

Hangar, fuel tank

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BOOK 1496

PAGES 859-874

LEASE

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THIS LEASE is made this 19th day of December, 1988, by and between the MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation, hereinafter referred to as "LESSOR," and MOHAVE COUNTY, a political subdivision of the State of Arizona, hereinafter referred to as "LESSEE."

WITNESSETH:

WHEREAS, LESSOR has authority to enter into agreements concerning the use of the premises hereunder; and

WHEREAS, LESSEE desires to lease space from the LESSOR;

NOW, THEREFORE, in consideration of the conditions and covenants hereafter set forth and for the rents reserved herein, it is mutually agreed as follows:

1. LEASED PREMISES. LESSOR hereby leases to LESSEE, and LESSEE agrees to take and let from LESSOR, that real property located at the Kingman Airport Industrial Park, said real property being more fully described by Exhibit "A" attached hereto and by reference made a part hereof.

2. TERM. The term of this Lease shall commence on the 19th day of December, 1988, and expire on the 31st day of

1 October, 2036.

2
3 3. RENT. LESSEE agrees to pay to LESSOR as rent
4 for the leased premises the sum of ONE DOLLAR (\$1.00), which
5 shall represent payment in full of all rents due during the
6 prime term of this Lease.

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8 4. USE OF LEASED PREMISES. Said premises are
9 leased to LESSEE for its aircraft fuel tank and pump and
10 aircraft hangar, including other activities necessarily
11 incidental thereto. Any other uses not directly incidental to
12 the uses permitted hereunder are hereby prohibited without the
13 express written consent of LESSOR.

14
15 5. IMPROVEMENTS. Any and all improvements placed
16 upon the leased property by LESSEE shall be made at the sole
17 expense of LESSEE. At the expiration of the Lease period, or at
18 the termination of the Lease, for any reason, all permanent
19 improvements to the leased property shall become the property of
20 LESSOR.

21
22 6. INSURANCE. LESSEE shall acquire and keep in
23 effect adequate bodily injury liability and property damage
24 insurance and all other insurance needed or required for the
25 operations of LESSEE as contemplated by this Lease, or LESSEE
26 shall reasonably self insure its subject operations, covering
27 all of LESSEE's employees and equipment, and shall indemnify and
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1 hold LESSOR harmless from any causes of action arising from
2 LESSEE's operations hereunder. In all the above policies, if
3 any, LESSOR shall be named as an additional insured with the
4 LESSEE. The amount of said insurance, or self insurance, shall
5 not be deemed as a limitation of LESSEE's agreement to save and
6 hold the LESSOR harmless, and if LESSOR or LESSEE becomes liable
7 for an amount in excess of the insurance, LESSEE will save and
8 hold LESSOR harmless for the whole thereof. Copies of all such
9 policies, if any, entered into after the commencement of this
10 Lease shall be delivered to the LESSOR within ten (10) days of
11 the commencement of each such policy. In addition to the
12 above-named policies, and under the same obligations to deliver
13 copies of said policies to LESSOR, LESSEE shall obtain fire
14 insurance and other property loss insurance on all improvements
15 placed upon the leased properties, in an amount equal to the
16 value of said improvements.

17
18 7. UTILITIES. LESSEE shall pay promptly and prior
19 to any delinquency any and all charges which may be incurred for
20 water, gas, electrical power, telephone and any other utilities
21 delivered to or used upon the premises during the term of this
22 Lease and shall hold LESSOR harmless therefrom.

23
24 8. ASSIGNMENT AND SUBLEASE. The LESSEE shall not
25 transfer, assign or sublet this Lease Agreement or any
26 privileges granted hereunder without prior written approval of
27 LESSOR, which consent shall not be unreasonably withheld. Upon
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1 any assignment or sublease, this Agreement is voidable at the
2 option of the LESSOR, which option may be exercised within a
3 reasonable period subsequent to the LESSOR obtaining actual
4 knowledge of any assignment or sublease. Consent to one
5 assignment or subletting shall not be deemed consent to any
6 subsequent assignment or subletting.

