



C

Appendix

Combined Sample Land Lease Template

PRIVATE HANGAR LAND LEASE
TDOT AERONAUTICS DIVISION TEMPLATE
INSERT MUNICIPALITY, TENNESSEE

This is a long-term ground lease of the real property ("Lease") for an aircraft hangar ("Hangar") located at the (INSERT AIRPORT) ("Airport") between the (INSERT AIRPORT), with offices at (Insert Address), as the lessor (INSERT AIRPORT), and the party set out below ("Lessee"), as of the later date this Lease is signed by both parties ("Effective Date"). If the Lessee is having the Hangar constructed, the terms of such construction shall be pursuant to the terms of a "Construction Addendum" to be entered by the parties and attached to this Lease.

Lessee Information

Company's Full Legal Name:		State of Formation:	EIN #:
Primary Office Address:		City:	State: Zip:
Business Phone:	Contact Name:	Contact Mobile	E-Mail Address:
"Term" in Years:	"Start Date":	"End Date":	
"Initial Annual Base Rent" subject to adjustments provided in Section 5(c) and 5(d) of the Standard Terms and Conditions (Ex. A).			

This template is provided for informational and illustrative purposes only. It does not constitute legal advice and should not be relied upon as such. The airport sponsor is encouraged to consult with local legal counsel to ensure compliance with all applicable local laws before adoption or use of any element of the template.

WHEREAS, Lessee enters this Lease for the real property shown on the survey attached as "Schedule 1" ("Premises"), for the Term and Annual Base Rent provided above, and the other terms provided herein.

THEREFORE, the parties have signed this Lease as of the Effective Date intending to agree to and be bound by the terms of this Lease

(INSERT AIRPORT) AUTHORITY			
By: _____		By: _____	
Printed Name: _____		Printed Name: _____	
Title: _____		Title: _____	
Date: _____		Date: _____	
By: _____		By: _____	
Printed Name: _____		Printed Name: _____	
Title: _____		Title: _____	
Date: _____		Date: _____	

Exhibit A

Standard Terms and Conditions of the Lease

I. LEASE TERMS

1. **LEASED PREMISES.** (INSERT AIRPORT), a governmental entity of the State of Tennessee, hereby leases to Lessee the premises described in this Lease ("Premises"), which may include either (a) a hangar constructed by (INSERT AIRPORT) or (b) a hangar to be constructed by Lessee in accordance with a Construction Addendum to this Lease. Lessee acknowledges and agrees that the Premises and any Hangar are for Lessee's sole and exclusive use. (INSERT AIRPORT) has entered into this Lease in reliance upon Lessee's representation that it is leasing the Premises solely for its own use and not to sublease or assign any portion of the Premises or this Lease to any third party. The Premises are depicted on the site plan attached hereto as Exhibit B. If the Hangar is provided by (INSERT AIRPORT), it will provide the Lessee the Hangar plans, if available.
2. **QUIET ENJOYMENT.** Provided that Lessee is not in default under this Lease beyond any applicable notice and cure periods, (INSERT AIRPORT) covenants that Lessee shall have the right to peacefully and quietly enjoy the Premises and the Hangar, subject to the terms and conditions of this Lease.
3. **LEASE TERM.** The term of this Lease ("Term") shall commence on the "Start Date" and shall expire on the "End Date," as set forth on the cover page of this Lease. Unless otherwise agreed in a separate written instrument executed by both parties, which (INSERT AIRPORT) may approve or deny in its sole discretion, there shall be no extension of the Term. This Lease is intended to, and shall, terminate on the End Date.
4. **TERMINATION.**
 - a. **Termination By (INSERT AIRPORT) for Breach.** (INSERT AIRPORT) may terminate this Lease at any time upon a material breach by Lessee or Lessee's guests, employees, agents, family members, or contractors ("Invitees"). Termination requires written notice to Lessee identifying the breach and providing sixty (60) days to cure, unless a shorter cure period is specified. If the breach poses a threat to the safety or orderly operation of the Airport, (INSERT AIRPORT) may impose a shorter cure period as may be warranted.
 - b. **Termination by (INSERT AIRPORT) for Necessity.** (INSERT AIRPORT) may terminate this Lease if any governmental authority revokes (INSERT AIRPORT) authority to operate the Airport or mandates the relocation of the Airport to another site.
 - c. **Termination by (INSERT AIRPORT) for Operational Need.** (INSERT AIRPORT) may terminate this Lease upon one hundred eighty (180) days' advance written notice if it determines that such termination is necessary for Airport expansion, compliance with future FAA regulations, or adherence to grant assurances. In such event, (INSERT AIRPORT) shall, at its sole option:
 - i. Relocate Lessee to an equivalent hangar, or
 - ii. If Lessee constructed the hangar, compensate Lessee for the unamortized balance of the actual construction cost for the remainder of the unexpired Term.

