

**PANGBORN MEMORIAL AIRPORT
HANGAR SPACE LEASE AGREEMENT**

THIS HANGAR SPACE LEASE AGREEMENT (“Lease”) made and entered into this date by and between PANGBORN MEMORIAL AIRPORT, a joint venture between the Port of Chelan County and the Port of Douglas County (“Lessor”), and _____, (“Lessee”), sometimes referred to as the “Parties”.

The Parties agree as follows:

1. **Premises.** Lessor hereby leases to Lessee, and Lessee leases from Lessor, upon the terms and conditions included in this Lease, Hangar Space No. _____ located at Pangborn Memorial Airport situated in Douglas County, Washington, hereafter referred to as the “Premises” or “Leased Premises.”

2. **Term of Lease.** The Lease shall be a month-to-month lease commencing on the 1st day of _____, 20_____, and continuing each month thereafter until either party provides thirty (30) days advance written notice of termination. The Lessee shall be obligated to pay rent through the end of the 30-day period set forth in the notice of termination.

3. **Rent.**

3.1 **Amount.** Lessee shall pay to Lessor in advance on the 1st day of each month rent in the amount of _____ Dollars (\$_____ US) (“Rent”).

3.2 **Additional Rent and Fees.** Tenant shall pay to Landlord the following additional amounts prior to occupancy.

Key Deposit	\$50.00
Extra Key Charge (beyond two keys)	\$25.00 each key

Note: Lost key charge will be \$25.00 per lost key.

3.3 **Pro Rata Rent.** In the event the lease term commences on a date other than the first day of the month, Lessee shall pay a pro-rated monthly installment, in advance, on the first day of the lease term at the then current rate, based on the number of days of actual occupancy left in the month. The prorated monthly installment due for _____, 20_____ is _____ Dollars (\$_____ US). In the event the lease term terminates on a date other than the last day of the month, Lessee shall be reimbursed a pro-rated amount at the then current rate, based on the number of days left in the month following the effective date of termination; provided that the reimbursement shall only be due if the Lessee is not in default under the terms and conditions of this Lease. Except as set forth in the preceding sentence, the reimbursement, if any, shall be due within thirty (30) days following termination of the Lease.

3.4 **Late Charge and Costs.** In the event any payment under this Lease is not received within ten (10) days after the date it is due, Lessee agrees to pay a late charge of ten percent (10%) of the amount of the payment due for each month the payment remains unpaid. The late

charge is due immediately and is in addition to all of Lessor's rights in this Lease. In the event Lessor elects to provide written notice of delinquency or other violation of the Lease, Lessee agrees to pay Lessor's cost and attorneys' fees reasonably incurred in providing such notice in addition to the late charge and all other payments and obligations called for herein.

3.5 Leasehold Tax. Lessee shall pay to the Landlord such sums as may be required by law for payment of leasehold or other tenant tax as required, imposed, assessed, or imputed by the state of Washington or other tax entity, as such laws now exist or are hereafter be amended (such leasehold tax currently being 12.84%). If leasehold tax is increased or decreased, the total amount payable to the Lessor shall increase or decrease, but the amount of Base Rent, as adjusted herein, shall not be changed as a result of any change in the leasehold tax rate.

3.6 Net Lease. Lessor shall have no obligation relative to the Leased Premises for such things as upkeep, standby water, fire protection costs, utilities, taxes, assessments, inspections, landscaping, snow removal, and the like, and Lessee shall pay, be responsible for, and reimburse Lessor for all expenses associated with the Leased Premises upon demand therefor.

3.7 Security Deposit.

(a) Simultaneously with signing this Lease, Tenant shall deposit with Landlord a security deposit in the amount of \$_____ (an amount equal to not less than one month's rent as provided by Title 53.08.085 of the Revised Code of Washington), in the form of cash or other deposit acceptable to Landlord. The security deposit shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of the Lease. The security deposit shall be placed in an account of Landlord's choice and the interest, if any, that accrues on said account, shall belong to the Landlord.

