. Written notice under this provision may

personally be served upon Lessee, or it may be sent by certified or registered mail to the following address: \_\_\_\_\_, and service shall be deemed completed upon mailing.

**XIII.**

Lessee agrees to observe and obey all rules and regulations concerning the airport that Lessor has in existence up to the date of this agreement. Lessee further agrees to observe and obey all new rules and regulations concerning the general operation of the airport or of the leased premises that Lessor may from time to time promulgate during the term of this lease.

**XIV.**

The following provisions are included in this agreement as required by law, and are mutually agreed to by Lessor and Lessee:

1. Lessee, in the operations to be conducted pursuant to the provisions of this lease and otherwise in the use of the airport, will not discriminate or permit discrimination against any person or class of persons by reason of race, color, religion, sex or national origin in any manner prohibited by Part 2B of the Regulations of the Office of the Secretary of Transportation, or any amendments thereto. The Lessor reserves the right to take such actions as the United States Government may direct to enforce this covenant.
2. Lessee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar type of price reductions to volume purchasers.
3. Lessee shall make its accommodations and/or services available to the public on fair and reasonable terms without unjust discrimination on the basis of race, color, religion, sex or national origin.

4. Non-compliance with Provisions 1, 2, and 3 shall constitute a material breach thereof and in the event of such non-compliance the Lessor shall have the right to terminate this agreement and the estate hereby created without liability therefore or at the election of the Lessee or the United States or both said Governments shall right to judicially enforce said Provisions 1, 2, 3.
5. Lessee agrees that it shall insert the above four Provisions in any lease by which said Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the premises herein leased.
6. The Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance.
7. The Lessor reserves the right, but shall not be obligated to the lessee, to maintain and keep in repair the landing area of the airport and all publicly-owned facilities of the airport, together with the right to direct and control all activities of the Lessee in the regard.
8. This lease shall be subordinate to the provisions and requirements of any existing or future agreement between the Lessor and the United States, relative to the development, operation or maintenance of the airport.
9. Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event any future structure or building is planned for the leased premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the leased premises.

10. 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 308 of the Federation Aviation Act.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

LAUREL AIRPORT AUTHORITY

By \_\_\_\_\_

Lessor

Title \_\_\_\_\_

Lessee

By \_\_\_\_\_

Title \_\_\_\_\_

