

[With R. Waldron Requested Maintenance Responsibility Changes]  
Subject to City Review and Approval.

**FIXED BASE OPERATION LEASE**

Dated: \_\_\_\_\_, 2023

between

**CITY OF MEDINA, OHIO,**  
as Landlord

and

**[R. Waldron Entity]**  
as Tenant

# LEASE

## TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I .....	1
<u>Definitions</u> .....	1
ARTICLE II .....	3
<u>Rent</u> .....	3
<u>Section 2.1</u> <u>Base Rent</u> .....	3
<u>Section 2.2</u> <u>Fuel Privilege Fees</u> .....	4
<u>Section 2.3</u> <u>Rent Escalations</u> .....	5
<u>Section 2.4</u> <u>Place of Payments</u> .....	5
<u>Section 2.5</u> <u>Delinquent Payment; Handling Charges</u> .....	5
ARTICLE III .....	5
<u>Term</u> .....	5
<u>Section 3.1</u> <u>Term</u> .....	5
<u>Section 3.2</u> <u>Concurrent Termination; Management Agreement</u> .....	5
ARTICLE IV .....	6
<u>Ownership of Improvements; Additional Improvements</u> .....	6
<u>Section 4.1</u> <u>Ownership of Improvements</u> .....	6
<u>Section 4.2</u> <u>Additional Improvements</u> .....	6
ARTICLE V .....	6
<u>Uses and Conduct of Business</u> .....	6
<u>Section 5.1</u> <u>Purposes</u> .....	6
<u>Section 5.2</u> <u>Required Minimum Services and Facilities</u> .....	6
<u>Section 5.3</u> <u>Optional Services</u> .....	7
<u>Section 5.4</u> <u>Prohibited Purposes</u> .....	7
<u>Section 5.5</u> <u>No Discrimination</u> .....	8
<u>Section 5.6</u> <u>Tenant's Responsibility</u> .....	8
<u>Section 5.7</u> <u>Conduct of Business, Etc</u> .....	8
<u>Section 5.8</u> <u>Hazardous Materials; Indemnity</u> .....	8
<u>Section 5.9</u> <u>Rules and Regulations; FAA Grant Assurances</u> .....	9
<u>Section 5.10</u> <u>Fee Schedules</u> .....	9
ARTICLE VI .....	9
<u>Impositions</u> .....	9

<u>Section 6.1</u>	<u>Payment by Tenant</u> .....	9
<u>Section 6.2</u>	<u>Landlord's Obligations</u> .....	10
<u>Section 6.3</u>	<u>Right to Contest</u> .....	10
<u>Section 6.4</u>	<u>Separate Assessments</u> .....	10
<u>Section 6.5</u>	<u>No Joinder in Proceedings</u> .....	10
ARTICLE VII.....		11
<u>Insurance</u> .....		11
<u>Section 7.1</u>	<u>Liability Insurance</u> .....	11
<u>Section 7.2</u>	<u>All Risk Insurance; Hangar Keeper's Insurance</u>	
<u>Coverage</u> .....		11
<u>Section 7.3</u>	<u>Public Liability Insurance</u> .....	11
<u>Section 7.4</u>	<u>Violation</u> .....	11
<u>Section 7.5</u>	<u>Type of Policies</u> .....	11
<u>Section 7.6</u>	<u>Tenant as Insured</u> .....	12
<u>Section 7.7</u>	<u>Blanket Policies</u> .....	12
ARTICLE VIII.....		12
<u>Services to, and Repairs and Maintenance of, the Premises and Airport</u> .....		12
<u>Section 8.1</u>	<u>Landlord Obligations</u> .....	12
<u>Section 8.2</u>	<u>Tenant Obligations as to Premises</u> .....	12
<u>Section 8.3</u>	<u>Tenant's Neglect</u> .....	12
<u>Section 8.4</u>	<u>Triple Net Lease</u> .....	12
ARTICLE IX.....		13
<u>Compliance with Laws</u> .....		13
<u>Section 9.1</u>	<u>Tenant's Covenant</u> .....	13
<u>Section 9.2</u>	<u>Right to Contest</u> .....	13
ARTICLE X.....		13
<u>Liens</u> .....		13
<u>Section 10.1</u>	<u>No Liens</u> .....	13
<u>Section 10.2</u>	<u>Discharge of Liens</u> .....	13
<u>Section 10.3</u>	<u>No Landlord Privity</u> .....	14
ARTICLE XI.....		14
<u>Right to Perform Covenants</u> .....		14
<u>Section 11.1</u>	<u>Landlord's Rights as to Insurance</u> .....	14
<u>Section 11.2</u>	<u>Landlord's Rights as to Impositions</u> .....	14
<u>Section 11.3</u>	<u>Tenant's Lack of Diligence</u> .....	14
<u>Section 11.4</u>	<u>Additional Rent</u> .....	14

ARTICLE XII.....	14
<u>Entry on Property by Landlord</u> .....	14
<u>Section 12.1 Rights of Entry Reserved</u> .....	14
 ARTICLE XIII.....	15
<u>Indemnification</u> .....	15
 ARTICLE XIV.....	15
<u>Damage or Destruction</u> .....	15
<u>Section 14.1 Substantial</u> .....	15
<u>Section 14.2 No Rent Abatement</u> .....	15
<u>Section 14.3 Restoration</u> .....	15
<u>Section 14.4 Insufficient Funds</u> .....	16
<u>Section 14.5 Termination/End of Term</u> .....	16
 ARTICLE XV.....	16
<u>Condemnation</u> .....	16
<u>Section 15.1 Eminent Domain</u> .....	16
<u>Section 15.2 Substantial</u> .....	16
<u>Section 15.3 Payment of Proceeds</u> .....	16
<u>Section 15.4 Restoration</u> .....	17
<u>Section 15.5 Reduction</u> .....	17
<u>Section 15.6 Notice</u> .....	17
 ARTICLE XVI.....	17
<u>Conditional Limitations - Default Provisions</u> .....	17
<u>Section 16.1 Tenant Events of Default</u> .....	17
<u>Section 16.2 Surrender of Premises</u> .....	18
<u>Section 16.3 Reletting</u> .....	18
<u>Section 16.4 Landlord's Recovery</u> .....	18
<u>Section 16.5 Landlord Events of Default</u> .....	19
<u>Section 16.6 Remedies Cumulative</u> .....	19
 ARTICLE XVII.....	19
<u>Condition of Property; Quiet Enjoyment</u> .....	19
<u>Section 17.1 No Landlord Warranty</u> .....	19
<u>Section 17.2 Landlord Representations</u> .....	19
 ARTICLE XVIII.....	20
<u>Surrender of Premises</u> .....	20
<u>Section 18.1 Delivery of Possession</u> .....	20

