\*\*\*DISCLAIMER\*\*\*

This lease should be modified to fit the needs of a specific airport and is not intended to be a final product. Please seek legal counsel prior to executing this lease.

**AIRPORT HANGAR LEASE**

This agreement, made and entered into on the date indicated below by and between

 , hereinafter called the Lessor, and , hereinafter called the Lessee.

**WHEREAS**, the Lessor owns and operates an airport known as and Lessee is desirous of leasing from the Lessor a hangar on the airport, hereinafter more fully described; and

**WHEREAS**, the Lessee shall conduct only such aircraft maintenance on its own aircraft as performed by the Lessee or by regular employees of the Lessee, and

**NOW, THEREFORE**, for and in consideration of the rental charges, covenants, and agreements herein contained, the Lessee does hereby lease from the Lessor the following premises, rights, and easements on and to the airport upon the following terms and conditions.

1. **Hangar Description**: Lessor shall herby lease to Lessee Hangar # .
2. **Term:** The term of this lease shall be for a period of \_\_\_\_\_ years commencing on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and terminating on December 31, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
3. **Renewal:** At the termination of the aforesaid term, this Lease shall automatically continue on a year-to-year basis, until either party gives written notice of the intent to terminate the Lease, to the other party, at least 60 days prior to the termination date or any anniversary thereof. All terms and conditions of this Lease shall remain in full force and effect during the continuation of this Lease, except that the Lessor may increase the rent as provided below.
4. **Rent:** The Lessee agrees to pay to the Lessor for the use of the premises, rights, and easements herein described, a yearly rental of $\_\_\_\_\_, payable in advance on January 1, and on each anniversary thereof until this lease terminates. Payments shall be due annually on January 1, without further notice from the Airport.

Annual Lease payments shall be made payable to and shall be sent to

 . Finally, the rental rate specified herein shall be subject to reexamination and readjustment as provided below.

1. **Rent Adjustments:** In the event the Lessee desire to renew this lease, Lessee shall give Lessor written notice thereof at least six (6) months prior to the expiration of the term of this lease.
2. **Utilities:** The Lessor shall be responsible for payment of all of its own utility expenses (gas, electric, telephone, heat, etc.) and at no time shall the Lessee use the utilities of the Lessor without the Lessor's prior written consent, nor shall the Lessee have its utility bills placed into the name of the Lessor.
3. **Other Fees:** Nothing herein shall limit the Lessor's right to impose, and the Lessee's obligation to pay, any and all other fees which the Lessor may establish from time-to-time for Airport services and privileges.
4. **Hangar Use:** Hangar shall be used for an aeronautical purpose such as:
	1. Storage of airworthy aircraft;
	2. Shelter for maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of non-operational aircraft;
	3. Non-commercial construction of amateur-built or kit-built aircraft;
	4. Storage of aircraft handling equipment, (e.g. tow bar, glider tow equipment, work benches, tools and materials used to service aircraft); and
	5. Storage of materials related to an aeronautical activity (e.g. balloon and skydiving equipment, office equipment, teaching tools).

Provided the hangar is used primarily for an aeronautical purpose, Lessee may store non-aeronautical items in the hangar provided they do not:

1. Impede the movement of the aircraft in and out of the hangar;
2. Displace the aeronautical contents of the hangar. A vehicle parked at the hangar while the vehicle owner is using the aircraft will not be considered to displace the aircraft;
3. Impede access to other aeronautical contents of the hangar; and
4. Violate building codes or local ordinances.

Lessee shall not conduct non-aeronautical business activities out of the hangar nor store items in support of a non-aeronautical business.

At no time shall the Lessee store any flammable material (except for fuel in the aircraft) nor shall the Lessee store explosives or other dangerous or hazardous materials, in or around the hangar, without the Lessor's prior written consent.

Lessee shall not hereafter make use of the premises in any manner which might create electrical or electronic interference with navigational signals or radio communications, impair the ability of pilots to visually distinguish the airfield, or otherwise endanger the landing, taking off, or maneuvering of aircraft. Lessor reserves the right to enter upon the premises hereby and abate any such hazard at the expense of Lessee.

