

TRUCKEE TAHOE AIRPORT DISTRICT

HANGAR LEASE AGREEMENT

This Agreement is made effective the _____ day of _____, 20____ by and between the TRUCKEE TAHOE AIRPORT DISTRICT ("District") and _____ ("Tenant"). The parties agree as follows:

1. **NOTICE.** THE PARTIES AGREE THAT THIS AGREEMENT AND THE RIGHTS, DUTIES, AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND SUBJECT TO THE CALIFORNIA SELF-SERVICE STORAGE FACILITY ACT, BUSINESS AND PROFESSIONS CODE SECTION 21700, ET SEQ. THE TENANT'S PROPERTY WILL BE SUBJECT TO A CLAIM OF LIEN AND MAY BE SOLD TO SATISFY THE LIEN IF THE RENT OR OTHER CHARGES DUE REMAIN UNPAID FOR FOURTEEN (14) CONSECUTIVE DAYS, AS AUTHORIZED BY THE CALIFORNIA SELF-SERVICE STORAGE FACILITY ACT.

2. **PURPOSE AND TERM.** District hereby leases to Tenant, and Tenant hereby leases from District, hangar space number _____ (the Hangar), situated at the TRUCKEE TAHOE AIRPORT, for storage of Tenant's aircraft and associated aeronautical equipment and supplies, identified as:

N# _____ Aircraft make/model/color/type: _____

This agreement shall commence on _____ and shall continue as month-to-month tenancy.

PRIOR TO OCCUPYING THE HANGAR, TENANT SHALL PROVIDE DISTRICT COPIES OF CURRENT AIRCRAFT REGISTRATION and/or PROOF OF OWNERSHIP, DOCUMENTATION OF AIRWORTHINESS, CURRENT CERTIFICATE OF INSURANCE, DECLARATION OF AIRCRAFT HOMEBASE, AND ANY OTHER AIRCRAFT DOCUMENTATION REQUESTED.

Tenant understands and agrees that, should Tenant cease to use the Hangar for storage of the above identified aircraft, or a substitute aircraft acceptable to District of which Tenant is the majority owner/primary lessee, this Agreement shall terminate regardless of any other provision herein. If at any time while the Tenant is in possession of the Hangar, the aircraft designated above is not flyable, the Tenant has an 18-month grace period to document that the aircraft is legally flyable for the class of aircraft as defined by the FAA. If the Tenant is working on an aircraft project or kit, the Tenant must show progress on the project, and there is a two year deadline for completion of the project; tenant may request a one year extension.

Unless additional uses are listed below and each initialed by the District's General Manager, the Hangar may not be used for any purpose other than for storage of Tenant's aircraft, and minor maintenance/repair of said aircraft.

3. **RENT AND CHARGES.** Tenant shall pay as rent, in advance, on the first day of each month, at the Truckee Tahoe Airport District office, the amount of \$ _____ which represents the Base Monthly Rental Rate. If the Tenant elects to participate in any of the signatory incentive programs, the Base Monthly Rental Rate will be reduced as stated in the appropriate addenda to this lease. The Base Monthly Rental Rate amount is subject to an annual cost of living adjustment as explained in 3.D., below.

A. **LATE FEES/FEES FOR DENIED PAYMENT.** In the event that the entire rental payment is not received by the District by noon on the fifteenth of the month due, Tenant shall pay a late charge of \$20.00. If a Tenant incurs three late fees in any rolling twelve-month period, the District shall require that the tenant prepay one year's rental fees. Tenant further agrees to pay a fee of \$15.00 for each dishonored check or denied credit card.

B. **SECURITY DEPOSIT.** The security deposit shall be \$200. District may use any amounts from that deposit that are reasonably necessary to repair damages caused by Tenant or to clean the Hangar upon Tenant vacating the Hangar. If applied toward damages during the term of this Agreement, Tenant agrees to reinstate the total security deposit within five days written notice from District to Tenant. On termination of this Agreement, the balance, if any, of the security deposit and an itemized statement of any deductions will be mailed to Tenant at Tenant's last known address within 14 days after Tenant surrenders the premises.

C. **RENT DEPOSIT.** Tenant has deposited \$ _____ as a deposit towards the payment of rent. Owner may use any amounts from that deposit that are reasonably necessary to remedy Tenant's defaults in the payment of rent. If applied toward rent during the term of this Agreement, Tenant agrees to reinstate the total rent deposit within five days written notice from District to Tenant. On termination of this Agreement, the balance, if any, of the rent deposit and an itemized statement of any deductions will be mailed to Tenant at Tenant's last known address within 21 days after Tenant surrenders the premises.