<u>Section 18.2</u>	<u>Removal of Personal Property and Trade Fixtures</u> .....	20
<u>Section 18.3</u>	<u>Non-Removal</u> .....	20
<b>ARTICLE XIX</b> .....		20
<u>Assignment of Tenant’s Interest; Mortgages</u> .....		20
<u>Section 19.1</u>	<u>Transfers; Consent</u> .....	20
<u>Section 19.2</u>	<u>Environmental Condition on Assignment</u> .....	21
<u>Section 19.3</u>	<u>Mortgages</u> .....	21
<b>ARTICLE XX</b> .....		22
<u>Statements, Records, Accounts, and Audit</u> .....		22
<u>Section 20.1</u>	<u>Estoppel Certificates</u> .....	22
<u>Section 20.2</u>	<u>Airport Operations Report</u> .....	22
<u>Section 20.3</u>	<u>Financial Reports</u> .....	23
<b>ARTICLE XXI</b> .....		23
<u>Notices</u> .....		23
<b>ARTICLE XXII</b> .....		23
<u>Miscellaneous</u> .....		23
<u>Section 22.1</u>	<u>Whole Agreement</u> .....	23
<u>Section 22.2</u>	<u>Strict Performance</u> .....	23
<u>Section 22.3</u>	<u>Memorandum of Lease</u> .....	24
<u>Section 22.4</u>	<u>Entire Agreement</u> .....	24
<u>Section 22.5</u>	<u>Captions</u> .....	24
<u>Section 22.6</u>	<u>Invalidity</u> .....	24
<u>Section 22.7</u>	<u>Governing Law</u> .....	24
<u>Section 22.8</u>	<u>Binding Effect</u> .....	24
<u>Section 22.9</u>	<u>Time</u> .....	24
<u>Section 22.10</u>	<u>Cross-Default</u> .....	24

## LEASE

**THIS LEASE** made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2023, by and between **CITY OF MEDINA, OHIO** (“Landlord”), and **[R. Waldron Entity]** (“Tenant”).

### RECITALS:

A. Landlord is the owner of certain land located in the City of Medina, Medina County, Ohio, more particularly described on **Exhibit A** (the “Land”) upon which the Medina Municipal Airport is situated (the “Airport”);

B. Landlord is the owner of the Airport administrative building (“Administrative Building”) located at 2050 Medina Road, Medina, Ohio 44256 with dimensions of approximately 24' x 50'; an above ground Jet A Fuel Tank and associated fueling fixtures (collectively “Jet A Fuel Facility”); an above ground 100LL Av Gas Fuel Tank, associated fueling fixtures and card reader (collectively “Av Gas Facility”; and together with the Jet A Fuel Facility collective referred to as the “Fuel Farm”); and a steel aircraft maintenance hangar and attached shop with collective dimensions of 70' x 100' (“Maintenance Hangar”);

C. The Landlord desires to lease the Administrative Building, Jet A Fuel Facility and Maintenance Hangar to Tenant together with a portion of the Land consisting of \_\_\_\_\_ acres depicted on **Exhibit B** (such portion referred to as the “FBO Land”) and together with the Administrative Building, Jet A Fuel Facility and Maintenance Hangar being referred to as the “Premises) on the condition that Tenant continuously operate the Premises as a Fixed Based Operator in accordance with this Lease providing the high quality services and amenities expected at a well operated, customer service oriented municipal airport.

## ARTICLE I

### Definitions

For the purpose of this Lease, unless the context otherwise clearly requires:

- (a) The term “Administrative Building”, as used herein, means as defined in Recital A.
- (b) The term “Airport”, as used herein, means as defined in Recital B.
- (c) The Term “Av Gas Facility”, as used herein, means as defined in Recital B.
- (d) The term “Fuel Farm”, as used herein, means as defined in Recital B.
- (e) The term “Base Rent”, as used herein, means that portion of the Rent specified in Section 2.1 hereof.

(f) The term "Event of Default", as used herein, means any event set forth in Section 16.1 hereof as an Event of Default.

(g) The term "Fixed Base Operator" or "FBO" means a full service fixed base operator as defined from time to time in the Minimum Standards. In the absence of adopted Minimum Standards, "Fixed Base Operator" or "FBO" means a full service fixed based operation providing, at minimum, the following services to users of the Airport directly or through duly authorized onsite sublessees or authorized and qualified onsite contractors.

(i) Sale of aviation fuel and lubricants together with aircraft fueling services;

(ii) Tie down, hangar storage, and parking;

(iii) Aircraft maintenance (including stocking a reasonable inventory of aircraft parts and accessories to maintain and repair general aviation aircraft);

(iv) F.A.A. approved flight instruction; and

(v) Aircraft rental.

(h) The term "Fuel Farm", as used herein means the Jet A Fuel Facility, Av Gas Facility and related fueling, metering and containment equipment and systems.

(i) The term "Imposition", as used herein, means any tax, assessment, ad valorem real property tax, excise, levy, license or permit fee or other governmental charge, general and specific, ordinary and extraordinary, unforeseen and foreseen, of any kind and nature whatsoever which at any time during the Term may be assessed, levied, confirmed, imposed upon, or grow or become due and payable or other payments received by Tenant or anyone claiming by, through or under Tenant, or (c) any use or occupation of the Premises or any part thereof.

(j) The term "Institution", as used herein, means a savings bank, bank, trust or insurance company, pension fund (whether or not managed by a state agency), or lending institution authorized to make mortgage loans and supervised or regulated by the United States of America or any state thereof.

(k) The term "Jet A Fuel Facility", as used herein, means as defined in Recital B.