7
8 9. WASTE AND NUISANCE PROHIBITED. During the term
9 of this Lease, LESSEE shall comply with all applicable laws
10 affecting the premises. LESSEE shall not commit, or permit, any
11 waste or nuisance on the premises.

12
13 10. CARE OF PREMISES. At LESSEE's own expense,
14 LESSEE shall keep and maintain said leased premises and the
15 immediate surrounding areas clean, neat, safe and orderly at all
16 times. Furthermore, LESSEE hereby assumes all responsibilities
17 for maintenance, upkeep and repairs of all walls, roofs,
18 plumbing, heating and cooling, appliances and/or fixtures in
19 connection with said leased premises during the term of this
20 Lease. Upon the expiration of this Lease, or at the termination
21 of this Lease for any reason, LESSEE shall redeliver the
22 premises in good order and condition, reasonable wear and tear
23 excepted. LESSEE hereby acknowledges that LESSEE has examined
24 the leased premises and accepts the same in its condition as of
25 the effective date of this Agreement.

26
27 11. WAIVER OF PERFORMANCE. The waiver of LESSOR of,
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1 or the failure of LESSOR to take action with respect to any
2 breach of any term, covenant or condition herein contained shall
3 not be deemed a waiver of such term, covenant or condition or
4 subsequent breach of same, nor shall the acceptance of rent by
5 LESSOR be deemed a waiver of any preceding breach under this
6 Lease Agreement.

7
8 12. DISPUTES - ATTORNEYS' FEES. In the event that
9 either party hereto shall institute and prevail in any action or
10 suit for the enforcement of any of its rights hereunder, the
11 prevailing party in said action or suit shall be awarded its
12 reasonable attorneys' fees and costs arising therefrom.

13
14 13. NOTICES. Any notice desired or required to be
15 served by either party upon the other or whenever notice is
16 provided for in this Agreement, it shall be given in writing and
17 hand-delivered or mailed by certified mail, return receipt
18 requested, to the party to whom addressed, as set forth herein-
19 below:

20 LESSOR: MOHAVE COUNTY AIRPORT AUTHORITY, INC.
21 c/o Bruno, Weisberg & Brooks, P.C.
22 730 East Beale Street
Kingman, AZ 86401

23 LESSEE: MOHAVE COUNTY
24 c/o William J. Ekstrom
Mohave County Attorney's Office
25 315 North Fourth Street
Kingman, Arizona 86401

26 Any party may change the address to which notice shall
27 be delivered or mailed by notice duly given.
28

1 14. BREACH.

2 A. (1) If at any time the rental or any money
3 payments hereunder, or any part thereof, shall remain unpaid for
4 a period of five [5] days after the same become due; or (2) if
5 LESSEE is adjudged bankrupt; or (3) if LESSEE abandons and/or
6 discontinues operations at the leased premises; or (4) if
7 LESSEE shall fail to fulfill or perform or is in default of any
8 of the other agreements or provisions hereunder [except for the
9 non-payment of rent, which shall be controlled by Subparagraph
10 14.A.(1) hereinabove] and if LESSEE does not cure and completely
11 remedy any said default within ten (10) days after written
12 notice is given,

13 B. Upon the happening of any of the events
14 mentioned in Subparagraphs 14.A(1), (2), (3) and/or (4) above,
15 LESSEE shall be deemed in default hereunder, and upon such
16 default and at any time thereafter, LESSOR may collect by suit
17 or otherwise each installment of rent, together with other sums
18 as they may become due hereunder, or enforce by suit or
19 otherwise any other condition or provisions hereof on the part
20 of the LESSEE required to be kept or performed. Further, LESSOR
21 shall have and is hereby granted the right to re-enter the
22 premises, remove all persons therefrom, take possession of all
23 equipment, fixtures and personal property thereon or therein
24 belonging to LESSEE. LESSOR is further granted the right,
25 without terminating or forfeiting this Lease but without
26 prejudice to its rights to terminate or forfeit the same
27 thereafter and without in any way affecting any right or remedy
28