If (INSERT AIRPORT) elects option (ii), it may pay the amount over a period not to exceed ten (10) years or the remaining Term, whichever is shorter. Payment shall be made pursuant to a Promissory Note with annual installments and interest at the then-current prime rate, adjusted annually. Lessee agrees that the remedies set forth in this Section shall be its sole and exclusive remedies for such termination and expressly waives any claim for any additional damages or relief.

- d. **Notice of Breach to (INSERT AIRPORT).** Lessee shall provide (INSERT AIRPORT) with written notice of any alleged breach of this Lease within thirty (30) days of the occurrence. (INSERT AIRPORT) shall have ninety (90) days to cure the breach, or such longer period as may be reasonably necessary, provided (INSERT AIRPORT) is making a good faith effort to cure. Failure to provide timely written notice shall constitute a waiver of the alleged breach.
 - e. **(Effect of Termination or Expiration.)** Upon the effective date of any termination or expiration of this Lease, absent a separate written agreement to the contrary, all ownership, rights, title, and interest in and to the Premises, the Hangar, and any fixtures or improvements shall automatically transfer to (INSERT AIRPORT), free and clear of any encumbrances.
5. **DEPOSIT, RENT, UTILITIES, AND TAXES.**
 - a. **Security Deposit.** Upon execution of this Lease, Lessee shall provide a security deposit equal to three (3) months of the Initial Annual Base Rent ("Deposit"). (INSERT AIRPORT) shall hold the Deposit in a separate interest-bearing account. Any interest earned shall be retained by (INSERT AIRPORT) as additional rent and used to support Airport operations; Lessee expressly waives any claim to such interest. Upon expiration or termination of this Lease—provided such termination is not due to Lessee's breach—(INSERT AIRPORT) shall return the Deposit to Lessee, less

any amounts necessary to clean or repair the Premises and/or Hangar or to satisfy any outstanding obligations owed to (INSERT AIRPORT). The Premises and Hangar must be returned in good and broom-swept condition.

- b. **Initial Annual Base Rent:** The "Initial Annual Base Rent" is stated on the cover page of this Lease and is due upon Lease execution. The Initial Annual Base Rent shall be prorated for the remaining calendar days of the year in which the Lease commences.
- c. **Annual Rent Increase for Inflation:** Beginning on February 1st of the year following the Start Date, and annually thereafter, the Annual Base Rent shall be adjusted by the percentage increase in the U.S. inflation rate, as reported by the U.S. Department of Labor, Bureau of Labor Statistics. (INSERT AIRPORT) shall notify Lessee of the adjusted Annual Base Rent on or before February 1st of each year, and the new rate shall take effect on that date.
- d. **Ten-Year Market Rent Adjustment.** Prior to each tenth (10th) anniversary of the Lease, (INSERT AIRPORT) may, in good faith and using its business judgment, determine a new Annual Base Rent reflecting the then-current fair market rent for the Premises. (INSERT AIRPORT) shall notify Lessee in writing at least ninety (90) days in advance of the proposed adjustment.
 - i. Lessee shall, within thirty (30) days of receipt, either accept the proposed adjustment or submit a written counterproposal, which must not be less than the current Annual Base Rent.
 - ii. If the parties cannot agree within ten (10) business days, they shall attempt to jointly select a qualified appraiser with at least five (5) years of experience in commercial lease rate appraisals. The appraiser shall choose the proposal that most closely reflects fair market rent. The non-prevailing party shall pay the appraiser's fee.
 - iii. If the parties cannot agree on a single appraiser, each shall select one appraiser within five (5) business days, and those two shall select a third appraiser within an additional five (5) business days. The panel shall review evidence and select the proposal closest to fair market rent. The party whose proposal is not selected shall bear the full cost of all three appraisers. Each party shall bear its own legal or expert fees.
- e. **Rent Payments.** Lessee shall pay rent and other amounts due by check delivered to the Airport office at (INSERT ADDRESS), or by another method as directed by (INSERT AIRPORT). Lessee may choose to:
 - i. Pay the full then Annual Base Rent by February 15th of each year, or
 - ii. Pay monthly installments equal to one-twelfth (1/12) of the then Annual Base Rent, due on or before the 15th day of each month.
- f. **Utilities.**
 - i. **Lessee's Utilities.** Lessee shall be responsible for the installation and payment of all utilities except water, serving the Premises, including but not limited to electricity, gas, water, phone, internet, cable, security systems, waste disposal, and sewer or septic systems. Lessee shall pay all such utility charges, including penalties or late fees. A nonpayment of such utilities for fifteen (15) days shall constitute a material breach of this Lease.
 - ii. **Remedy for Nonpayment.** If Lessee fails to cure such nonpayment, (INSERT AIRPORT) may, at its discretion, pay the outstanding amounts with the Lessee to reimburse (INSERT AIRPORT) within fifteen (15) days of invoice, plus an eighteen percent (18%) service charge.
 - iii. **Water Service.** Lessee shall install a water meter as required by (INSERT AIRPORT). (INSERT AIRPORT) shall invoice Lessee for Lessee's water and sewer usage at the rate charged by (Insert Utility Company), plus an eighteen percent (18%) administrative fee. Payment is due within thirty (30) days of the invoice date.
- g. **Interest and Remedies for Nonpayment.** If any rent or other amounts due under this Lease are not paid within fifteen (15) days after written notice of nonpayment, such failure shall constitute a material breach. (INSERT AIRPORT) may seek immediate possession of the Premises and Hangar, retain the Deposit, and pursue any other remedies available, including eviction. Interest shall accrue on unpaid amounts at the rate of one and one-half percent (1.5%) per month or the maximum rate permitted by law, whichever is lower, until paid in full.
- h. **(h) Personal Property Taxes.** Lessee is responsible for all taxes levied on its leasehold interest, personal property, and trade fixtures located on the Premises or in the Hangar.
 - i. **Real Estate Taxes (If Any).** From the Start Date, Lessee shall be responsible for any real estate taxes or assessments levied on the Premises, Hangar, leasehold interest, or leasehold improvements, including any penalties or interest resulting from Lessee's failure to pay such taxes.