(l) The term "Landlord", as used herein, means City of Medina, Ohio, its successors or assigns.

(m) The term "Lease Year", as used herein, means a period of twelve (12) full consecutive months commencing upon the Rent Commencement Date.

(n) The term "Minimum Standards", means the Minimum Standards for Aeronautical Activity, if any, adopted from time to time by the Landlord as the same may be amended, modified or supplemented from time to time.

- (o) The term "Maintenance Hangar", as used herein, means as defined in Recital B.
- (p) The term "Premises", as used herein, means as defined in Recital C.
- (p) The term "Rent", as used herein, means the sum of the Base Rent and such other sums as are payable to Landlord in accordance with the terms hereof.
- (q) The term "Commencement Date", as used herein, shall mean \_\_\_\_\_, 2023.
- (r) The term "Tenant", as used herein, means [R. Waldron Entity].
- (s) The term "Term", as used herein, means the period of time described in Section 3.1 hereof and includes the "Initial Term" as defined in Section 3.1 and any "Extended Term" as defined in Section 3.1.
- (t) The term "USTs or AST" shall mean any underground storage tanks or above ground storage tanks, as applicable for fuel at the Premises including, but not limited to, those which are a part of the Fuel Farm.

## ARTICLE II

### Rent

**Section 2.1 Base Rent.** As part of Rent, Tenant shall pay to Landlord, as Base Rent for the Premises, during the Term, the following amounts (with respect to the indicated Lease Years):

- (a) During the Initial Term, the Base Rent shall be ZERO Dollars (\$00.00) in recognition of Tenant's investments in start-up, establishment and operation of the Fixed Base Operator services at the Airport contemplated in the definition of FBO in the above definitions section of this Agreement; and
- (b) The fees due under Section 2.2 below.
- (c) During any Extended Term the Base Rent shall be as set forth in a written amendment to this Lease to be negotiated and executed pursuant to Section 3.1 of this Lease prior to the commencement of such Extended Term.
- (d) The Base Rent for each of the aforesaid periods shall be payable in successive monthly installments during the respective period in advance on the first day of each and every month during the respective period, the first such payment to include also any prorated Base Rent for the period from the date of the commencement of the Initial Term to the first day of the first full calendar month in the Initial Term.



**Section 2.2 Fuel Privilege Fees.** In addition to Base Rent, Tenant shall pay the following fees based upon all aviation gasoline, jet fuel and any other type of aviation fuel, corrected to standard temperature, delivered to Tenant at or for the Airport:

**Jet Fuel.**

- (a) Seventy-five percent of the gross margin on all monthly Jet Fuel sales; plus
- (b) Until Landlord recovers through the gross margin payments under this Lease, Landlord's remaining unrecovered full investment in the Jet A Fuel Facility, all remaining gross margin once the 25% share remaining for Tenant exceeds \$1,000.00 for the month, shall be paid to Landlord. As of \_\_\_\_\_, 2023 the remaining unrecovered portion of Landlord's investment to be paid is \$\_\_\_\_\_.
- (c) Once Landlord's investment is fully recovered then Seven cents (\$.07) per gallon based upon all Jet A fuel, corrected to standard temperature, delivered to Tenant on the Premises

**Av Gas.**

- (a) Seven cents (\$.07) per gallon based upon all av gas, corrected to standard temperature, delivered to Tenant on the Premises.

The parties agree that no aviation gasoline, jet fuel or any other type of aviation fuel shall be sold at the Airport other than by Tenant as an FBO, another FBO having a lease with Landlord meeting any minimum standards then in effect for FBOs, unless expressly consented to by Landlord in writing. Nothing herein shall prohibit Landlord from granting self-fueling rights (including for tanks and equipment for self-fueling) of aircraft to other non-FBO tenants at the Airport provided no sales of such fuel to third parties are permitted by such non-FBO tenants).

Fees calculated as above shall be due and payable to Landlord within fifteen (15) days after the end of the month in which such delivery or deliveries were made. With each remission of fees hereunder Tenant shall provide together with a certification of the gallons delivered to date during the current month and the year to date. Such reports shall include year to date totals, the amount of total Jet Fuel and aviation gasoline gallons sold, total gallons of each available, sales price per gallon sold of each, average sales price per gallon of each suppliers wholesale delivered cost per gallon of each, and calculation of the fuel privilege fees payable to Landlord with such other information as Landlord may reasonably request. Landlord shall have the right to audit the deliveries and calculations made at any time, and Tenant shall make all records available for Landlord's inspection and audit upon request. In the event an audit reveals an underpayment by Tenant, Tenant shall immediately remit the underpayment with interest at 18% per annum and shall pay an audit fee equal to the actual changes incurred by the Landlord, plus \$75.00 per hour for time incurred by Landlord's internal staff in connection with the audit. The hourly fee for internal staff may be increased in Landlord's from year to year based to equal rates charged by private accounting firms for experienced audit personnel.

**Section 2.3 Rent Escalations.** Base Rent during any Extended Term under Section 3.1 may be escalated by Landlord as of each anniversary of the commencement of the Extended Term pursuant to any negotiated Amendment to this Lease providing for the Extended Term.

**Section 2.4 Place of Payments.** Tenant shall make payment of each installment of Rent, without notice or demand, to Landlord in lawful money of the United States of America at Landlord's offices which, until Tenant shall be otherwise notified in writing by Landlord, shall be c/o Office of Finance Director, City of Medina, 132 North Elmwood Avenue, Medina, Ohio 44256. All such payments of Rent, except as otherwise provided herein, shall be made without deduction, counterclaim, abatement, suspension, deferment, defense, diminution or setoff for any reason whatsoever.

**Section 2.5 Delinquent Payment; Handling Charges.** In the event Tenant is more than five (5) days late in paying any amount of Rent or any other payment due under this Lease, then without the need for any further notice to Tenant, Tenant shall pay Landlord, within ten (10) days of Landlord's written demand therefor, a late charge equal to five percent (5%) of the delinquent amount. In addition, any amount due from Tenant to Landlord hereunder which is not paid within thirty (30) days of the date due shall bear interest at a monthly rate of one and one-half percent (1.5%). The payment of such late charge or interest by Tenant shall not constitute a waiver of any default by Tenant hereunder.