WILSON, THIBBENS & BROOKS, P.C.
ATTORNEYS AT LAW
730 EAST BEALE STREET
KINGMAN, ARIZONA 86401
602-753-6115

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of LESSOR or any duties or obligations of LESSEE hereunder, to relet the leased premises as agent and for the account of LESSEE upon such terms and conditions as LESSOR may deem advisable either with or without any equipment or fixtures that may be situated thereon or therein, and to make any renovations or repairs in the property which LESSOR may deem to be required therefor. The rents received on any such reletting shall be applied first to the expense of reletting and collecting, including necessary renovations and repairs of the leased premises, and a reasonable attorney fee, any real estate commission actually paid, and thereafter toward the payment of all sums due or to become due to LESSOR hereunder, including but not limited to rent, taxes, insurance and other items. If a sufficient sum shall not be thus realized to pay such rent and other charges, LESSEE shall pay to LESSOR monthly any deficiency and such monthly deficiencies shall be paid punctually when due as herein provided. At any time prior to the expiration of the term hereof and even though LESSOR has exercised rights as hereinabove stated, LESSOR may terminate this Lease at LESSOR's election, in which event LESSEE agrees to surrender possession of the premises immediately, if the premises have not theretofore been surrendered, and to pay to LESSOR at the time of such termination the net worth of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the balance of the stated term of this Lease over the then reasonable value of the premises for the same period. In addition to the above, LESSOR shall be entitled to recover from

1 LESSEE, and LESSEE shall pay to LESSOR an amount equal to all
2 expenses, if any, including reasonable attorneys' fees incurred
3 by LESSOR in recovering possession of the leased premises, and
4 all reasonable costs and charges for the care of the premises,
5 together with all rent, taxes, insurance and other similar items
6 becoming due from time to time, which rent, damages and other
7 items shall be due and payable by LESSEE to LESSOR at such time
8 or times as such items are due or such expenses are incurred by
9 LESSOR.

10 C. Each and every term, covenant and condition
11 contained in this Paragraph shall be deemed separate and
12 independent, and all remedies hereinabove stated shall be deemed
13 cumulative to any and all remedies LESSOR might have under this
14 Lease or in accordance with law.

15
16 15. CORRECTION OF BREACH. LESSOR may correct any
17 breach or default by the LESSEE of which the LESSEE has received
18 written notice by certified mail and failed or neglected to
19 remedy within Fifteen (15) Days and the LESSEE agrees upon
20 demand to reimburse the LESSOR for all expenses incurred by the
21 LESSOR in correcting said breach or default.

22
23 16. HOLDOVER. In the event LESSEE holds over beyond
24 the expiration of the term herein or beyond the date of any such
25 termination, such holding over shall be from month-to-month
26 only, subject to all of the terms and conditions of this
27 Agreement, but shall not be a renewal hereof nor a waiver of any
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1 breach of conditions or covenant, and the rent to be paid
2 therefor shall be at the rate then prevailing under the terms of
3 this Agreement.

4
5 17. FIRE PREVENTION REGULATIONS. LESSEE shall at
6 all times comply with all applicable laws and ordinances
7 pertaining to fire regulations, and shall furnish and keep, at
8 LESSEE's sole expense, adequate fire extinguishers in sufficient
9 numbers and in convenient and accessible places upon said pre
10 mises, charged and ready for immediate use, as required by said
11 fire regulations and applicable laws or ordinances.

12
13 18. SIGNS. LESSEE agrees not to erect or display,
14 or permit to be erected or displayed, any exterior sign or
15 advertising matter of any kind on the leased premises without
16 first obtaining the written consent of LESSOR, which consent
17 shall not be unreasonably withheld.

18
19 19. PERMITS, RULES AND REGULATIONS. LESSEE agrees
20 to obtain at LESSEE's expense all necessary licenses and permits
21 for the construction and operation of the leased premises and
22 further agrees to observe, obey and abide by all applicable
23 laws, field rules and other regulations which are now or may
24 hereafter be imposed or promulgated by LESSOR, the Federal
25 Aviation Administration, or any other government agency having
26 jurisdiction over the subject matter, and which relate to the
27 common and joint use of Airport facilities and the maintenance
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1 and conduct of all its operations.