(b) If Tenant breaches any of the terms of this Lease, including the obligation to pay rent, Landlord may, at Landlord's option, make immediate demand upon such security, without notice to Tenant, and apply the proceeds thereof toward the damages or expenses incurred by Landlord pursuant to this Lease. Such demand and application of the security deposit shall not be deemed a cure of any breach of the Lease. Nothing herein shall prevent the Landlord from pursuing any and all available remedies for a breach of the Lease.

(c) During the term of this Lease, the Tenant hereby authorizes the Landlord to seek and obtain a credit or similar reports from any credit reporting agency or bureau or other entity.

4. Rent Adjustment. The Lessor reserves the right to adjust the Rent by providing Lessee notice of the adjusted Rent which shall become effective the 1st day of the month following the notice.

5. Improvements. Lessee shall not construct improvements, conduct any work, make any alterations or attach any hoist or holding mechanism to the Leased Premises, without the Lessor's advance written consent.

6. **Repair and Maintenance.** Lessor shall maintain and repair the structure and roof of the Leased Premises, provided that any maintenance or repair to the Leased Premises necessitated by the negligence or wrongful act of the Lessee, its agents, employees, officers, guests, invitees, or representatives, shall be the responsibility of the Lessee. Lessee agrees to promptly notify the Lessor, in writing, of any unsafe or hazardous conditions which may exist on or about the Leased Premises, including the hangar of which the Leased Premises is a part. Unless such written notification is given in advance by the Lessee, the Lessor will not be responsible to the Lessee for injuries, loss or damage caused by a lack of maintenance or repair, if such maintenance or repair could have cured the hazardous or unsafe condition.

7. **Use of the Premises.** Unless otherwise agreed to in writing by Lessor, Lessee shall:

7.1 Not use the premises for any purpose except for aircraft storage.

7.2 Conform to all applicable laws and regulations of any public authority affecting the Premises and the use, including but not limited to the Federal Aviation Administration and all rules promulgated by Lessor.

7.3 Refrain from any use which would be reasonably offensive to the Lessor, other tenants or owners or users of adjoining premises, or which would tend to create a nuisance or interfere with the use of the airport for general aviation purpose.

7.4 Keep and maintain the hangar on the leased premises and any aircraft or other materials placed on the leased premises in a safe, clean and orderly manner.

7.5 Operate in accordance with the obligations of the Lessor to the Federal government under the terms and restrictions contained in Lessor deed to part of the airport property from the U.S. Government.

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 the Lessee from erecting, or permitting to be erected, any building or other structures on the airport which, in the opinion of the Lessor, would limit the usefulness of the airport or constitute a hazard to aircraft. Lessor reserves the right to develop or improve the airport as it sees fit, without interference or hindrance on the part of the Lessee.

This Lease shall be subordinate to the provisions of any existing or future agreement entered into between the Lessor and the United States to obtain federal aid for the improvement or operation and maintenance of the Airport.

8. **Rules and Regulations.**

8.1 Lessee agrees to conform to Lessor's rules and regulations pertaining to the use of the Pangborn Memorial Airport. Lessor has the right to modify the rules and regulations without notice to the Lessee so long as the Lessee continues to have reasonable access to the Leased Premises. Lessor shall not be subject to any liability and Lessee shall not be entitled to any compensation or abatement of rent and it shall not be deemed a constructive or actual eviction if the rules and regulations are modified by Lessor. In the event additional maintenance or clean-

up to the Leased Premises beyond that provided for normal use is required as a result of the use by Lessee, its agents, employees or guests, which Lessee does not perform, Lessee shall immediately pay the Lessor the cost associated with the additional maintenance upon billing for such costs by the Lessor.

8.2 Lessee agrees to be bound by all applicable present and future ordinances, codes, laws, rules and regulations of the Lessor and applicable County, State and Federal Governments pertaining to the Leased Premises and Pangborn Memorial Airport.

8.3 In regard to the Leased Premises, Lessee, at Lessee's sole expense, shall comply with all laws, orders and regulations of Federal, State and municipal authorities, and shall specifically comply with any direction of any public officer, pursuant to law, which shall impose any duty upon the Lessor or the Lessee with respect to the Leased Premises.

8.4 Specifically, and not by way of limitation, the Lessee shall also comply with the following rules and regulations pertaining to hangar storage:

(a) Lessee shall not store gasoline, explosives, or hazardous substances as defined in Paragraph 17 in the Leased Premises.