### ARTICLE III

#### Term

**Section 3.1 Term.** The covenants, conditions and obligations of the parties under this Lease and possessory rights hereunder shall become effective upon the Commencement Date, it being intended that Tenant may take possession on the date of this Lease, and shall continue for one (1) year (the "Initial Term") unless sooner terminated as provided herein. The Initial Term of this Lease may be extended for an extended term ("Extended Term") to be negotiated by the parties not later than sixty (60) days prior to expiration of the Initial Term and to be memorialized in such period by a mutually agreeable written amendment ("Amendment") to this Lease duly executed by the parties. If the parties fail to extend the term in an Amendment by the expiration of the Initial Term, this Lease shall become a month-to-month term lease terminable by either party with thirty (30) days prior written notice. Base Rent during any month-to-month term shall be \$ \_\_\_\_\_ per month plus fuel flowage fees under Section 2.2.

**Section 3.2 Concurrent Termination; Management Agreement.** The parties acknowledge that concurrent with the execution of this Lease, Landlord has entered into an Airport Management Agreement (the "Management Agreement") with [Tenant or XYZ LLC, an affiliate of Tenant (herein after "Manager" if the Manager is a different entity that Tenant)] providing for the general management of the Airport. In the event the Management Agreement is terminated by either party or expires and is not renewed or replaced by another mutually agreeable management agreement between Landlord and the [Manager/Tenant], Landlord shall have the right to elect to terminate this Lease on sixty (60) days' notice to Tenant which election may be made and notice

thereof may be sent within six (6) months after the effective date of the termination of the Management Agreement.

## ARTICLE IV

### **Ownership of Improvements; Additional Improvements**

**Section 4.1 Ownership of Improvements.** The FBO Land, and all other existing improvements at or on the Premises as of the date hereof are owned by Landlord and leased to Tenant hereunder for the Term and subject to the terms and conditions of this Lease. During the Term, Tenant shall own all other buildings and improvements placed upon the Premises by Tenant with the written permission of Landlord.

**Section 4.2 Additional Improvements.** Tenant shall not make any additional improvements upon the Premises, nor shall Tenant materially alter the exterior of any existing improvements upon the Premises without the prior written consent of the Landlord, which shall not be unreasonably withheld. All additional improvements and/or alterations under this section shall be made in accordance with reasonable standards set by the Landlord and in accordance with applicable laws, codes and ordinances. All improvements and alterations under this section, other than trade fixtures, shall become part of the Premises and upon termination or expiration of this Lease shall be governed by Article 18 of this Lease.

## ARTICLE V

### **Uses and Conduct of Business**

**Section 5.1 Purposes.** Tenant shall use and occupy the Premises solely for the following purposes and none others: (a) operation of aircraft; (b) service and maintenance of aircraft; (c) inside hangar and, in designated areas, tie down storage of aircraft for hire; (d) sale of aviation and jet fuel together with services in connection with fueling of aircraft; (e) so long as Tenant is also acting as Manager of the Airport under a separate management agreement with Landlord, collection of landing and parking fees on behalf of Landlord; (g) other FBO operations and aeronautical activities authorized by the Minimum Standards, if any, or by Landlord; (h) providing the other services required in this Lease; and (i) office purposes in direct support of only the foregoing purposes. In addition, Tenant agrees to make office and reception area space in the Administrative Building available to the City and/or any Airport manager appointed or engaged by City for use in management operations as a main public office for the Airport. Reception area space may be on a shared basis. No rent or sublease rent, nor any general utility or other common expenses, shall be charged to the City (or the Airport Manager) for use of the Administrative Building as the Airport's main public office. The City and Tenant shall coordinate appropriate signage for the Administrative Building which must otherwise comply with applicable laws and codes and any Airport signage regulations.

**Section 5.2 Required Minimum Services and Facilities.** As a Fixed Base Operator, Tenant is required to provide the following services (including any contained in any Minimum

Standards adopted from time to time applicable to Fixed Base Operations): (a) make available to the public certain aeronautical activities required for the operation of the Airport; (b) have in place facility improvements and equipment in connection with the sale of aviation and jet fuel and lubricants; (c) employ and have available trained service personnel to provide the services, which employees shall wear appropriate dress or insignia when on duty; (d) adopt "Standard Operating Procedures" for fueling operations which must include or provide for, among other things, training plans, fuel quality assurance testing, equipment maintenance record keeping, and emergency response procedures for fuel fires and spills; (e) maintain qualified personnel for general aviation aircraft users, 7 days a week and provide for the Airport to be open with services and fueling available 8:00 a.m. to sunset during the period of Daylight Savings Time and between 8:00 a.m. to 5:00 p.m. during all other times (subject to weather or emergency closures); (f) have and keep on file with Landlord an approved written spill prevention and contingency control plan ("SPCC") which meets both Landlord's and EPA's regulations; (g) have in place certain facility improvements and equipment providing hangar space, crew and passenger lounge space, facility support office space and pilot flight planning office space (including readily accessible telephone service with both the Cleveland AFSS and Akron-Canton Weather Service); (h) have continuously available at least one aircraft tug and standard universal tow bar (sufficient for general aviation aircraft normally frequenting the Airport), fire apparatus, compressed air equipment readily available to the public, such other equipment as is necessary or appropriate for the safe and effective provision of Fixed Based Operator services; (i) provide (directly or through a qualified and certified provider on the Premises) services for aircraft maintenance and repair of the type suitable for a municipal airport comparable to the Airport. Nothing herein is intended to limit or qualify the Tenant's obligation to comply at all times with any Minimum Standards applicable to FBOs, all as may amended, modified and supplemented from time to time by the Landlord.

**Section 5.3 Optional Services.** In addition to or as part of the required services in Section 5.2, Lessee may provide the following services:

- (a) The wholesale and retail sale of new and used aircraft, new and used radio and electronic equipment and airman's supplies and accessories;
- (b) Operation of air taxi and sight-seeing services;
- (c) Represent a major general aviation aircraft manufacturer as a distributor or dealer offering sales and services of both new and used aircraft;
- (d) Flight training through qualified flight instructors or a recognized quality flight school (while this services is optional, Tenant agrees to use good faith diligent efforts to provide this service to be provided at the Airport).