1. **Nonexclusive Rights:** Lessee shall have the nonexclusive right, in common with others so authorized:
	1. To use the common areas of the airport, including runways, taxiways, aprons, roadways, floodlights, landing lights, signals and other conveniences for the take-off, flying and landing of aircraft.
	2. To use the airport parking areas, appurtenances and improvements thereon, but this shall not restrict the right of the Lessor to charge fees for the use of such areas.
	3. To use all access ways to and from the premises, limited to streets, driveways or sidewalks designated for such purposes by the Lessor, and which right shall extend to Lessee's employees, passengers, guests, invitees, and patrons.
2. **Signs:** No signs or advertising matter may be erected on the leased premises without the prior written consent of the Lessor.
3. **Rules and Regulations:** The Lessee agrees to observe and obey all current and future laws, ordinances, rules and regulations promulgated and enforced by the Lessor and by other proper authority having jurisdiction over the conduct of operations at the airport, provided the same are consistent with the procedures proscribed or approved from time-to-time by the Federal Aviation Agency for landing and taking off of Lessee's aircraft.
4. **Security:** Lessee shall comply at all times with all federal and state security and safety regulations and mandates. A hangar shall be locked at all times when an aircraft is stored with the hangar and Lessee, or Lessee’s agent, is not present at the hangar. Keys shall not be left in any unattended aircraft whether or not the aircraft is located within a hangar.
5. **Occupants:** No person or entity may occupy the hangar of the Lessee except the Lessee, without the prior written consent of the Lessor. However, nothing herein shall prohibit the Lessee from temporarily permitting another person or entity to temporarily store aircraft in the Lessee's hangar. It is understood that any long-term storage requires the permission of the Lessor and any entity which permits temporary storage for profit must obtain an FBO permit from the Lessor.
6. **Commercial Operations:** Nothing herein shall authorize the Lessee to conduct any business operations or to act as a Fixed Base Operator (FBO) on the premises leased herein. All such activities are prohibited without the prior written approval of the Lessor. However, nothing herein shall be construed to prohibit the Lessee from performing any services on its own aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform.
7. **Hangar Maintenance:** The Lessor will maintain and repair the hangar, associated appurtenances, and the surrounding land in a safe, useful, painted, and orderly condition. In the event of fire or any other damage or casualty to structures owned by the Lessor, the Lessor shall repair or replace the damaged structure.
8. **Airport Maintenance:** Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing and taxi areas of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of Lessee in this regard.
9. **Airport Development:** The Lessor reserves the right to further develop and improve the airport as Lessor sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance from the Lessee. If the development of the airport requires the removal and/or relocation of the Lessee's hangar building, the Lessor and Lessee agree that such removal and/or relocation shall occur pursuant to the following terms and conditions:
	1. The Lessor willprovide the Lessee with written notice at least 180 days prior to said removal and/or relocation, and
	2. The Lessor shall, at Lessor’s sole discretion, relocate the Lessee's building to a new location on the airport.
10. **Snow Removal:** The Lessor agrees to plow and remove the snow, at no extra charge, from the taxiways in front of the hangars, except within 10 feet of hangar doors. The manner, speed and timeliness of snow removal shall be in the sole discretion of the Lessor, and may vary from year-to-year and from snowfall-to-snowfall. Snow removal from the taxiways in front of Lessor's hangar shall be accomplished only after all runways, aprons, and primary taxiways have been first cleared. Lessee hereby releases and holds the Lessor harmless from any liability for any and all damages, incurred by the Lessee, caused by or arising from the mariner, speed or timeliness of the Lessor's snow removal.
11. **Right to Inspect:** Lessor reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this agreement, or to the operation of the airport.
12. **Hold Harmless:** The Lessor shall not be liable to the Lessee for, and Lessee shall hold the Lessor harmless from, any and allclaims, damages or losses caused by the acts or omissions of the Lessee, its family, guests, invitees, employees, agents, representatives or servants, relating to or arising out of Lessee's use and enjoyment of the Airport or the rights and privileges granted by this Lease. The Lessor shall not be liable for any loss or damage, not caused by negligent acts or omissions of the Lessor, which Lessee may sustain from:
	1. Theft or burglary in or about the premises;
	2. Delay or interruption in any utility service from any cause whatsoever;
	3. Fire, water, rain, frost, snow, gas, odors or fumes from any source whatsoever;