II. AIRPORT AND HANGAR USE

6. **RIGHT TO USE THE AIRPORT.** Lessee and its Invitees have a non-exclusive right to use, in common with others authorized to do so, the Airport and its

appurtenances, including all facilities, equipment, improvements, and services provided for common use at the Airport.

7. **RIGHT OF ACCESS.** Lessee and its Invitees have the full and free rights of ingress and egress to and from the Premises and the Hangar for the all purposes contemplated by this Lease. These rights are subject to:
 - a. The current and future Airport Rules and Regulations and Airport Minimum Standards (collectively, "Airport Rules"), available at (Insert Website).
 - b. All applicable U.S. federal laws, state, and local laws, and
 - c. Regulations and directives of the Federal Aviation Administration ("FAA") and Transportation Security Administration ("TSA") (collectively, "Federal Aviation Laws").

The (INSERT AIRPORT) reserves the right to perform maintenance or improvements to common access areas, which may temporarily restrict access to the Premises or Hangar. Lessee waives any claim for lost revenue or damage resulting from such temporary restrictions. Nothing in this Lease grants Lessee exclusive rights to use the Airport or its facilities other than the exclusive right to occupy the Premises and Hangar as provided herein.

8. **LESSEE USE REQUIREMENTS.** Lessee shall ensure that its use, and the use by its Invitees, of the Premises, Hangar, and Airport complies with the following:
 - a. All applicable laws, regulations, and directives of the United States ("U.S. Laws").
 - b. All applicable Airport Rules and Federal Aviation Laws, including compliance by aircraft, pilots, and staff under Lessee's direction.
 - c. All applicable laws, ordinances, regulations, and directives of the State of Tennessee, (INSERT COUNTY AND CITY) ("Local Laws")(Collectively, the U.S. Laws, Federal Aviation Laws, and Local Laws are referred to as the "Applicable Laws.")
 - d. Lessee shall provide (INSERT AIRPORT) with information on all aircraft regularly stored in the Hangar, including tail numbers, ownership, and contact information for pilots who regularly operate such aircraft.
 - e. Lessee and its Invitees shall not store or park, for extended periods beyond the duration of a trip, any automobile, motorized vehicle (other than a tow vehicle), or non-aircraft support materials or equipment in the Hangar or on the Premises without (INSERT AIRPORT)'s prior written consent, which may be granted or denied at (INSERT AIRPORT)'s sole discretion.
 - f. The Premises, Hangar, aircraft, and their contents shall not be used for any unlawful purpose.
 - g. Lessee and its Invitees shall not create or permit any fire or safety hazard on or about the Premises, Hangar, or Airport. No flammable or explosive materials may be stored on-site, except for fuel contained in aircraft. If Lessee requires storage of fuel for tow equipment or maintenance operations, Lessee must submit a fuel storage plan to the Airport Manager and obtain an annual inspection permit from the (INSERT CODES DEPARTMENT). A copy of the inspection must be submitted to the Airport Manager each January.
 - h. Lessee shall supervise its Invitees and ensure their compliance with all Airport Rules and Applicable Laws. Lessee shall be fully responsible for any violations committed by its Invitees.
 - i. Lessee shall ensure that all use of the Premises is under the supervision of qualified personnel who remain under Lessee's and (INSERT AIRPORT)'s direction and control. Lessee and its Invitees shall conduct themselves in an orderly, courteous, and respectful manner toward (INSERT AIRPORT) personnel, the public, and other Airport users.
9. **ENVIRONMENTAL MATTERS.** "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous materials, or substances regulated under any federal, state, or local environmental law. Lessee agrees as follows:
 - a. No activity shall be conducted on or around the Premises, Hangar, or Airport that produces or involves Hazardous Substances.
 - b. The Premises and Hangar shall not be used for the storage of Hazardous Substances.
 - c. Lessee shall not allow any surface or subsurface condition to exist that constitutes, or may become, a public or private nuisance.
 - d. Lessee shall not permit any Hazardous Substances to be brought onto the Premises, Hangar, or Airport.
 - e. If any violation of this Section occurs during Lessee's occupancy or as a result of Lessee's or its Invitees' actions, Lessee shall, at its sole cost, promptly undertake and complete all necessary cleanup and remediation. Lessee shall defend, indemnify, and hold harmless (INSERT AIRPORT) from any claims, liabilities, costs (including attorney fees), damages, or obligations arising from such matter. This indemnification shall survive the expiration or termination of this Lease.