**Section 5.4 Prohibited Purposes.** Tenant shall not use or occupy the Premises or any part thereof, nor permit any portion of the Premises to be used, for any activity or purpose not specifically authorized by this Lease, nor for any purpose which is in violation of the rules, regulations and Minimum Standards of the Landlord applied to Fixed Base Operators, nor for any activity or purpose inconsistent with the best interests of Medina Municipal Airport as determined by Landlord.

**Section 5.5 No Discrimination.** In Tenant's use of, and operations in connection with, the Leasehold Premises during the term of this Lease and any and all renewals thereof, Tenant agrees that it will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. Tenant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

Tenant agrees that in the sale of goods, or rendering of services to the public, it will sell or furnish such goods or services on a fair, equal, and not unjustly discriminatory basis to all users thereof, and that it will charge fair, reasonable and not unjustly discriminatory prices for each unit of service, provided, however, that Tenant may be allowed to make reasonable and non-discriminatory discounts, rates or price reductions to volume users or purchasers. Nothing herein is intended to infer or be construed as expanding the purposes for which Tenant may use the Premises.

**Section 5.6 Tenant's Responsibility.** Except as otherwise provided herein, Tenant's use and occupancy of the Premises shall be at its sole cost and expense and Landlord shall have no responsibility whatsoever therefor.

**Section 5.7 Conduct of Business, Etc.** Tenant shall (a) conduct its business and operate the Premises at all times in a reasonable, safe and reputable manner, (b) keep or cause to be kept the Premises and improvements thereon, including entry ways, signage, graphics, and exterior and interior portions of doors, windows and other glass and plate glass fixtures thereon, in a neat, clean, sanitary and attractive condition, and (c) not unreasonably interfere with, hinder or obstruct Landlord's operations or other Tenants of Landlord on adjacent or nearby property.

**Section 5.8 Hazardous Materials; Indemnity.**

(a) Tenant shall conduct its business, operate and maintain the Fuel Farm, and shall cause all persons occupying all or any portion of the Premises and all of their respective agents, employees, contractors and invitees to act, in such a manner as to (i) not release or permit the release of any Hazardous Material; (ii) not unlawfully store, use or dispose of any Hazardous Material; and (iii) not create any nuisance or unreasonable interference with or disturbance of other tenants or users of the Airport or Landlord. "Hazardous Material" means any hazardous, explosive, radioactive or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the state in which the Premises is located or the United States, including, without limitation, any material or substance which is (A) defined or listed as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance," "hazardous material," "pollutant" or "contaminant" under any Law, (B) petroleum or a petroleum derivative, (C) a flammable explosive, (D) a radioactive material, (E) a polychlorinated biphenyl, (F) asbestos or an asbestos derivative, or (G) a carcinogen.

(b) In addition to the foregoing, Tenant shall comply with all applicable laws, rules and regulations governing the use, maintenance, testing, and repair of the Fuel Farm and the

USTs/ASTs thereat; shall maintain adequate insurance with respect to the Fuel Farm; and shall participate in the Ohio Petroleum Underground Storage Tank Program, where applicable. At the present time there are no known Underground Storage Tanks at the Premises.

(c) Upon written request from Landlord, Tenant shall provide a copy of all records, receipts and other documents demonstrating compliance with the provisions of subsections 5.8 (a) and (b). In any event, upon receipt of any correspondence or communication from a governmental authority concerning the Fuel Farm or any Hazardous Material related matter at or involving the Premises, Tenant shall within five (5) days provide a copy of same to the Landlord.

(d) In addition to any other indemnity contained in this Lease, Tenant hereby shall indemnify, defend and hold Landlord harmless from and against any and all claims, losses and costs arising from or asserted in connection with: (i) Tenant's breach of any of the covenants set forth in this Section 5.8, and/or (ii) to the extent caused or allowed by Tenant, or any agent, employee, contractor, invitee or licensee of Tenant, the presence on, under, or the escape, seepage, leakage, spillage, discharge, emission, release from, onto or into the Premises, the building, the land surrounding, the atmosphere, or any watercourse, body of water or ground water, of any Hazardous Material. The undertaking and indemnification set forth in this Section 5.8 shall survive the termination of this Lease and shall continue to be the personal liability and obligation of Tenant.

#### **Section 5.9 Rules and Regulations; FAA Grant Assurances.**

(a) Tenant shall comply with all rules and regulations issued by Landlord as the same may be amended, modified and/or supplemented from time to time, including, but not limited to the Minimum Standards applicable to Fixed Base Operators, regulations concerning signage, minimum standards of operation, architectural and aesthetic, security and general operations.

(b) To the extent applicable to Tenant's operations and/or the lease of the Premises, Tenant shall comply with all FAA grant assurances required to be imposed upon lessees by the Airport as a condition of FAA grants received from time to time by or for the Airport from the FAA, such grant assurances being incorporated herein by reference.

**Section 5.10 Fee Schedules.** The services to be provided by Tenant as a Fixed Base Operation shall be at market competitive rates. Jet fuel and aviation fuel pricing shall be reasonably competitive based on fuel acquisition costs and the pricing available to private aviation at airports within the Medina, Summit, Portage, Stark County, Wayne, and Cuyahoga counties. Landlord shall have the right to review Tenant's pricing schedules from time to time and require substantiation for any services or product pricing appearing to be excessive based on market competitive conditions.

## **ARTICLE VI**

### **Impositions**

**Section 6.1 Payment by Tenant.** Tenant shall pay, before any fine, penalty, interest or cost may be added thereto, or become due or be imposed by operation of law for the non-payment

thereof, all Impositions related to the Premises during the Term; provided, however, that if, by law, any Imposition may at the option of the taxpayer be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition) Tenant may exercise the option to pay the same (and any accrued interest on the unpaid balance of such Imposition) in installments and, in such event, shall pay such installments as may become due during the Term as the same respectively become due and before any fine, penalty, further interest or cost may be added thereto; provided, further, however, that the amount of all installments of any such Imposition which are to become due and payable after the expiration of the Term shall be paid on or before the date of such expiration. It is further provided that any Imposition, other than Impositions which have been converted into installment payments by Tenant as aforesaid relating to a fiscal period of the taxing authority, a part of which period is included in a period of time after the expiration of the Term, shall (whether or not such Imposition shall be assessed, levied, confirmed, imposed upon or in respect to or become a lien upon the Premises or shall become payable during the Term) be apportioned between Landlord and Tenant as of the expiration of the Term.

