

LEASE AGREEMENT

This Agreement made this ____ day of _____, 20____, between the
West Fargo Airport Authority (hereinafter Lessor) and
_____ (hereinafter Lessee).

The parties recite and declare that:

- A. Lessor is the owner of an airport known as the West Fargo Airport (hereinafter referred to as the Airport).
- B. Lessee desires to rent space and to use the facilities of the Airport.
- C. Lessor is willing to lease Lessee a portion of the Airport premises together with such rights and privileges as set forth in this Agreement.

SECTION ONE USE OF AIRPORT

Lessee is granted the use, in common with others similarly authorized, of the Airport, together with all facilities, equipment, improvements, and services which have been or may hereafter be provided at or in connection with the Airport from time to time including, but not limited to, the landing field and any extensions thereof or additions thereto, roadways, runways, aprons, taxiways, floodlights, landing lights, signals, radio aids, and all other conveniences for flying, landings, and takeoffs.

SECTION TWO HANGAR AND/OR GROUND SPACE

Lessor grants Lessee the exclusive use of that portion of the Airport premises described as follows:

Designated Hangar Space which is to be referred to as Lot # _____. Hangar Space is defined as the exterior dimension of the construction. Lot area surrounding the hangar is considered to be the property of the lessor and not to be used by lessee for any purpose, including but not limited to, outside storage. Lessee is subject to airport rules concerning shared airport property. Unless otherwise described above, there are no outside storage privileges conveyed to the lessee.

SECTION THREE TERM

Subject to earlier termination as hereinafter provided, the term of this Agreement shall be for a period of thirty (30) years commencing on the ____ day of _____, 20____.

Lessee shall have the right to terminate the lease on the first day of any month during the term of the lease provided that he has provided written notice to Lessor of his intention to terminate the lease thirty (30) days prior to the date of termination.

SECTION FOUR
RENTALS AND CHARGES

Lessee agrees to pay Lessor for the use of the above described premises the sum of \$250.00 per year with the first payment due the ____ day of _____, 20____, and the subsequent 29 payments due on the first day of each year thereafter. The annual lease payment pursuant to this Agreement shall not increase by more than the increase in the consumer price index for the previous year.

SECTION FIVE
RULES AND REGULATIONS

1. Lessee is responsible for the construction, operation and maintenance of the hangar described in Section Two, if any. All new construction and subsequent modifications thereto must be approved by the Airport Authority and reduced to writing in a Construction Agreement. Proposed color changes shall be submitted to the Airport Authority and approved in writing as to harmony of external design and color in relation to surrounding structures.
2. Lessee is responsible to pay for all damages to all Airport property caused by Lessee or any person under his authority, or any person using the hangar or Airport with Lessee's permission.
3. If Lessee is leasing only outside aircraft parking, Lessee must secure his/her own aircraft, including but not limited to, providing his/her own anchors and tie-downs.
4. No smoking shall be allowed in hangars, or in areas of outdoor airplane storage or while fueling aircraft.
5. The Lessee is responsible for cleaning up all oil spills, and/or other messes, trash, garbage, etc., immediately. If such condition is not cleaned up immediately, the Lessor or the airport manager shall have the area cleaned up and charge the Lessee for the cost of the cleanup.
6. Washing of aircraft will be allowed on ramp area, however, while washing, Lessee shall permit and allow all other parties reasonable access to the hangar area.
7. If Lessee is going to fuel aircraft, it must be done in the area designated on the attached airport sketch.

8. Lessee agrees to observe and obey all other reasonable rules and regulations of the Lessor with respect to the use of the hangar and Airport facility which are in force at the time of the enactment of this lease or which may be promulgated by the Lessor in the future. Such rules and regulations shall not be inconsistent with the provisions of this Agreement unless the rule or regulation is consistent with a changed rule, regulation or order of the Federal Aviation Administration with respect to aircraft storage and operations at an airport. Furthermore, the rules and regulations shall not be inconsistent with the rules, regulations, and orders of the Federal Aviation Administration with respect to aircraft storage and operations at an airport. Lessee shall have sixty (60) days to comply with any new rules or regulations promulgated by the Lessor, unless Lessor in writing provides Lessee with a longer period of time in which to comply.
9. Hangar space shall be used primarily for the storage of aircraft. Lessee, its agents, employees, and guests, shall not be permitted to store motor vehicles, boats, campers, or related items on the premises of the Airport, other than inside the lessee's hangar, with the exception that the parking of motor vehicles at the Airport for less than forty-eight (48) hours or for a period of time in which the Lessee is utilizing his aircraft away from the Airport shall not be deemed to be storing a motor vehicle in violation of this regulation.
10. Lessee shall provide in general that the hangar will be used for aviation purposes limited to the storage of aircraft and aircraft related items. The Lessee shall maintain appropriate registration and certifications on all airworthy aircraft that are stored in hangar. If Lessee does not own an aircraft at the time of the commencement of this Lease or sells all airworthy aircraft, Lessee has one hundred twenty days to obtain an aircraft. The City may allow the Lessee a single one hundred twenty (120) day extension to obtain an aircraft. Lessee shall have proof that the Lessee is working toward acquiring an airworthy aircraft during periods when the Lessee does not own and operate one.
11. Airport gates and doors will be closed immediately after use. If gates or doors are not closed, lessee's ramp access will be terminated.