(b) Lessee agrees to keep the doors to the Leased Premises closed at all times when not in use.

(c) Lessee shall keep the Leased Premises clean and free of debris.

(d) Lessee shall not park or leave an aircraft, vehicle, or other items of personal property on the pavement adjacent to the Leased Premises, including taxiways and areas of common use with other tenants.

(e) Lessee shall not conduct any commercial business from the Leased Premises, including, but not limited to, charter, rental, repair, or instructional services, without the advance written consent of the Lessor.

(f) Lessee must complete an Airport Badge Application & the FAA/TSA Non-movement Area Test prior to obtaining access to Leased Premises. Lessee must also successfully pass a Federal Security Threat Assessment (STA).

(g) Lessee must keep all contact information and identification information of any aircraft kept in the hangar current with Lessor.

(h) Lessor will issue an Airport lock for use on the hangar doors. This is the only acceptable lock that may be used, unless otherwise specifically authorized in writing by Lessor. Two keys will be issued to this lock upon occupancy. Additional keys may be provided at additional charge specified in Paragraph 3.2.

9. **Lessee's Acceptance.** At the commencement of the term, Lessee shall and hereby does accept the Leased Premises in its existing condition. No representation, statement or warranty,

express or implied, has been made by or on behalf of the Lessor as to such condition. In no event shall the Lessor be liable for any defect in such property or the Leased Premises.

10. **As-Is No Warranty.** No representation, statement or warranty, expressed or implied, is or shall be made by or on behalf of the Lessor as to the condition of the Leased Premises, or as to the use that may be made of the Leased Premises unless specifically set forth in writing. Lessee accepts the Premises in AS-IS condition without representation or warranty, of any kind or nature, except as specifically provided herein. Lessee releases Lessor from any responsibility for any representation that may have been made to the Lessee about the Leased Premises that is not specifically set out in this Lease Agreement.

11. **Right of Entry.** The Lessor and its representatives may enter the Leased Premises at any time without advance notice to the Lessee.

In case of emergency (including, but not limited to fire, high wind, security issues, etc.), which decision is committed for the sole discretion of the Lessor, Lessor may enter the Leased Premises at any time without notice to Lessee. In the event the Lessor takes any action to secure or move the Lessee's aircraft in the event of an emergency, which action the Lessor is not required to take, the Lessor shall not be liable to the Lessee for any damage to Lessee's aircraft and the Lessee specifically agrees to indemnify, release and hold the Lessor harmless from any damages to the Lessee's aircraft in the event of an emergency.

12. **Lessor's Rights – Default - Termination.** If the Leased Premises shall be deserted or vacated, or if there shall be a default in payment of rent or any part thereof for more than ten (10) days after written notice of such default by Lessor, or if there shall be a default in the performance of any other covenant, agreement, condition, rule or regulation referenced herein or hereafter established on the part of the Lessor for more than ten (10) days after written notice of such default by the Lessor, this Lease (if the Lessor so elects) shall thereupon become null and void, and the Lessor shall have the right to re-enter or repossess the Leased Premises, either by force, summary proceedings, surrender or otherwise, and dispossess and remove therefrom the Lessee, or other occupants thereof, and their effects, without being liable for any prosecution therefor. Upon the expiration or sooner termination of this Lease, Lessee shall immediately remove any personal property from the Leased Premises. If Lessee fails to remove any personal property upon the expiration of this Lease, or upon sooner termination for any reason, Lessor may impound and store the personal property (including storage on-site by changing the lock to the Leased Premises), at Lessee's cost and at Lessee's risk, until all sums due under this Lease, together with attorney's fees, costs of impoundment and storage after default, are paid in full. If the Lessee does not pay the storage cost and all other sums due under this Lease, after it has been stored for a period of thirty (30) calendar days or more and after giving Lessee ten (10) days written notice of sale, Lessor may, at its sole discretion, sell, or permit to be sold, any or all of the property at public or private sale. The sale proceeds shall be credited against any amount that Lessee owes Lessor under this Lease.