**Section 6.2** **Landlord's Obligations.** Nothing herein contained shall require Tenant to pay municipal, state, county or federal income taxes assessed against Landlord, or any municipal, state, county or federal capital, levy, succession or transfer taxes of Landlord.

**Section 6.3** **Right to Contest.** Tenant shall have the right to contest the amount or validity, in whole or in part, of any Imposition by appropriate proceedings diligently conducted in good faith but only after payment of such Imposition unless such payment would operate as a bar to such contest or interfere materially with the prosecution thereof, in which event, notwithstanding the provisions of Section 6.1 hereof, Tenant may postpone or defer payment of such Imposition if neither the Premises nor any part thereof would by reason of such postponement or deferment be in danger of being forfeited or lost. Upon the termination of any such proceedings, Tenant shall pay the amount of such Imposition or part thereof as finally determined in such proceedings the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees, interest, penalties or other liabilities in connection therewith.

**Section 6.4** **Separate Assessments.** Landlord shall use reasonable efforts to obtain real estate tax assessments for the Premises which are segregated from the remainder of Landlord's properties. In the event that such segregated assessments are obtained, Landlord shall cooperate with Tenant in requesting the appropriate public authorities to send all notices relating to Impositions directly to Tenant during the Term; Tenant shall promptly deliver to Landlord copies of all such notices received by Tenant.

**Section 6.5** **No Joinder in Proceedings.** Landlord shall not be required to join in any proceedings referred to in Section 6.3 hereof unless the provisions of any law, rule or regulation at the time in effect shall require that such proceedings be brought by and/or in the name of Landlord, in which case Landlord shall join in such proceedings or permit the same to be brought in its name. Landlord shall not be subjected to any liability for the payment of any costs or expenses in connection with any such proceedings, and Tenant will indemnify, protect and save harmless Landlord from any such costs and expenses. Tenant shall be entitled to any refund of any Imposition and penalties or interest thereon received by Landlord which have been paid by Tenant, or which have been paid by Landlord but previously reimbursed in full by Tenant.

## ARTICLE VII

### Insurance

**Section 7.1 Liability Insurance.** Tenant shall, in addition to any other insurance required to be maintained by Tenant under the provisions of this Lease or Article VII, beginning with the commencement of the Term, maintain standard contractual liability insurance covering Tenant's indemnification of Landlord as provided in Article 13 hereof with limits of not less than those provided for in Section 7.3 hereof.

**Section 7.2 All Risk Insurance; Hangar Keeper's Insurance Coverage.** Tenant shall keep the Premises, together with any alterations, additions or improvements thereon (including but not limited to all improvements thereon) and all fixtures, contents, personal property and equipment contained therein and belonging to Tenant or Tenant's sublessees insured during the Term against loss or damage by perils insured under an "all risk" policy and any such other risks and casualties for which insurance is customarily provided for improvements of similar character in an amount not less than the greater of (a) the full replacement value of such property (such value to be determined at least once every five (5) years by the underwriter of such insurance or by a qualified appraiser approved by Landlord), or (b) the outstanding principal balance existing from time to time of any indebtedness secured by a lien upon the Tenant's leasehold interest in the Premises. In addition, Tenant shall maintain Hangar Keeper's Liability Insurance with respect to aircraft storage uses in such amounts as will adequately protect against loss or casualty to aircraft stored in or at the Premises and as approved from time to time by Landlord.

**Section 7.3 Public Liability Insurance.** Tenant shall maintain during the Term comprehensive general public liability insurance against claims for personal injury, bodily injury, death or property damage occurring on or in the Premises, with a combined single limit of not less than Five Million Dollars (\$5,000,000.00), or the equivalent thereof. Notwithstanding the foregoing and without regard to whether Tenant is financing any portion of the Premises, at no time shall the aforesaid limits be less than the minimum limits from time to time customarily required by institutional lenders in connection with the financing of improvements of similar character. In the event of any dispute as to the limits which may be customarily required by institutional lenders, the dispute shall be resolved by averaging limits provided by two (2) lenders in the Summit/Medina market with Landlord and Tenant each to select a lender to provide a limit.

**Section 7.4 Violation.** Tenant shall not knowingly violate or knowingly permit to be violated any of the conditions or provisions of any policy provided for in this Article VII.

**Section 7.5 Type of Policies.** All insurance provided for in this Article VII shall be effected under valid and enforceable policies issued by insurers rated at least "A" by Best's Rating Guide which are licensed to do business in the State of Ohio. If at any time the said Rating Guide shall cease to be published, there shall be substituted therefor the most similar rating guide then published. Insurer certified duplicates or originals of such policies bearing notations evidencing the payment of premiums or accompanied by other evidence reasonably satisfactory to Landlord of such payment, shall be delivered by Tenant to Landlord at Landlord's written request.



**Section 7.6 Tenant as Insured.** All policies of insurance provided for in Sections 7.1 and 7.3 hereof shall name Tenant as an insured. Such policies shall also name Landlord as a named insured and, with respect to any buildings or improvements owned by Landlord, as loss payee. Each such policy shall contain an agreement by the insurer that such policy shall not be canceled without at least thirty (30) days' prior written notice to Landlord. The loss, if any, under any policies provided for in Section 7.2 hereof shall be adjusted with the insurance companies by Tenant; the proceeds of any such insurance, as so adjusted, shall be payable to Tenant for the purposes set forth in Article XIV hereof.

**Section 7.7 Blanket Policies.** Any insurance provided for in this Article VII may be effected by a policy or policies of blanket insurance; provided, however, that the amount of the total insurance allocated to the Premises shall be such as to furnish the equivalent of separate policies in the amounts herein required; and provided further that in all other respects, any such policy or policies shall comply with all other provisions of this Article VII.

