

Sample Lease

Council Bluffs Airport Authority
101 McCandless Lane
Council Bluffs, Iowa 51503
(712) 322-2284

HANGAR LEASE

Hangar Number

Name of Lessee:

Current Email:

Address:

Contact Phone:

If Lessee is a corporation, club, partnership, or joint venture, list names and addresses of all principals:

Aircraft Make:

Model:

Registration: **N**

For and in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:
(Please initial the indicated space beside each paragraph.)

Initial: _____ 1. The Lessee rents from Council Bluffs Airport Authority (Lessor), **T-Hangar # Category** ____, located at the Council Bluffs, Iowa Municipal Airport, hereinafter referred to as the "Airport".

Initial: _____ 2. The term of this Lease shall commence on _____, **2020 and continue until** _____, **2021**. Lessee agrees to pay rent on a quarterly basis. **Rent shall be due in advance of the rental period.** Either party may terminate the agreement by giving notice to the other party of their intent, in writing, not less than thirty (30) days prior to the intended date of termination. **This lease will automatically renew on July 1st of each year** under the same terms and conditions unless amended or terminated in writing by the Lessor. This Lease may not be assigned, and no subletting is permitted.

Category A	(Hangars #1-7, #18-31, #36-42)	\$155 _____ per Month
Category B	(Hangars #8-17, #51-60)	\$185 _____ per Month
Category C	(Hangars #43-50)	\$455 _____ per Month
* \$300 per month plus \$125 per month for gas heat		

Initial: _____ 3. The rental rate, per month, for this category of hangar is set forth above. Three (3) months rent shall be payable four (4) times during the twelve (12) calendar months of the Lease. **Rent shall be due in advance of the rental period.** A 1.5% late fee for rent not received by the Lessor will be charged after the fifteenth (15th) of the month the rent is due. The first 3 months rent shall be due upon the signing of this lease. Thereafter, Lessee shall pay rent at 3-month intervals. If Lessor has not received the rent on or before the 14th day of the first month of the quarter in which it is due, Lessor may, but is not required to, provide Lessee with notice of the default in payment and further advise Lessee that if payment is not made on or before the last day of the month, or default is made on any of the other covenants herein contained,

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the Lessor may enter the premises and remove the aircraft from the T-Hangar without further notice to Lessee. If rent is unpaid, Lessor may elect to deny access to the Hangar.

IF THE LESSEE'S AIRCRAFT IS REMOVED FROM THE LEASED PREMISES BECAUSE THE RENT REMAINS UNPAID AFTER THE LAST DAY OF THE MONTH, LESSOR SHALL NOT BE RESPONSIBLE FOR DAMAGE TO THE AIRCRAFT CAUSED BY WEATHER, INCLUDING WIND, RAIN AND HAIL, NOR BY REASON OF THE NEGLIGENCE OF A THIRD PARTY.

If the rent remains unpaid after thirty (30) days, Lessor may exercise any and all remedies, including a self-help remedy, it may have under the law to seek recovery of the unpaid rent including submission for collection or legal action. In the event it is necessary to pursue legal action to collect the unpaid rent, Lessee shall be responsible for any and all costs expended including, but not limited to, attorney's fees, court costs, and other related legal expenses.

Initial: _____ 4. The airport may cause the use, trade, sale or removal of the aircraft if, within 30 calendar days after the date of receipt of such notice, the aircraft has not been removed from the airport upon payment in full of all accrued fees and charges for the use of the airport and for the transportation, storage, and removal of the aircraft. Such notice may require removal of the aircraft in less than 30 calendar days if the aircraft poses a danger to the health or safety of users of the airport, as determined by the director or the director's designee.

If the aircraft is removed from hangar due to lack of payment the aircraft will be considered abandoned and derelict property and will be subject to apron fees of \$10.00 (ten dollars) per day after 30 (thirty) days.

Initial: _____ 5. Category C Hangars commonly known as "Corporate Hangars" are heated units with a constant temperature in the winter months of 50 degrees. Charges for the fuel use in these hangars are the responsibility of renters and will be billed at a flat rate of \$125.00 per month in addition to the rental costs. The natural gas costs are due and payable at the same time and at the same intervals as the rent.