III. HANGAR AND PREMISES CONDITION

10. **SITE INSPECTION FOR HANGAR CONSTRUCTION.** If Lessee intends to construct the Hangar, (INSERT AIRPORT) shall permit Lessee to conduct such studies, tests, and inspections of the Premises as Lessee deems necessary to determine the suitability of the site for the planned Hangar. If the results of such studies indicate that the Premises are not suitable, Lessee may terminate this Lease by providing written notice to (INSERT AIRPORT) within ninety (90) days of the Effective Date, stating the reasons for the unsuitability. Upon such termination, (INSERT AIRPORT) shall refund the Deposit, and this Lease shall be deemed null and void. Failure to provide such notice within the ninety (90) day period will constitute a waiver of Lessee's right to terminate under this Section and a full acceptance of the Premises for the Lessee's planned Hangar.
11. **HANGAR INSPECTION AND CERTIFICATION.** If (INSERT AIRPORT) provides a pre-constructed Hangar, Lessee shall have the right to inspect the Premises and Hangar prior to executing this Lease to confirm that they are structurally sound and suitable for Lessee's intended use. (INSERT AIRPORT) shall provide Lessee with any available Hangar plans in its possession. Lessee assumes full responsibility for verifying that the Hangar was constructed in accordance with such plans, is structurally sound, and complies with all Applicable Laws. If requested by (INSERT AIRPORT), Lessee shall engage a Tennessee-licensed structural engineer to review the Hangar plans and inspect the Hangar. The engineer shall certify that the Hangar complies with Applicable Laws and is structurally sound, and provide a copy to both Lessee and (INSERT AIRPORT).
12. **NO LEASED PREMISES OR HANGAR WARRANTIES.**

LESSEE ACKNOWLEDGES AND AGREES THAT IT IS A MATERIAL TERM OF THIS LEASE THAT (INSERT AIRPORT) DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO:

- a. THE CONDITION OR SUITABILITY OF THE UNDERLYING REAL PROPERTY FOR THE CONSTRUCTION OF THE PLANNED HANGAR; OR
 - b. THE CONDITION, STRUCTURAL INTEGRITY, OR SUITABILITY OF ANY EXISTING HANGAR FOR LESSEE'S INTENDED USE.
13. "AS IS, WHERE IS" DISCLAIMER OF WARRANTIES.

LESSEE REPRESENTS AND CERTIFIES THAT IT HAS CONDUCTED ITS OWN INDEPENDENT INSPECTION OF THE PREMISES AND, IF APPLICABLE, THE HANGAR, AND HAS DETERMINED THAT BOTH ARE SATISFACTORY FOR ITS INTENDED USE. LESSEE FURTHER CERTIFIES THAT THE HANGAR, IF CONSTRUCTED, COMPLIES WITH THE PROVIDED PLANS, IS STRUCTURALLY SOUND, AND MEETS ALL APPLICABLE LAWS.

LESSEE ACCEPTS THE PREMISES AND, IF APPLICABLE, THE HANGAR "AS IS, WHERE IS," IN THEIR PRESENT CONDITION, WITHOUT ANY WARRANTIES OR REPRESENTATIONS FROM (INSERT AIRPORT), EXCEPT AS EXPRESSLY SET FORTH IN THIS LEASE. LESSEE ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY STATEMENTS OR REPRESENTATIONS MADE BY (INSERT AIRPORT), ITS COMMISSIONERS, EMPLOYEES, CONTRACTORS, ENGINEERS, ATTORNEYS, OR AGENTS IN ENTERING INTO THIS LEASE.