## ARTICLE VIII

### **Services to, and Repairs and Maintenance of, the Premises and Airport**

**Section 8.1 Landlord Obligations.** Landlord shall be responsible for capital repairs and replacements to the roof, foundation, HVAC systems and to the concrete and asphalt at the Premises (for avoidance of doubt not to include the Fuel Farm); but otherwise shall not be required to furnish any services or facilities or to make any repairs or alterations, additions or improvements in or to the Premises or Airport except as expressly provided herein. During the Initial Term of this Lease, Landlord has agreed to provide mowing and snow plowing services for the common areas of the Airport.

**Section 8.2 Tenant Obligations as to Premises.** Except for the items for which Landlord is responsible under Section 8.1, Tenant shall furnish at its sole cost and expense all services and facilities and make any repairs or alterations, additions or improvements on or to the Premises which are necessary to maintain the Premises in good condition and repair and in sightly condition, all in accordance with reasonable standards set by the Landlord and in accordance with applicable laws, rules and ordinances. Without limiting the foregoing (and except as provided under Section 8.1), Tenant shall take good care of and make necessary repairs and maintenance, to the Premises, and the buildings, fixtures, equipment and furnishings thereon, roadways and parking areas, utility lines and the appurtenances thereto and shall keep the Premises grounds mowed and trimmed.

**Section 8.3 Tenant's Neglect.** In the event that after thirty (30) days prior written notice Tenant refuses or neglects to make the repairs and perform the maintenance specified in Section 8.2 hereof, Landlord shall have the right, but shall not be obligated, to make such repairs and perform such maintenance on behalf of and for the account of Tenant. In the event that Landlord shall make such repairs and perform such maintenance, such work shall be paid for by Tenant at cost plus ten percent (10%) for Landlord's overhead and supervision.

**Section 8.4 Triple Net Lease.** The parties intend that this Lease be a “triple net lease,” meaning that Tenant, except as expressly provided in this Lease, shall pay all real estate taxes, all special assessments (if any), all insurance premiums, and without limitation each and every other cost and expense pertaining to Tenant’s use and possession of the Premises and (subject to Section 8.1) maintenance and repair thereof and all buildings or improvements thereon.

## ARTICLE IX

### **Compliance with Laws**

**Section 9.1 Tenant’s Covenant.** Tenant shall promptly comply with or shall cause each occupant of the Premises to comply with, all present and future laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments, courts, departments, commissions, boards and offices, any national or local Board of Fire Underwriters, or any other body exercising functions similar to those of any of the foregoing, foreseen or unforeseen, ordinary as well as extraordinary, which may be applicable to the Premises or to the use or manner of use of the Premises or any part thereof.

**Section 9.2 Right to Contest.** Tenant shall have the right to contest by appropriate proceedings diligently conducted in good faith, in the name of Tenant or Landlord or both, without cost or expense to Landlord, the validity or application of any law, ordinance, order, rule, regulation or requirement of the nature referred to in Section 9.1 hereof. If by the terms of any such law, ordinance, order, rule, regulation or requirement, compliance therewith pending the prosecution of any such proceeding may legally be delayed without the incurrence of any lien of any kind against the Premises or Tenant’s leasehold interest therein and without subjecting Landlord to any criminal liability for failure so to comply therewith, Tenant may delay compliance therewith until the final determination of such proceeding, provided that Tenant prosecutes the contest with due diligence. Landlord shall join in any proceedings referred to in this Section 9.2 if the provisions of any applicable law, rule or regulation at the time in effect shall require that such proceedings be brought by and/or in the name of Landlord, provided that Tenant shall advance all costs and expenses to be incurred as a result.

## ARTICLE X

### Liens

**Section 10.1 No Liens.** Tenant shall defend, indemnify and save harmless Landlord from and against any and all mechanics' and other liens and encumbrances filed by any person claiming through or under Tenant, including security interests in any materials, fixtures, equipment or any other improvements or appurtenances installed in and constituting part of the Premises and against all costs, expenses and liabilities (including reasonable attorneys' fees) incurred in connection with any such lien or encumbrance or any action or proceeding brought thereon. Pursuant to the provisions of Chapter 1311 of the Ohio Revised Code, under no circumstances shall the interest of Landlord in and to the Premises be subject to liens for improvements made by Tenant or subject to any mechanic's, laborer's or materialman's lien or any other lien or charge on account of or arising from any contract or obligation of Tenant.

**Section 10.2 Discharge of Liens.** If any mechanic's, laborer's or materialman's lien shall at any time be filed against the Premises or any part thereof, Tenant shall with all due diligence cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise.

**Section 10.3 No Landlord Privity.** Nothing in this Lease shall be deemed or construed in any way as constituting the request of Landlord, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to or repair of the Premises or any part thereof.

## ARTICLE XI

### Right to Perform Covenants

**Section 11.1 Landlord's Rights as to Insurance.** If Tenant shall at any time fail to pay for or maintain any of the insurance policies provided for in Article VII hereof or cause the same to be done, then Landlord, after thirty (30) days' prior written notice to Tenant and without waiving or releasing Tenant from any obligation of Tenant hereunder, may (but shall not be required to) pay for and maintain any of the insurance policies provided for in Article VII hereof. Tenant may, at its election, replace any such insurance so obtained by Landlord with substitute policies which satisfy the requirements of Article VII.

**Section 11.2 Landlord's Rights as to Impositions.** If Tenant shall at any time fail to make payment of any imposition as and when required in Article VII hereof, then Landlord, after thirty (30) days' prior written notice to Tenant, and without waiving or releasing Tenant from any obligation of Tenant hereunder, may (but shall not be required to) make any such payment as provided for in Article VI hereof.

**Section 11.3 Tenant's Lack of Diligence.** If Tenant shall at any time fail to make any payment or perform with due diligence any other act on its part to be made or performed under the

terms the Lease, Landlord, without waiving or releasing Tenant from any obligation of Tenant hereunder, may (but shall not be required to) make any payment or perform any other act on Tenant's part to be made or performed.

**Section 11.4 Additional Rent.** All sums paid by Landlord pursuant to this Article XI and all costs and expenses incurred by Landlord in connection with the performance of any such act shall constitute additional Rent payable by Tenant under this Lease within ten (10) days after demand.