Initial: _____ 6. Lessee agrees to use the hangar ONLY as a hangar for storage of airworthy aircraft owned or leased by Lessee and for no other purpose. For the purposes of this Hangar Lease Agreement, an airworthy aircraft is defined as one that has successfully completed an annual inspection by a properly certified aircraft inspector according to the aircraft's maintenance logbook(s) within the preceding twelve (12) month period that can be provided to the Lessor upon request. Only property incidental to the operation of the aircraft is to be kept in the leased hangar. All personal property must be mobile and on wheels to allow for access to the hangar, and movement of the aircraft. In addition:

- a) Lessee shall not store any flammable material or flammable liquids in the hangar.
- b) Lessee shall not store furniture, paper or any other type of object or material that would attract rodents or other animals to the hangar premises.

Lessee may, however, temporarily park an automobile in the hangar during the time the stored aircraft is being used by the tenant.

Initial: _____ 7. Lessee shall not engage in any commercial activities within the T-Hangar and apron which constitutes sales or services of any kind to the public, PROVIDED, HOWEVER, LESSEE MAY HANGAR AIRCRAFT USED FOR COMMERCIAL PURPOSES IN ACCORDANCE WITH THE TERMS OF THIS LEASE.

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Initial: _____ 8. **Only preventative maintenance may be performed by the owner within the Hangar. No major maintenance, inspections, annuals, major modifications or repairs, painting or refurbishing can be performed within the Hangar.** Notwithstanding the above, pursuant to FAA Order 5190.6(B), Lessee, with its own equipment and employees shall be allowed to perform maintenance on Lessee's aircraft within the leased premises, provided it is done in a manner that would not be unsafe, unsightly, or detrimental to the efficient use of Airport facilities by others.

Initial: _____ 9. Lessee agrees to obey the ordinances of the City of Council Bluffs and the Rules and Regulations of the Council Bluffs Airport Authority and the Federal Aviation Administration pertaining to the use of this Airport, including the following T-Hangar rules and procedures:

- a) The electrical system is designed for light service only. Only the following electrical appliances will be allowed in addition to basic lighting fixtures: light winch or tug, Tanis style oil heater, trouble lights, and portable tools as necessary. No electrical motor or appliance is to be located within 18" of the hangar floor. Only one item is to be plugged in at a time. No electrical appliances may be powered while the hangar is unattended except for engine heaters specifically built for aircraft engines.
- b) Aircraft are not to be fueled or defueled in any hangar. This will result in violations of FAA and Fire Marshall Regulations.
- c) Aircraft batteries are not to be charged while any portion of the aircraft is in the T-Hangar.
- d) Area heaters, regardless of type, are not permitted in the T-Hangars. Open flame operations of any kind are strictly prohibited. Positively NO SMOKING at all times while in the T-Hangar. Any area heaters found within the T-Hangars will be confiscated and removed from the T-Hangars.
- e) T-Hangar floors are to be kept free of debris and flammable materials. Storage of fuel within the T-Hangar or T-Hangar area is prohibited. Lessee may store lubricants within the T-Hangar if stored in proper containers. Used waste oil shall be disposed of immediately in the Main Hangar waste oil barrel located in the southwest corner of the hangar or removed from the airport premises.
- f) The lessee shall shut and lock the hangar door and engage the center door pin any time the hangar is not occupied.
- g) Lessee of T-Hangar facilities shall comply with all applicable federal, state and local rules, regulations, statutes and ordinances.
- h) Modification of any T-Hangar is prohibited unless the written approval of the Airport Authority has been granted. Any modifications and improvements shall become the property of the Council Bluffs Airport Authority upon termination of this Agreement.
- i) T-Hangar tenants are permitted to use the T-Hangar taxiways for ground vehicular access to their hangar, subject to the exercise of due caution and the rule that aircraft have the right of way at all times. Leaving unattended vehicles or equipment between T-Hangar buildings is prohibited. Lessee's vehicles that are used for transportation to and from the Airport may be

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parked inside the leased T-Hangar only on a temporary basis and only when the aircraft is in use and not located in the Hangar.

- j) Should door maintenance be required, call **712-322-2284** or **workorder@cbairport.com**. Repair of doors or other maintenance should not be attempted by the tenant.

Initial: _____ 10. Lessor shall maintain the T-Hangars at its expense, any damage or repairs caused by Lessee, its agents, employees or negligence, shall be paid by Lessee.

- a) Lessee is responsible for all snow and ice removal within two feet of the hangar door.