13. **Lessor's Cure of Lessee's Default.** If the Lessee shall be in default hereunder, the Lessor may cure such default on behalf of the Lessee, in which event the Lessee shall reimburse the Lessor for all sums paid to effect such cure, together with interest at the rate of twelve percent (12%) per annum and reasonable attorney's fees. In order to collect such reimbursement

the Lessor shall have all the remedies available under this Lease for a default in the payment of rent.

14. **Damage or Destruction.** If the Leased Premises are partially or totally destroyed or damaged by fire or any other casualty, this Lease shall terminate at the end of the month in which the damage occurred. Lessor is under no obligation to repair or restore the Leased Premises.

15. **Hold Harmless Indemnity and Insurance.**

15.1 The Lessee shall indemnify and hold the Lessor harmless from and against any and all claims, demands, cause of actions, suit or judgments, including attorney's fees, costs and expenses incurred in connection therewith and in enforcing the indemnity, for deaths or injuries to persons or for loss of or damage to property arising out of or in connection with the negligent or wrongful acts of Lessee, its agents, employees, officers, guests, representatives and invitees, or the condition of the Leased Premises, or the use and occupancy of the Leased Premises by Lessee, or by Lessee's non-observance or non-performance of any law, ordinance or regulation applicable to the Leased Premises, or incurred in obtaining possession of the Leased Premises after a default by the Lessee, or after the Lessee's default in surrendering possession upon expiration or earlier termination of the term of the Lease, or enforcement of any covenants in this Lease. This includes, without limitation, any liability for injury to the person or property of Lessee, its agents, officers, employees, or invitees. **The Lessee specifically waives any immunity provided by Washington's Industrial Insurance Act. This indemnification covers claims by Lessee's own employees.**

15.2 In the event of any claims made to, or suits filed against Lessor, for which the above indemnity applies, Lessor shall give Lessee prompt written notice thereof and may demand that the Lessee defend or settle the same.

15.3 Lessee, as a material part of the consideration to Lessor for entering this Lease, waives all claims against Lessor for damages to goods, wares, merchandise, loss of business, and expectancy and consequential damages sustained or incurred by Lessee in upon or about the Leased Premises and for injury to Lessee, its agents, employees, invitees or other persons in or about the Leased Premises from any cause arising at any time, other than for Lessor's willful misconduct.

15.4 From and after the commencement date of this Lease, Lessee shall insure the Leased Premises, at its sole cost and expense, against claims for bodily injury and property damage under a policy of commercial general liability insurance, acceptable to Lessor, with aggregate limits of \$1,000,000 for bodily injury and property damage. Such policy shall name Lessor as an additional insured. Before taking possession of the Leased Premises, the Lessee shall furnish the Lessor with a certificate evidencing the aforesaid insurance coverage.

15.5 The aforementioned minimum limits of policies shall in no event limit the liability of Lessee hereunder. No policy of Lessee's insurance shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days prior written notice to Lessor by

the insurer. Lessee shall, at least thirty (30) days prior to the expiration of the policies, furnish Lessor with renewals or binders.

15.6 The insurance required herein shall be issued by carriers and on terms acceptable to the Lessor.

15.7 The Lessee agrees that if Lessee does not purchase and maintain such insurance, Lessor may, but shall not be required to, procure such insurance on Lessee's behalf and charge Lessee the premiums together with a five percent (5%) handling charge, payable upon demand.

15.8 THE LESSEE AGREES AND ACKNOWLEDGES THAT THIS IS A LEASE OF SPACE ONLY FOR THE STORAGE OF AIRCRAFT. THE LESSEE SHALL BE SOLELY RESPONSIBLE FOR INSURING THE CONTENTS STORED ON THE LEASED PREMISES. THE LESSEE FURTHER AGREES AND ACKNOWLEDGES THAT THE CONTENTS STORED ON THE LEASED PREMISES ARE IN THE SOLE AND EXCLUSIVE CARE, CUSTODY AND CONTROL OF THE LESSEE AND NOT THE LESSOR.

16. **No Right to Assign or Encumber.** The Lessee shall not assign, sublet, or encumber the Leased Premises or any part thereof, without the prior written consent of the Lessor.

17. **Presence and Use of Hazardous Substances.** The Lessee shall not store or maintain hazardous substances on or around the Leased Premises. "Hazardous substances" shall include any substance designated as, or containing components designated as, hazardous, dangerous, toxic or harmful and/or which are subject to regulation by any federal, state or local law, regulation, statute or ordinance.