D. **CONSUMER PRICE INDEX (CPI).** Tenant shall pay to District as additional rent a cost of living adjustment computed annually as follows: on September 1st of each year beginning with September 1, 2008, regardless of the commencement date of this Agreement, the monthly base rent shall be re-computed. The resulting monthly rent shall be equal to the original initial monthly rent multiplied by the ratio of the Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers, Western-B/C (cities of 50,000 to 330,000 population), All Items (1982-84 = 100), for the month of June just preceding said September 1st to the same Index for the month of June just preceding the beginning of the original term. The amount, rounded up to the nearest dollar, thus derived shall be the monthly rent for each succeeding month during the next one (1) year of the term and shall be adjusted accordingly for each succeeding annual period, provided that the monthly rent shall in no event be less than the rent imposed at the beginning of the original term. In the event that the defined Index is not available as of September 1st, the consumer price adjustment shall be computed as soon as such Index is available, and the rent shall be retroactively adjusted to the anniversary date of the Agreement. In the event no Index is published on September 1st, the Index used shall be that for the next succeeding month which is published and an adjustment shall be made based thereon annually.

4. **ADJUSTMENT IN BASE RENT.** District shall have the right to adjust (increase or decrease) the rent to be paid hereunder upon giving Tenant no less than thirty (30) days' prior written notice of such rent adjustment.

5. **UTILITIES.** There are two methods of payment for utilities. The section marked below applies to Hangar # _____.

_____ **A.** Tenant shall promptly pay all utilities and other related services. This Hangar does not have a separate utility meter. The District will pay the electricity charges associated with the Hangar and the Tenant will receive a prorated surcharge for this individual Hangar. The surcharge is calculated based on the electricity charges paid by the District over a twelve-month period. The current monthly electricity surcharge for this Hangar is \$ 20. This surcharge will be adjusted each September 1st beginning with September 1, 2008, to reflect the electricity charges paid by the District for hangars in the previous twelve-month period.

_____ **B.** Tenant shall promptly pay all utilities and other related services. This Hangar has an individual electric meter. The Tenant is responsible for setting up an account and paying all charges for electricity directly to the utility provider.

6. DUMPSTER USE. Tenant agrees to use the complimentary dumpsters at the various hangar locations only to dispose of small amounts of refuse generated at the hangar and associated with the storage and maintenance of light aircraft. Use of these airport-sponsored receptacles to dispose of household trash, construction debris, any hazardous material, or other refuse from outside sources is prohibited. The dumpster behind the terminal building is not to be used by hangar tenants.

7. WASTE OIL. Tenant agrees to use the complimentary waste oil bowser only to dispose of spent motor oil generated from the maintenance of their own aircraft or personal vehicle. Use of this facility to dispose of hydraulic fluids, brake fluids, antifreeze, or other fluids is prohibited.

8. HAZARDOUS MATERIALS. Tenant acknowledges that if any hazardous materials or substances exist in the hangar, Tenant may be liable for the cost of any damages caused by such materials, fines levied by authorities having jurisdiction over such materials, costs associated with the proper disposal of such materials, costs associated with the loss of revenue to the District caused by such materials, associated legal fees, costs associated with the proper clean-up of such materials, and costs and expenses such as insurance and/or fee increases caused by such materials.

9. AS-IS; MAINTENANCE OF HANGAR; COMPLIANCE WITH RULES; CONDITION ON RETURN. Tenant takes the Hangar as-is and shall return it to District in the same or better condition and without abandoned personal property remaining in the Hangar. Tenant agrees to maintain the Hangar in a clean and orderly condition at all times, and in accordance with California Department of Industrial Safety and Fire Codes which may apply to aircraft hangar storage and other applicable federal, state and local laws and ordinances. Tenant shall be responsible for clean-up and maintenance due to fuel or oil spills. Tenant shall become familiar with and shall at all times abide by all of District's rules and regulations relating to use of the Hangar and the use of any of District's other facilities, whether promulgated before or after the execution of this Agreement, and in particular Tenant shall abide by the following regulations (please initial next to each line):