SECTION SIX INSURANCE

Lessee shall be responsible for insuring Lessee's own aircraft or other property, and the Lessor will have no responsibility to provide insurance for Lessee's property.

**SECTION SEVEN
INDEMNIFICATION OF LESSOR**

Lessee agrees to indemnify the Lessor against any and all liability for injuries to persons or damage to property caused by Lessee's use or occupancy of the leased premises or use of the Airport facilities of the Lessor. Such indemnification shall include all costs, including attorney fees. Provided, however, that Lessee shall not be required to indemnify the Airport Authority for any damage or loss occasioned by the negligence of Lessor or its agents or employees and provided further that Lessor shall give to Lessee prompt and timely notice of any claim made or suit instituted which in any way directly or indirectly, contingently or otherwise, affects or might affect Lessee, and Lessee shall have the right to compromise and defend the same to the extent of its own interest.

**SECTION EIGHT
TERMINATION BY LESSOR**

If Lessee shall fail to make payment for rent as set out above by the twelfth day of the month, or if Lessee fails to pay by the twelfth day of the month any money due and owing to Lessor for gas, or any other charge or bill owed by Lessee to Lessor, Lessor may, at its option, terminate this Agreement immediately. In addition, should Lessee fail to properly follow the terms, conditions and responsibilities set out in Section Five of this Agreement, the Lessor may terminate the Lease upon giving Lessee thirty (30) days written notice of setting out the rules, conditions and responsibilities which have been violated by the Lessee. If the Lessor terminates this Agreement for failure of Lessee to pay rent or other fees due and owing as set out in this Agreement, the Lessor shall have the right to take possession of such of Lessee's personal property as is reasonably necessary to secure payments of the amounts due and unpaid.

In the event this lease is terminated, Lessee shall have the right to sell or dismantle and remove the hangar from the Airport Authority premises within 180 days from the date of termination of this lease unless additional time is approved by the Airport Authority. The Airport Authority must approve of any procedures to remove a hangar from its premises. If a hangar is not sold or removed pursuant to the terms of this paragraph, then the hangar shall be considered the property of the Airport Authority, free and clear of any claim by the Lessee.

**SECTION ELEVEN
SEVERABILITY**

This Agreement shall be construed under the laws of the State of North Dakota. Any covenant, condition, or provision herein contained that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this Agreement, but such deletion shall in no way affect any other covenant, condition or provision herein contained so long as such deletion does not materially prejudice Lessor or Lessee in their respective rights and obligations contained in the valid covenants, conditions or provisions of this Agreement.

**SECTION TWELVE
EFFECT OF AGREEMENT**

All the covenants, conditions and provisions of this Agreement shall extend to and bind the legal representatives, successors and assigns of the respective parties hereto and shall supersede any prior agreements, whether written or oral. This Agreement may be amended only by the written consent of the Lessor and Lessee.

Lessor(West Fargo Airport Authority)

Lessee

SKETCH

West Fargo

Airport

Tenants as of 7/27/2007

- 1. Robert Rood
- 2. West Fargo Aviation
- 3. Jerry Keller
- 4. Gene Johnson/Tim Stolz
- 5. Schonert/Hartman/Allmaras
- 6. Ed Skroch
- 7. Ed Ferguson
- 8. Skydive Fargo
- 9. Lee Erickson
- 10. Ed Skroch
- 11. William Schafer
- 12. Delbert Jennings
- 13. WF Airport Authority

- 1W. Carousel Hangar building
- 3W. Jon Lindgren
- 4W. *JEREMY PRICE*