IV. MAINTENANCE, USE, AND REPAIRS

14. **HANGAR USE AND MAINTENANCE.**
 - a. **Upkeep.** Lessee shall maintain the Premises, the Hangar, and the immediate surrounding areas in a clean, neat, orderly, safe, sanitary, and attractive condition. This includes providing janitorial services, necessary supplies, and regular trash removal. Trash must not accumulate and shall be removed from the Airport as needed and properly disposed of.
 - b. **Storage.** All of Lessee's property must be stored inside the Hangar. Third-party storage is strictly prohibited. Storage within the Hangar must comply with this Lease, the Airport Rules, and all Applicable Laws. The Premises and Hangar shall not be used for storing non-aviation-related items.
 - c. **Noninterference.** Under no circumstances shall Lessee's property interfere with aircraft movement in or around the Premises or Hangar, or impede access to other aeronautical operations at the Airport.
15. **REPAIRS.** Lessee shall promptly perform all necessary repairs and maintenance to the Hangar, including but not limited to:
 - a. Maintaining the roof, exterior, and structural elements free from leaks, rust, peeling paint, and broken windows or doors;
 - b. Ensuring all building systems (electrical, plumbing, HVAC) remain in good working order; and
 - c. Promptly repairing any damage to the interior or exterior of the Hangar or its systems.
16. **REMEDIES FOR POOR MAINTENANCE OR FAILURE TO MAKE REPAIRS.** Lessee agrees as follows:
 - a. If Lessee fails to maintain the Premises or Hangar in accordance with this Lease—including failure to remove trash, store property properly, or make required repairs—(INSERT AIRPORT) may, after providing written notice and a ten (10) day opportunity to cure, perform or contract for such services or repairs at Lessee's expense.

- b. Lessee shall reimburse (INSERT AIRPORT) within ten (10) days of receiving an invoice for such services or repairs. (INSERT AIRPORT) may add an eighteen percent (18%) service charge to any third-party invoice. Failure to maintain the Premises or Hangar, to timely pay such invoices, or to receive more than three (3) notices under this Section within any twelve (12) month period shall constitute a material breach of this Lease.
 - c. If any required repairs or maintenance are not completed by the expiration or termination of the Lease, Lessee shall forfeit the Deposit up to the amount necessary to cover such costs. If the costs exceed the Deposit, Lessee shall remain liable for the balance.
17. HANGAR INSPECTION. Lessee shall make the Premises and Hangar available for inspection upon request by the (INSERT AIRPORT). Regardless of any inspections, Lessee remains solely responsible for ensuring that the Premises and Hangar comply with this Lease, the Airport Rules, and all Applicable Laws.
18. MODIFICATIONS. Prior to making any modifications to the Premises or Hangar, Lessee shall submit the following for (INSERT AIRPORT)'s prior written approval:
- a. A proposed budget and construction schedule;
 - b. Site plans and detailed construction drawings (in CAD and PDF formats), stamped by a licensed Tennessee engineer or architect;
 - c. Required permits issued by the (INSERT CITY);
 - d. Names and resumes of proposed licensed contractors;
 - e. Estimated construction commencement and completion dates; and
 - f. A signed letter from each contractor warranting their work and a certificate of insurance naming (INSERT AIRPORT) as an additional insured, in a form acceptable to (INSERT AIRPORT).

(INSERT AIRPORT) may submit the proposed plans to its own architect or engineer for review, and Lessee agrees to pay the cost of such review.

19. SURETY BONDS. (INSERT AIRPORT) reserves the right to require that any contractor performing work on the Premises or Hangar obtain a payment and/or performance bond. Such bond must be issued by a surety or insurance company licensed to do business in the State of Tennessee and in an amount determined by (INSERT AIRPORT), in accordance with Tennessee Code Annotated § 12-4-201 et seq.