- _____ **A.** Taxiing in and out of hangar is strictly prohibited;
- _____ **B.** Aircraft must be out of hangar for fueling;
- _____ **C.** All power tools used by Tenant shall be grounded;
- _____ **D.** There shall be no priming or painting in hangars except for touching up minor chips;
- _____ **E.** Paints, solvents, thinners, and other flammable liquids or materials will be used only when the Hangar door is completely open to provide ventilation;
- _____ **F.** Combustible materials must be stored in NFPA-approved containers and closed when not in use;

- _____ **G.** There shall be no open flames or welding in the Hangar at any time;
- _____ **H.** There shall be no smoking in the Hangar at any time;
- _____ **I.** The hangar shall be organized so that an aircraft of record can be moved into the hangar at all times; and
- _____ **J.** Tenant shall not permit any accumulation of oily rags, paper, rubbish, or other debris, nor overload electrical circuits, that could increase the risk for fire.

At the sole option of District, title to any personal property remaining in the Hangar at the time Tenant vacates the Hangar shall become the property of District and, under such circumstances, Tenant shall have no rights to said property and waives all ownership rights to said property and any rights to notice under Section 1980 et seq. of the California Civil Code or any other provision of law relating to abandoned property.

10. ALTERATIONS. Tenant shall not alter any existing fixtures or improvements or alter the Hangar walls, floor, ceiling or electrical system in any manner; nor shall Tenant hang anything from ceiling, walls, beams, doors, or fixtures in hangar; nor shall Tenant add fixtures or improvements or in any other way modify the Hangar without the express and prior written approval of the District. Any and all such work approved by District shall be conducted at Tenant's sole cost and expense. All fixtures, improvements, and additions made in or upon the Hangar, whether by District or by Tenant, shall become District's property and shall remain in or upon the Hangar at the termination of this Agreement, however terminated, without any compensation being paid by District to Tenant.

11. INSURANCE. Tenant agrees to maintain in full force and effect during the term of this Agreement, and any extension thereof, a policy of Aircraft Liability, including Premises Liability, Insurance with a minimum limit of \$500,000 each occurrence for Bodily Insurance and Property Damage Liability, which may be subject to a Passenger Liability limit of \$100,000 each passenger. The Aircraft Liability Policy shall be endorsed to name District as an ADDITIONAL INSURED for the full amount of the policy limits. Such insurance shall contain a standard cross-liability endorsement. Homeowners insurance is NOT satisfactory and does not fulfill the above requirements. District approved aircraft construction or repair projects need only provide Premises Liability insurance as herein provided.

All insurance policies required herein shall contain a provision that written notice of cancellation or changes in coverage limits shall be delivered to District thirty (30) days in advance, except for cancellation for nonpayment which shall be delivered to District ten (10) days in advance. Tenant shall provide District with certification or proof of current insurance prior to use of the Hangar by Tenant.

12. ASSIGNMENT. Tenant agrees not to assign, sublet or otherwise permit occupancy or use of the hangar for compensation or not, except as authorized through the District Administration office in accordance with Policy Instruction 645. Use of the hangar by an aircraft not properly listed as an aircraft of record, as identified in Section 2, shall be considered default.

13. DELINQUENCY IN RENT; RIGHTS OF DISTRICT. When any part of the rent or other charges due from Tenant remain unpaid for fourteen (14) consecutive days, District shall be entitled to terminate the right of Tenant to use the hangar by sending to Tenant a Preliminary Lien Notice, at Tenant's last known address, and to the alternative address, if any, provided by Tenant and set forth herein, by Certified Mail/Return Receipt, containing the following:

A. An itemized statement of the District's claim showing the sums due at the time of the notice and the date when the sums became due;

B. A statement that the Tenant's right to use the Hangar will terminate on a specified date (not less than fourteen [14] days after the mailing of the notice) unless all sums due are paid by the Tenant prior to the specified date;

C. A notice that the Tenant may be denied access to the Hangar after the termination date if the sums are not paid, and that the District's lien may be imposed thereafter; and

D. The name, street address and telephone number of the District whom the Tenant may contact to respond to the notice.

If a Preliminary Lien Notice of the type set forth above has been sent, and the total sum due has not been paid as of the date specified in the notice, then a lien imposed by the California Self-Service Storage Facility Act, Business & Professions Code Section 21700, et seq., shall be attached as of the date specified, and the District may deny Tenant access to the Hangar, enter the Hangar, and remove any property found therein to a place of safekeeping. The District shall be entitled to exercise all rights provided by the California Self-Service Storage Facility Act, Business & Professions Code Section 21700, et seq., including, when appropriate, the right to sell the Tenant's property in order to satisfy the District's lien. The rights provided by this Agreement and by the California Self-Storage Facility Act shall be in addition to and shall not limit all other rights provided by law to a creditor.