2
3 20. CONTINUITY. This Agreement and each and all of
4 the covenants, obligations and conditions hereof shall inure to
5 the benefit of and bind the LESSOR and LESSEE respectively,
6 their heirs, personal representatives, executors, administra-
7 tors, successors and assigns.

8
9 21. PARAGRAPH HEADINGS. The paragraph headings con-
10 tained herein are for convenience and reference and are not
11 intended to define or limit the scope of any provision of this
12 Lease.

13
14 22. F.A.A. PROVISIONS.

15 A. The LESSEE, for itself, its personal repre-
16 sentatives, successors in interest and assigns, as a part of the
17 consideration hereof, does hereby covenant and agree that (1)
18 no person on the grounds of race, color or national origin shall
19 be excluded from participation, denied the benefits of or be
20 otherwise subject to discrimination in the use of said facili-
21 ties, (2) that in the construction of any improvements on, over
22 or under such land and the furnishings of services thereon, no
23 person on the grounds of race, color or origin shall be excluded
24 from participating in, denied the benefits of, or otherwise be
25 subjected to discrimination, (3) that the LESSEE shall use the
26 premises in compliance with all other requirements imposed by or
27 pursuant to Title 49, Code of Federal Regulations, Department of
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1 Transportation, Subtitle A, Office of the Secretary, Part 21,
2 Nondiscrimination in Federally-Assisted Programs of the
3 Department of Transportation - Effectuation of Title VI of the
4 Civil Rights Act of 1964, and as said Regulations may be amended.

5 B. That in the event of breach of any of the
6 above nondiscrimination covenants, LESSOR shall have the right
7 to terminate the Lease and to re-enter and repossess said land
8 and the facilities thereon, and hold the same as if said Lease
9 had never been made or issued.

10 C. LESSEE shall furnish its accommodations
11 and/or services on a fair, equal and nonunjustly discriminatory
12 basis to all users thereof and it shall charge fair, reasonable
13 and not unjustly discriminatory prices for each unit of
14 services, PROVIDED THAT the LESSEE may be allowed to make reason-
15 able and nondiscriminatory discounts, rebates or other similar
16 types of price reductions to volume purchases.

17 D. Noncompliance with Provision C. above shall
18 constitute a material breach hereof and, in the event of such
19 noncompliance, the LESSOR shall have the right to terminate this
20 Lease and the estate hereby created without liability therefor
21 or, at the election of the LESSOR or the United States, either
22 or both said governments shall have the right to judicially
23 enforce Provisions A., B. and C.

24 E. LESSEE agrees to insert the above four
25 provisions in any Lease by which said LESSEE grants a right or
26 privilege to any person, firm or corporation to render
27 accommodations and/or services to the public on the premises
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1 herein leased.

2 F. LESSOR reserves the right to further develop
3 or improve the landing area of the Airport as it sees fit,
4 regardless of the desires or view of the LESSEE, and without
5 interference or hindrances.

6 G. LESSOR reserves the right, but shall not be
7 obligated to the LESSEE, to maintain and keep in repair the
8 landing area of the Airport and all publicly-owned facilities of
9 the Airport, together with the right to direct and control all
10 activities of the LESSEE in this regard.

11 H. This Lease shall be subordinate to the
12 provisions and requirements of any existing or future agreement
13 between the LESSOR and the United States, relative to the
14 development, operation or maintenance of the Airport.

15 I. LESSEE agrees to comply with the notifica-
16 tions and review requirements covered in Part 77 of the Federal
17 Aviation Regulations in the event any future structure or
18 building is situated on the leased premises.

19 J. It is understood and agreed that nothing
20 herein contained shall be construed to grant or authorize the
21 granting of an exclusive right within the meaning of Section
22 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349).