V. DEFAULT AND REMEDIES

20. Default. The occurrence of any of the following events, which remain uncured after thirty (30) days' written notice to Lessee (unless a different period is specified), shall constitute a default and material breach of this Lease by Lessee (each, an "Event of Default"):
- a. Lessee is in default of rent or other required payments on three (3) or more occasions, whether consecutive or not, where "default" is defined as payment received by (INSERT AIRPORT) ten (10) or more days after the due date;
 - b. Lessee fails to comply with the provisions of this Lease regarding assignment or subletting;
 - c. Lessee or its Invitees fail to observe or perform any other covenant, agreement, condition, or provision of this Lease, and such failure continues for thirty (30) days after written notice from (INSERT AIRPORT); provided, however, that if the failure cannot reasonably be cured within thirty (30) days, the cure period shall be extended for a reasonable time so long as Lessee commences cure within the initial thirty (30) days and diligently continues to completion;
 - d. A levy, execution, or legal attachment is made against Lessee's leasehold interest or the Premises, or Hangar, or a lien is filed against such interest, and such lien is not released or discharged within thirty (30) days;
 - e. Lessee becomes insolvent or bankrupt, admits in writing to its inability to pay debts as they mature, makes an assignment for the benefit of creditors, or applies for or consents to the appointment of a trustee or receiver for all or a substantial portion of its property;
 - f. A trustee or receiver is appointed for Lessee or any guarantor of Lessee's obligations under this Lease, or for a substantial portion of their property, and such appointment is not discharged within ninety (90) days; or
 - g. Any bankruptcy, reorganization, insolvency, or liquidation proceeding is initiated:
 - i. By Lessee or any guarantor of Lessee's obligations under this Lease, or
 - ii. Against Lessee or any such guarantor, and is not dismissed within one hundred twenty (120) days of filing.
21. (INSERT AIRPORT)'S Remedies. Upon the occurrence of an Event of Default, (INSERT AIRPORT) may, in addition to any other rights or remedies available at law or in equity, exercise one or more of the following remedies:

- a. Self-Help (Without Termination): (INSERT AIRPORT) may, with reasonable notice and without terminating this Lease, re-enter the Premises and/or Hangar to correct or repair any condition constituting a breach by Lessee. Lessee shall reimburse (INSERT AIRPORT) for all actual costs incurred, upon demand.
- b. Termination: (INSERT AIRPORT) may terminate this Lease and pursue recovery of all amounts owed, including damages. (INSERT AIRPORT) may also seek injunctive relief to enforce compliance with the Lease terms.
- c. Cumulative Remedies: The exercise of any remedy under this Lease shall not:
 - i. Constitute an election of remedies or preclude (INSERT AIRPORT) from pursuing any other remedy available under this Lease, at law, or in equity, whether separately, concurrently, or in combination; or
 - ii. Be deemed a constructive eviction or entitle Lessee to withhold any payments due under this Lease.

VI. VI. MORTGAGE OF LEASEHOLD ESTATE

22. APPROVED LEASEHOLD MORTGAGE. With the prior written consent of (INSERT AIRPORT), and subject to the terms and conditions of this Lease, Lessee may encumber its leasehold interest in the Premises and/or the Hangar by deed of trust, mortgage, or similar instrument ("Approved Leasehold Mortgage") in favor of a lender ("Approved Leasehold Mortgagee"). Lessee may also assign this Lease as collateral security for such Approved Leasehold Mortgage. Any Approved Leasehold Mortgage shall be (i) subject to all covenants, conditions, and restrictions of this Lease; and (ii) subordinate to all rights of (INSERT AIRPORT) under this Lease. Lessee shall be responsible for all costs and expenses incurred by (INSERT AIRPORT) in reviewing any proposed Approved Leasehold Mortgage, including reasonable attorneys' fees. Only one Approved Leasehold Mortgage shall be permitted at any time, and it shall not be cross-collateralized or secure any other indebtedness of Lessee.
- a. Notice and Cure Rights of Approved Leasehold Mortgagee. Lessee shall provide (INSERT AIRPORT) with written notice of the Approved Leasehold Mortgage, including the name and address of the Approved Leasehold Mortgagee for purposes of receiving notices. The Approved Leasehold Mortgagee shall have the right, within the applicable cure period, to (i) pay any amounts due under this Lease; and/or (ii) perform any obligations of Lessee necessary to cure a default.
 - b. Liability of Approved Leasehold Mortgagee. An Approved Leasehold Mortgagee shall not be liable for Lessee's obligations under this Lease unless and until it (i) acquires the leasehold estate through foreclosure, assignment in lieu of foreclosure, or otherwise; or (ii) provides written notice to (INSERT AIRPORT) of its intent to assume Lessee's obligations. Such liability shall continue only for the duration of the Approved Leasehold Mortgagee's ownership of the leasehold estate.
 - c. Notice of Default Under Mortgage. If a default occurs under the Approved Leasehold Mortgage, Lessee and the Approved Leasehold Mortgagee shall promptly notify (INSERT AIRPORT) in writing in accordance with the notice provisions of this Lease (Section 31).
 - d. Cure Period for Non-Monetary Defaults. If a non-monetary default by Lessee is curable only after the Approved Leasehold Mortgagee obtains possession of the Premises, the Approved Leasehold Mortgagee shall have an additional thirty (30) days to cure such default after obtaining possession, provided that:
 - i. The Approved Leasehold Mortgagee initiates all necessary actions to obtain possession (including foreclosure) within thirty (30) days of becoming aware of the default or receiving notice from (INSERT AIRPORT);
 - ii. The Approved Leasehold Mortgagee diligently pursues such actions;
 - iii. All rent and other sums due under this Lease are paid within the applicable cure period; and
 - iv. All other curable defaults are remedied by the Approved Leasehold Mortgagee.
 - e. (INSERT AIRPORT)'s Reserved Rights. Nothing in this Section shall impair (INSERT AIRPORT)'s rights to:
 - i. Perform any obligations under this Lease that Lessee fails to perform;
 - ii. Seek reimbursement from Lessee for costs incurred in performing such obligations; and
 - iii. Declare an Event of Default if Lessee or the Approved Leasehold Mortgagee fails to reimburse (INSERT AIRPORT) within the applicable cure period.