Initial: _____ 11. Lessee agrees that he/she or it will not, as a Lessee, on the grounds of race, creed, color, sex, national origin, religion or disability, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 21 of the Regulations of the Office of the Secretary of Transportation. The Lessor reserves the right to take such action as the United States Government may direct to enforce this covenant.

Initial: _____ 12. Lessor shall insure all improvements owned by the Lessor on the premises.

Initial: _____ 13. Lessee shall bear the entire risk of damage or destruction of the stored aircraft and other personal property and shall obtain and maintain at all times during the term of this lease, from a financially solvent insurance carrier(s) authorized to conduct business in the State of Iowa, the following types and minimums of insurance.

Aircraft General Liability Insurance including premises liability, with a combined single limit of Five Hundred Thousand Dollars (\$500,000), insuring Lessee's liability against bodily injury to persons, invitees, including passengers and damage to property;

Aircraft Hull Insurance with the limit equal to or greater than the value of the aircraft and necessary equipment covering said items while aircraft is not moving in vicinity of leased space.

All Lessee insurance is to be carried by one or more insurance companies licensed to do business in the State of Iowa and approved by Lessor. Lessor shall be named as an additional insured with a waiver of subrogation under the applicable policies and furnished with duly executed certificate(s) of all required insurance, together with satisfactory evidence of the payment of premiums therefore, on the date Lessee first occupies the Hangar Unit and, upon renewals of such policies, no less than thirty(30) days prior to the expiration of the terms of such coverage. The insurance policies of Lessee shall further provide at least thirty (30) days advance written notice to Lessor and Lessee of any material changes, cancellation, non-renewal or changes adverse to the interests of Lessor or Lessee.

It is expressly understood by Lessee that the receipt of any required insurance certificate(s) by Lessor hereunder does not constitute agreement that the insurance requirements of this Lease have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of this Lease. Further, the failure of Lessor to obtain certificates or other evidence of insurance from the Lessee shall not be deemed a waiver by Lessor. Non-conforming insurance shall not relieve the Lessee of its obligation to provide the insurance specified herein. Nonfulfillment of the insurance conditions by Lessee hereunder may constitute a material breach of this Lease and Lessor retains the right to suspend the Lease until proper evidence of insurance is provided or, in the continued absence of such insurance evidence, terminate this Lease, in Lessor's sole discretion.

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The hull insurance requirement of Section 13 may be waived with the signed Release of Liability and Assumption of Risk and Indemnity Agreement with the Lessor.

Lessee releases Lessor from liability for damage, destruction or loss of Lessee's stored aircraft or personal property unless the damage or destruction is due to the sole negligence or intentional willful misconduct of the Lessor.

Initial: _____ 14. Lessee agrees to indemnify and hold harmless the Lessor, Council Bluffs Airport Authority, the City of Council Bluffs, and their agents, officers, Board members, or employees, from any and all liability for injuries to persons or damage to property occasioned by the negligence of the Lessee or Lessee's agents, officers, employees, or invitees, or by operations of the Lessee.

Initial: _____ 15. Lessee shall indemnify Lessor, or its agents, for all losses incurred directly or indirectly by Lessor by reason of Lessee and/or guests acts or failure to comply with the terms and conditions of this lease including damage or loss arising out of the storage, permanent or temporary, of items described in this lease as being prohibited and from damage arising out of the storage of any type of toxic material harmful to humans or the environment. This indemnification specifically includes payment of reasonable attorney fees and costs incurred by Lessor and/or City of Council Bluffs in defending such claims.

Initial: _____ 16. Lessee agrees that any personal property that remains on the premises after the lease term has ended shall be considered abandoned property under Iowa law.

Initial: _____ 17. Hangar door locks. Lessor shall provide to Lessee locks and/or keys for all doors providing access to the hangar. The only locks permitted to be used on doors or hangars are those locks issued by the Lessor. No personal locks are permitted. Personal locks found on access doors to the hangar will be removed. Further, in the event the rent remains unpaid as described in this lease, or for failure to comply with other terms and conditions of this lease, Lessee may be denied access to the hangar and its contents.

EXECUTED this _____ day of _____, 2020

COUNCIL BLUFFS AIRPORT AUTHORITY
LESSOR:

LESSEE:

Signature
Andy Biller
For Council Bluffs Airport Authority

Signature