23 K. There is hereby reserved to the LESSOR, its
24 successors and assigns, for the use and benefit of the public, a
25 right of flight for the passage of aircraft in the airspace
26 above the surface of the premises herein leased. This public
27 right of flight shall include the right to cause in said
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1 airspace any noise inherent in the operation of any aircraft
2 used for navigation or flight through the said airspace or
3 landing at, taking off from or operation of the Mohave County
4 Airport.

5 L. The LESSEE, by accepting this Lease,
6 expressly agrees for itself, its successors and assigns, that it
7 will not erect nor permit the erection of any structure or
8 object nor permit the growth of any tree on the land leased
9 hereunder above a mean sea level elevation of 3,520 feet. In
10 the event the aforesaid covenants are breached, the LESSOR
11 reserves the right to enter upon the land leased hereunder and
12 to remove the offending structure or object and cut the
13 offending tree, all of which shall be at the expense of LESSEE.

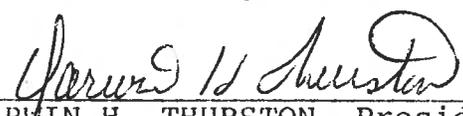
14 M. The LESSEE, by accepting this Lease, agrees
15 for itself, its successors and assigns, that it will not make
16 use of the leased premises in any manner which might interfere
17 with the landing and taking off of aircraft from the Airport or
18 otherwise constitute a hazard. In the event the aforesaid
19 covenant is breached, the LESSOR reserves the right to enter
20 upon the premises hereby leased and cause the abatement of such
21 interference at the expense of LESSEE.

22 N. This Lease and all the provisions hereof
23 shall be subject to whatever right the United States Government
24 now has or in the future may have or acquire, affecting the
25 control, operation, regulation and taking over of said Airport
26 or the exclusive or nonexclusive use of the Airport by the
27 United States during the time of war or national emergency.
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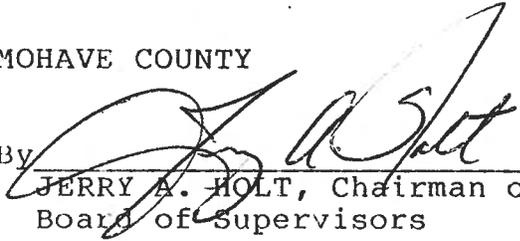
1 23. MOHAVE COUNTY AIRPORT AUTHORITY RESTRICTIVE
2 COVENANTS. The parties hereto acknowledge that certain
3 restrictive covenants limiting the use of the leased property
4 were placed upon the leased property by LESSOR and MOHAVE
5 COUNTY. Said restrictive covenants were filed in the Mohave
6 County Recorder's Office on July 22, 1980, in Book 646, Pages
7 767-781. LESSEE hereby acknowledges the legitimacy of said
8 restrictive covenants and agrees to adhere to all terms thereof.

9
10 IN WITNESS WHEREOF, the respective parties hereto have
11 executed this Lease on the day and year first above written.

12
13 LESSOR:

14 MOHAVE COUNTY AIRPORT AUTHORITY, INC.,
15 an Arizona corporation
16 By 
17 DARWIN H. THURSTON, President

18 LESSEE:

19 MOHAVE COUNTY
20 By 
21 JERRY A. HOLT, Chairman of the
22 Board of Supervisors

ATTORNEYS AT LAW
730 EAST BEALE STREET
KINGMAN, ARIZONA 86401
602-753-6115

1 STATE OF ARIZONA)
2 County of Mohave) ss.

3 The foregoing instrument was acknowledged before me
4 this 19th day of December, 1988, by DARWIN H. THURSTON,
5 President and duly authorized officer of the MOHAVE COUNTY
6 AIRPORT AUTHORITY, INC.

7
8 Dat A. Chustain
Notary Public

9 My Commission Expires:
10 My Commission Expires Feb. 5, 1989

11
12
13 STATE OF ARIZONA)
14 County of Mohave) ss.

15 The foregoing instrument was acknowledged before me
16 this 19th day of December, 1988, by JERRY A. HOLT, Chairman of
17 the Mohave County Board of Supervisors.

18
19 Dat A. Chustain
20 Notary Public

21 My Commission Expires:
22 My Commission Expires Feb. 5, 1989

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