14. OTHER DEFAULT. In the event that Tenant violates any of the terms hereunder (other than the obligation to pay rent or other charges), then District may, at its option, provide Tenant with a notice stating that if such violation is not cured within thirty (30) days of the date of such notice, then this Agreement shall automatically terminate. Tenant agrees that in the event of such termination, Tenant shall immediately surrender possession of the Hangar to District and remove all of Tenant's property from the Hangar, and if Tenant does not immediately notify District of surrender of the Hangar and notify District that Tenant's property has been removed, District may proceed according to and in compliance with Section 13 hereof and with the terms of the California Self-Service Storage Facility Act, Business & Professions Code Section 21700, et seq.

15. TERMINATION. This Agreement may be terminated by either party upon giving at least thirty (30) days' prior WRITTEN notice to the other party.

16. INDEMNITY. Tenant shall indemnify and hold harmless District, its directors, officers, employees and agents, from and against any and all claims arising from Tenant's use of the Hangar, or from any activity, work or things done, permitted or suffered by Tenant in or about the Hangar or elsewhere and shall further indemnify and hold harmless District, its directors, officers, employees and agents, from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Agreement or arising from any negligence of the Tenant, or any of Tenant's agents, contractors, guests, invitees, or employees, and from and against all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against District, its directors, officers, employees and agents, by reason of any such claim, Tenant upon notice from District shall defend the name at Tenant's expense by counsel satisfactory to District.

17. RISK OF LOSS. Tenant bears all risk of loss or damage to any property stored in the Hangar. District will not provide insurance for any property stored in the Hangar and is not responsible for any damage to or loss of the stored property, whether caused by fire, water, earthquake, liquefaction, theft, terrorism, or any other risk. Tenant acknowledges that insurance is available from independent insurance companies to protect Tenant in the event of theft, damage, or destruction of the stored property.

18. SUCCESSORS IN INTEREST. Subject to the restrictions upon assignment as set forth in Section 12 herein, this Agreement shall be in favor of and bind the heirs, executors, administrators, successors and assigns of the parties hereto.

19. ENTRY TO HANGAR; MOVING OF AIRCRAFT. Tenant consents to District's entry and inspection of the Hangar during the term of this Agreement and any extension thereof, without notice to Tenant, to determine compliance with the terms hereof, for maintenance or repairs which may be required, to respond to heat/smoke detector alarm, or for any other reasonable purpose. In the event District finds it necessary that Tenant's aircraft must be moved for any non-emergency purpose, District shall give Tenant notice whenever possible and Tenant shall move the aircraft. In the event Tenant cannot be reached or does not move the aircraft, District may thereafter have the aircraft moved by experienced personnel and Tenant, at the option of District, may be solely responsible for the cost of moving. In an emergency situation, District may move Tenant's aircraft without notice and Tenant, at the option of District, may be solely responsible for the cost of moving said aircraft. The District will not be held responsible for any damage to the aircraft or other belongings in the event that the District is required to move an aircraft. Aircraft moved out of hangars for any reason shall be placed in an authorized parking spot on the ramp. In no event will aircraft be left unattended blocking the hangar taxilanes or access roads. Tenant must provide written authorization to District for access of other persons to their hangar, except that Tenant grants permission for the fire department and other emergency services agencies to enter the Hangar during emergency situations.

20. TAXES. TENANT AGREES TO PAY ALL TAXES INCLUDING THE POSSESSORY INTEREST TAX LEVIED BY NEVADA OR PLACER COUNTIES ON HANGAR TENANTS. The Tenant of record on January 1st of each year will be billed directly by the appropriate county. Payment is to be made directly to the County.

21. ATTORNEYS' FEES. In the event of any litigation or arbitration to enforce the provisions of this Agreement, the prevailing party in such litigation or arbitration shall be entitled to reasonable attorneys' fees as fixed by the Court.

22. ENTIRE AGREEMENT. This Agreement, including any addenda incorporated by attachment, contains the entire agreement of the parties hereto, and supersedes any prior written or oral agreements between them concerning the subject matter contained herein.

23. GOVERNING LAW. The construction of this Agreement, and the rights and liabilities of the parties hereto, shall be governed by the laws of the State of California.

24. FORUM. Any litigation or other proceeding to enforce or interpret the provisions of this Agreement or the parties' rights and liabilities arising out of this Agreement of the performance hereunder shall be maintained only in the courts of the Counties of Nevada or Placer, California.