	4. Any injury to any person or damage to any property; or
	5. Failure to keep the Airport premises, appurtenances, fixtures and/or equipment in repair.
13. **Abandonment:** If the Lessee fails to use the hangar, for the purpose of storing aircraft owned by the Lessee, for a continuous period of 12 months, then the Lessor may, in Lessor's sole discretion, terminate this lease.
14. **Liens and Encumbrances:** The Lessee shall neither create, nor cause or permit to be created, any lien, encumbrance, security interest or other charge, including liens for work, labor or materials furnished, or alleged to have been furnished, on the leased premises.
15. **Default and Termination:**
	1. **Default Defined:** Lessee shall be deemed in default upon
		1. Failure to pay rent or any other properly-imposed fee within 30 days after due date.
		2. The filing of any petition under the Federal Bankruptcy Act or any amendment thereto, including a petition for reorganization.
		3. The commencement of any proceeding for dissolution or for the appointment of a receiver.
		4. The making of an assignment for the benefit of creditors.
		5. Violation of any of the other terms or conditions of this lease after written notice to cease and/or correct such violation has been served upon the Lessee by the Lessor, and after the Lessee has failed to correct such violation within thirty (30) days of service of such notice (or such later deadline as may be established in the Notice by the Lessee). Mailing notice by U.S. Mail, Certified Mail, shall constitute "service" of notice. In the case of a violation which cannot with due diligence be cured within a period established, the Lessee may apply to the Lessor for an extension of time within which to cure said violation.
	2. **Effect of Default:** Default by the Lessee shall authorize the Lessor, at its sole option, to declare this lease void, to cancel the same, and to re-enter and take possession of the premises.
	3. **Remedies:** Except otherwise provided herein, no right or remedy herein conferred shall be considered exclusive of any other right or remedy and each and every right and remedy shall be cumulative and in addition to any other right and remedy given hereunder, or now or hereafter existing at law or in equity or by statute.
	4. **Restoration of Property:** Upon termination of this lease, the Lessee shall remove all of its buildings, equipment, and property, and restore the leased premises to its original vacant condition, unless the Lessor agrees, in writing, to accept allor any part of the property which the Lessee wishes to abandon.
	5. **Non-waiver:** Any intentional or unintentional waiver by the Lessor of any violation of this Contract by the Lessee shall not be construed or interpreted to be a waiver of any other prior, subsequent or contemporaneous violation.
16. **Lease Transfer:** The Lessee may not assign or transfer this agreement or any interest contained herein, without the consent of the Lessor, which consent shall not be unreasonably withheld.
17. **Subordination Clause:** This lease shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States or the State of Wisconsin relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development of the airport. Furthermore, this lease may be amended to include provisions required by those agreements with the United States or the State of Wisconsin.
18. **National Emergency:** During time of War or other State or National emergency, the Lessor shall have the right to suspend this Contract, and to turn over operation and control of the Airport to the State of Wisconsin and/or the United States Government During any period when the airport shall be closed by any lawful authority, thereby restricting the use of the airport in such a manner as to interfere with the use of same by Lessee, the rent shall abate, and the period of such closure shall be added to the term of this lease so as to extend and postpone the expiration thereof.
19. **Nondiscrimination:** The Lessee, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
	1. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Subject Property or Lessee’s Improvements.
	2. In the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination,
	3. The Lessee shall use the Subject Property and Lessee’s Improvements in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination, in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
20. **Arbitration:** Any controversy or claim arising out of or relating to this lease or any alleged breach thereof, which cannot be settled between the parties, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the dispute by the arbitrator(s) shall be final and binding on the parties.
21. **Severability:** This lease shall be construed under the laws of the State of Wisconsin. Any covenant, condition, or provisions herein contained that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this lease, but such deletion shall in no way affect any other covenant, condition, or provision herein contained so land as such deletion does not materially prejudice Lessor or Lessee in their respective rights and obligations contain in the valid remaining covenants, conditions and provisions of the lease, and when such occurs, only such other covenants, conditions or provisions shall be deleted as are incapable of enforcement.