Lessee's Continuing Obligations. Nothing in this Article shall release Lessee from any obligations under this Lease that are not fully discharged or performed by the Approved Leasehold Mortgagee.

VII. MISCELLANEOUS PROVISIONS



23. **INSURANCE.** Lessee shall, at its sole expense, maintain the insurance coverages required by the Airport Rules. Lessee shall provide (INSERT AIRPORT) with valid Certificates of Insurance (i) upon execution of this Lease, (ii) prior to the expiration of any existing certificate during the Term; and, (iii) upon request by (INSERT AIRPORT). All certificates shall name (INSERT AIRPORT) as an additional insured. Lessee shall provide immediate written notice to (INSERT AIRPORT) if any required coverage is canceled, reduced, or otherwise modified.
24. **RESERVATION OF AVIATION EASEMENT.** (INSERT AIRPORT) reserves a perpetual aviation easement over the Premises and Hangar for the benefit of itself, its successors and assigns, aircraft operators, and the general public. This easement includes:
 - a. The right of free and unobstructed flight and passage of aircraft through the airspace above the Premises;
 - b. The right to generate noise, vibration, odors, vapors, smoke, dust, and other effects inherent in aircraft operations; and
 - c. The right to use such airspace for aircraft approach, landing, takeoff, and maneuvering.

(INSERT AIRPORT) also reserves the right to enter the Premises to take any actions or make any modifications necessary to ensure compliance with this easement and applicable aviation laws.

25. **NO LIENS.** Except for an Approved Leasehold Mortgage under Article VI, Lessee shall not permit any lien or encumbrance to be placed on the Premises or Hangar. If any mechanic's, materialmen's, or similar lien is filed against (INSERT AIRPORT), the Airport, the Premises, or the Hangar due to work performed by or on behalf of Lessee, Lessee shall (i) discharge the lien of record within ten (10) business days of receiving notice; or (ii) bond off and contest the lien in accordance with Applicable Laws, provided Lessee diligently prosecutes the contest and prevents any sale or enforcement action.

If Lessee fails to comply, (INSERT AIRPORT) may, but is not obligated to, take action to release the lien, including payment of the underlying claim. Lessee shall reimburse (INSERT AIRPORT) for all such costs, including reasonable attorneys' fees, with interest from the date of payment. (INSERT AIRPORT) may post notices on the Premises or Hangar stating that the property is public and not subject to mechanic's or materialmen's liens. All contractors and suppliers are hereby notified that any lien shall attach only to Lessee's leasehold interest.