25. TIME OF ESSENCE. Time is of the essence in the performance of all obligations under this Agreement.

26. NECESSARY ACTS. Each party to this Agreement agrees to perform any further acts and execute and deliver any further documents that may be reasonably necessary to carry out the provisions of this Agreement.

27. NON-WAIVER. Failure of either party to enforce any provision of this Agreement is not construed as a waiver of that provision or of either party's right to enforce that provision or any other provision of this Agreement. The acceptance of rent by District shall not operate as a waiver of any prior breaches of this Agreement.

28. SEVERABILITY. If any term of this agreement is held by a court of competent jurisdiction to be void or unenforceable, the remainder of this Agreement remains in full force and effect.

29. NOTICES. Any notice herein required or permitted to be given or served hereunder whether pursuant to the terms of this Agreement or any provision of law shall be served by Certified Mail/ Return Receipt to the respective addresses set forth herein, and, in the case of the Tenant, to the alternative address set forth herein, or at such other address as the party to be notified may from time to time designate in writing. Notice by telephone, fax or e-mail shall not be required, but may be given as a courtesy at the sole discretion of District.

For purposes of this Agreement, District's address to which notices may be sent is as follows:

TRUCKEE TAHOE AIRPORT DISTRICT	
Attention: General Manager	530-587-4540 phone
10356 Truckee Airport Road	530-587-2984 fax
Truckee, California 96161	

For purposes of this Agreement, Tenant's address to which notices may be sent is as follows:

_____	_____
(Name - please print)	(Area code + home telephone)
_____	_____
(Mailing Address)	(Area code + business telephone)
_____	_____
(Physical Address)	(Area code + cell phone number)
_____	_____
(City, State, Zip Code)	(Area code + fax number)

	(e-mail address)

Tenant is specifically required to provide below the **name and address of another person** to whom Preliminary Lien Notices and subsequent notices pursuant to the California Self-Storage Facility Act may be sent:

_____	_____
(Name - please print)	(Area code + home telephone)
_____	_____
(Address)	(Area code + business telephone)
_____	_____
(City, State, Zip Code)	(Area code + fax number)

	(Area code + cell phone number)

	(e-mail address)

TRUCKEE TAHOE AIRPORT DISTRICT

By: _____	Date: _____
General Manager	
By: _____	Date: _____
President, Board of Directors	

TENANT

By signing this document I agree to abide by the terms and conditions of the hangar lease agreement, and rules and regulations of the Truckee Tahoe Airport District; and certify under penalty of perjury that I am the majority owner/primary lessee of the above-stated aircraft listed on Page 1, Item 2, "**Purpose and Term**", and below on the "**TTAD Aircraft of Record Registration and Documentation Checklist**", and have not entered into this lease for the purpose of circumventing the hangar waiting list.

By: _____	Date: _____
Signature of Lessee	

Printed Name	

The purpose of this form is to document aircraft of record that are authorized to park in the tenant’s hangar, consistent with criteria outlined in Policy Instruction 645 and the lease, and to provide the tenant and staff a documentation checklist.

Tenant Info	Name:		
	Billing Address:		
	Personal Address: (if different from billing)		
	Phone: best:	Home:	Cell:
	Email:		
	Fax:		

Complete the below for all aircraft of record; make additional copies if necessary. If you do not have an aircraft when you are offered a lease, state “NONE” in N Number; you have 12 months to acquire a suitable aircraft of record. **You must provide an insurance certificate even without an aircraft.**

Aircraft Info	Aircraft of Record - primary	Aircraft of Record - alternate
Is the aircraft a project? (no airworthiness certificate), if so, note estimated completion date		
N Number		
Make		
Model		
FAA Registration, (or bill of sale and FAA registration application) List name(s) of owner Must submit with lease		
Proof of Ownership Interest (if FAA Reg not in your name, describe and submit, e.g. LLC, lease documents stating interest)		
Certificate of Insurance naming TTAD additionally insured (annual requirement) Must submit with lease		
Airworthiness Certificate (FAA Form 8100-2, 8130-7, or older version) Must submit with lease, unless project		
Copy of annual inspection sign-off or affidavit of flyability (annual requirement- <i>affidavit shall include perjury wording at bottom of this form</i>) Must submit with lease		
Aircraft is homebased at:		
In County / State of:		

“I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.”

Signature: _____

Date: _____