18. **Holdover.** If Lessee, with the implied or expressed consent of Lessor, shall holdover after the expiration or termination of this Lease, Lessee shall remain bound by all the terms and conditions of this Lease, except that the monthly rent shall be increased by fifty percent (50%) over the amount due the last full month of the Lease.

19. **Successors and Assigns.** The covenants and conditions herein contained, including the provision as to assignments, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

20. **Attorney's Fees.** In the event it is necessary for either party to retain the services of an attorney to enforce the provisions of this Lease, to pursue an unlawful detainer action, or in the event of litigation regarding the terms of this Lease, the substantially prevailing party shall be entitled to recover from the other its costs and reasonable attorney's fees in addition to other relief.

21. **TIME.** TIME IS OF THE ESSENCE IN THIS LEASE.

22. **Miscellaneous Provisions.**

22.1 **Interpretation.** This contract has been submitted to the scrutiny of all parties and their counsel, if desired, and it shall be given a fair and reasonable interpretation in accordance

with its words, without consideration to or weight given to its being drafted by any party or its counsel. Paragraph headings are for convenience only and shall not be considered when interpreting this contract. All words used in the singular shall include the plural; the present tense shall include the future tense; and the masculine gender shall include the feminine and neuter genders.

22.2 Non-Waiver of Covenants. The Lessor's failure to insist upon the strict performance of any provision of this Lease shall not be construed as depriving the Lessor the right to insist on strict performance of such provision in the future. The subsequent acceptance of rent, whether full or partial payment, by the Lessor shall not be deemed a waiver of any preceding breach by the Lessee of any term, covenant, or condition of this Lease, other than the failure of the Lessee to pay the particular part of the rent accepted, regardless of the Lessor's knowledge of the proceeding breach at the time of the acceptance of that part of the rent.

22.3 Savings. Nothing in this Lease shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provisions of this Lease and any statute, law, public regulation or ordinance, the latter shall prevail, but in such event, the provisions of this Lease affected shall be curtailed and limited only to the extent necessary to bring it within legal requirements.

22.4 Notices. Any notice by either Party to the other Party shall be in writing and shall be deemed to be duly given upon receipt by certified mail in a postpaid envelope addressed to the Party at the address set forth next to their signature, below. ALTERNATIVELY, ANY NOTICE HEREIN TO BE PROVIDED BY LESSOR SHALL BE DEEMED SERVED IF POSTED ON THE PREMISES. LESSEE SHALL BE RESPONSIBLE FOR MAINTAINING CURRENT CONTACT INFORMATION (ADDRESS, PHONE, AND E-MAIL). FAILURE TO MAINTAIN CURRENT CONTACT INFORMATION SHALL BE A DEFAULT UNDER THIS LEASE.

22.5 Incorporation. This agreement represents the entire agreement of the parties. Unless set forth herein in writing, neither party shall be bound by any statements or representations made and each agrees that there are no such statements or representations being relied upon in making this Lease.

22.6 Governing Law. This Lease shall be governed by the law of the state of Washington and venue for any action arising from this Lease shall be Douglas County, Washington.

22.7 Non-Discrimination. The Lessee agrees not to discriminate in its business dealings or hiring practices on the grounds of race, color, national origin or sex.

22.8 Amendment. No alteration, changes or amendments to this Lease will be binding upon either party unless the same are written and executed by the Parties.

DATED this ____ day of _____, 20____

LESSOR:
PANGBORN MEMORIAL AIRPORT

LESSEE:

Signature:_____

Signature:_____

Printed Name:_____

Printed Name: _____

Title: _____

A/C Tail #:_____

Mailing Address:_____

Phone:_____

Email:_____

STATE OF WASHINGTON)
)ss.
County of _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____ of PANGBORN MEMORIAL AIRPORT to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 20____

_____(Printed name)
NOTARY PUBLIC, State of Washington
My appointment expires _____

STATE OF WASHINGTON)
)ss.
County of _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 20____

_____(Printed name)
NOTARY PUBLIC, State of Washington
My appointment expires _____