26. **SUBLEASE.** Lessee shall not sublease the Premises or Hangar without (INSERT AIRPORT)'s prior written consent, which may be granted or withheld in (INSERT AIRPORT)'s sole and absolute discretion. If (INSERT AIRPORT) elects to consider a sublease, Lessee shall provide (i) all requested information about the proposed sublessee, and (ii) an unredacted copy of the proposed sublease and related agreements. Any approved sublessee must (i) agree in writing to be bound by all terms of this Lease, (ii) pay rent and other amounts directly to (INSERT AIRPORT), if required; and (iii) prepay the next year's Annual Base Rent and Deposit, if required by (INSERT AIRPORT). If the sublease rent exceeds the rent under this Lease, (INSERT AIRPORT) may retain up to seventy-five percent (75%) of the overage. (INSERT AIRPORT) may also require any other consideration paid by the sublessee to Lessee as a condition of approval.
27. **SALE AND ASSIGNMENT.** Lessee shall not sell or assign this Lease without (INSERT AIRPORT)'s prior written consent, which may be granted or withheld in (INSERT AIRPORT)'s sole and absolute discretion. If (INSERT AIRPORT) elects to consider approval, Lessee shall provide (i) all requested information about the proposed assignee or purchaser, and (ii) an unredacted copy of the proposed assignment or sale agreement and related documents. Any approved assignee must (i) agree in writing to be bound by all terms of this Lease, (ii) pay rent and other amounts directly to (INSERT AIRPORT), if required, and (iii) prepay the next year's Annual Base Rent and Deposit, if required by (INSERT AIRPORT). If any consideration is paid to Lessee for the assignment, (INSERT AIRPORT) may, in its sole discretion, require that such consideration be paid to (INSERT AIRPORT). For purposes of this Section, any change of control of Lessee, including through asset or equity acquisition, shall be deemed an assignment requiring (INSERT AIRPORT)'s prior written consent.
28. **RIGHT OF FIRST REFUSAL.** If Lessee receives a bona fide offer to sell its interest in the Premises and/or Hangar, Lessee shall provide (INSERT AIRPORT) with written notice of the offer, including all material terms. (INSERT AIRPORT) shall have thirty (30) days from receipt of such notice to exercise its right of first refusal to purchase Lessee's interest on the same terms. This right of first refusal does not limit (INSERT AIRPORT)'s right to disapprove any proposed sale or assignment of Lessee's interest under Section 27.
29. **GOVERNING LAW, VENUE, WAIVER OF JURY TRIAL, ATTORNEY FEES, AND INTEREST.** This Lease shall be governed by and construed in accordance with the laws of the State of Tennessee. Any legal action arising out of or relating to this Lease, whether based in contract, tort, equity, statute, or otherwise, shall be brought exclusively in the courts located in Sumner County, Tennessee. If federal jurisdiction is applicable, the parties agree that the U.S. District Court for the Middle District of Tennessee, located in Davidson County, shall be the exclusive venue. The parties consent to the jurisdiction and venue of such courts and waive any objection to the same. The parties further waive any right to a jury trial in any such action. The prevailing party in any such proceeding, shall be entitled to recover its reasonable attorneys' fees, expert witness fees, court costs, and other litigation expenses.

30. **INDEMNIFICATION.** Lessee shall indemnify, defend, and hold harmless (INSERT AIRPORT) and its commissioners, officers, employees, attorneys, and agents (each, an "(INSERT AIRPORT) Indemnitee") from and against any and all liabilities, fines, penalties, judgments, losses, damages, and expenses (including reasonable attorneys' fees and costs) arising from third-party claims or legal proceedings based in whole or in part on (i) Lessee's breach of this Lease, and/or (ii) the negligence or willful misconduct of Lessee or its Invitees (collectively, "Claims"). Lessee shall not admit liability or settle any Claim without the prior written consent of (INSERT AIRPORT) or the affected (INSERT AIRPORT) Indemnitee, which shall not be unreasonably withheld or delayed. Any attorney retained by Lessee for such defense shall be experienced in the relevant area of law and subject to (INSERT AIRPORT)'s reasonable approval.
31. **NOTICES.** All notices under this Lease shall be in writing and delivered with proof of delivery by (i) personal delivery, (ii) overnight courier, (iii) or Certified U.S. Mail, return receipt requested. Notices shall be sent to the addresses listed on the cover page of this Lease (or to such other address as either party may designate in writing). A copy of any notice to (INSERT AIRPORT) shall also be sent to its General Counsel at:

(INSERT NAME)

(INSERT ADDRESS)Attn: (INSERT ATTORNEY)

Email: (INSERT EMAIL)

Phone: (INSERT PHONE NUMBER)

32. **NONDISCRIMINATION.** Lessee shall not discriminate, or permit discrimination, against any person or group on the basis of race, color, sexual orientation, or national origin, in violation of Applicable Law. Lessee agrees to comply with and cooperate in the enforcement of all applicable nondiscrimination requirements.
33. **SHORT FORM LEASE.** This Lease shall not be recorded. Upon request by either party, however, a short form lease or memorandum summarizing the Premises, Term, and other mutually agreed provisions may be executed in recordable form and may be recorded at the requesting party's expense.
34. **NO WAIVER OF BREACH.** (INSERT AIRPORT)'s acceptance of rent or other payments after a breach by Lessee shall not be deemed a waiver of (INSERT AIRPORT)'s right to terminate this Lease or pursue other remedies for such breach.
35. **TIME OF ESSENCE.** Time is of the essence of this Lease and all provisions of this Lease.
36. **FULL FORCE AND EFFECT.** In the event any of the provisions of this Lease are found to be contrary to any Applicable Laws, then said provisions shall be modified by the court as necessary to make them enforceable, and if not possible, then such provisions shall be considered void, with all the other provisions of this Lease to remain in full force and effect.
37. **COUNTERPARTS AND EXECUTION.** This Lease may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one agreement. Signatures delivered by electronically, or by facsimile, electronic transmission, or PDF shall have the same legal effect as original signatures.