## ARTICLE XII

### **Entry on Property by Landlord**

**Section 12.1 Rights of Entry Reserved.** The Landlord and its authorized officers, employees, agents, contractors, subcontractors and other representatives shall have the right to enter upon Tenant's exclusive premises for the following purposes:

- (a) During the course of their official duties.
- (b) To inspect such premises at reasonable intervals during regular business hours (or at any time in case of emergency) to determine whether the Lessee has complied and is complying with the terms and conditions of this Agreement with respect to such premises.
- (c) During the last month of any Lease Term, to alter, renovate and redecorate the premises, provided the Lessee shall have removed all or substantially all of its property from the premises, and provided further that such alterations, renovation and redecorations can be accomplished without interfering unreasonably with the operations of the Tenant.

No such entry by or on behalf of the Landlord upon the Tenant's Premises shall cause or constitute a termination of the letting by way of concession thereof, or be deemed to constitute an interference with the possession thereof nor constitute a revocation of, or interference with, any right in Tenant in respect thereto of exclusive use.

## ARTICLE XIII

### **Indemnification**

Tenant shall indemnify, protect and save harmless Landlord and Landlord's trustees, officers, and employees, and their respective heirs, personal representatives, successors and assigns from and against all liabilities, damages, penalties, claims, costs and expenses, including reasonable architect's and attorney's fees, which may be imposed upon or incurred by, or asserted against them, or any of them, arising out of or in connection with any intentional, willful or negligent act of Tenant or its sublessees during the period of Tenant's use and/or occupancy of the Premises, or otherwise arising out of any failure by Tenant to perform or comply with the terms hereof, or to cause its sublessees' or subtenants' agents, employees or assigns to perform and comply with the

covenants, agreements, terms or conditions contained herein which are to be performed or complied with by Tenant.

## ARTICLE XIV

### Damage or Destruction

**Section 14.1 Substantial.** In the event of casualty to the Maintenance Hangar or Administrative Building resulting in damage or destruction exceeding in the aggregate fifty percent (50%) of the then replacement cost thereof, Landlord shall have the option of (a) requiring that Tenant restore, repair, replace, rebuild or alter the building destroyed or (b) terminate this Lease by written notice to Tenant given within sixty (60) days after such damage of destruction.

**Section 14.2 No Rent Abatement.** Provided a casualty was not caused by Tenant, Tenant shall be entitled to a prorata abatement of rent equal to the portion of the buildings that are untenable. This abatement shall not apply any fees under Section 2.2.

**Section 14.3 Restoration.** In the event Landlord does not elect to terminate this Lease under Section 14.1 or does not have the right to terminate under Section 14.1, then Landlord will make repairs and replacements to the damaged and destroyed buildings so far as practicable utilizing only the proceeds of insurance with all casualty insurance proceeds to be paid over to Landlord for such purpose. Landlord shall not under any circumstances be required to expend sums in excess of available insurance proceeds.

**Section 14.4 Insufficient Funds.** In the event Landlord has not elected to terminate the Lease under Section 14.1 or does not have the right to terminate thereunder and insurance proceeds are insufficient for repairs and replacement, Tenant shall be responsible for the shortfall in the event the casualty was caused by Tenant's (or an agent of Tenant's) willful act or gross negligence or breach of this Lease.

**Section 14.5 Termination/End of Term.** If the casualty shall occur during the final eighteen (18) months of the Term, then either party may terminate this Lease in which case the insurance proceeds shall be paid to Landlord for its sole use.

## ARTICLE XV

### Condemnation

**Section 15.1 Eminent Domain.** In the event that the Premises or any part thereof shall be taken in condemnation proceedings or by exercise of any right of eminent domain or by agreement between Landlord and Tenant and those authorized to exercise such right, or shall incur a compensable injury under the eminent domain, the Landlord and Tenant and any person or entity having an interest in the Landlord's or Tenant's share of the award shall have the right to participate in any condemnation proceedings or agreement as aforesaid for the purpose of protecting their respective interests hereunder.

**Section 15.2 Substantial.** If at any time during the Term title to the whole or substantially all of the Premises shall be taken by the exercise of the right of condemnation or eminent domain or by agreement between the Landlord and Tenant, and those authorized to exercise such right, this Lease may be terminated by Tenant on the date of such taking and the Rent provided to be paid by Tenant shall be apportioned and paid to the date of such taking. In such event, Impositions shall be apportioned only to the extent actually collected by Landlord, and, if uncollected, Landlord shall assign to Tenant any claim to recover such Impositions. For the purposes of this Section 15.2 “substantially all of the Premises” shall be deemed to have been taken if the buildings on the portion of the Premises not so taken and taking into consideration the amount of the net award available for such purpose, cannot be so repaired or reconstructed as to constitute a complete, usable structure. If this Lease is not terminated by Tenant hereunder, then Tenant shall be entitled to a proportionate abatement of rent equal to the percentage of the Premises which has been taken.

**Section 15.3 Payment of Proceeds.** In the event of the taking of the whole or substantially all of the Premises, subject to the rights of the mortgagee, if any, the rights of Landlord and Tenant to share in the proceeds of any award received for the Premises upon any such taking or injury shall be as follows and in the following order of priority:

(a) Landlord shall be entitled to a sum equal to the then current fair market value of the FBO Land and all improvements owned by Landlord;

(b) Tenant shall be entitled to a sum equal to the then current fair market value of Tenant’s leasehold estate created hereunder, plus improvements, if any, owned by Tenant which are not included in the market value of the FBO Land and Landlord owned improvements as in (a) above, provided such shall not reduce Landlord’s award.

**Section 15.4 Restoration.** If any time during the Term title to less than the whole or substantially all of the Premises shall be taken as aforesaid, Tenant or its sublessees or successors, to the extent that condemnation proceeds, if any, shall be sufficient for the purpose, shall restore, repair, replace, rebuild or alter the Premises as nearly as possible to their value, condition and character immediately prior to such event and subject to the rights of the mortgagee, if any, all of the award or awards collected therefor shall first be applied and paid over toward the cost of such demolition, repair and restoration. Any balance remaining after payment of such costs of demolition, repairs and restoration shall be applied and paid over substantially in the same manner and subject to the same conditions as those provided in Section 15.3 hereof as such provisions related to the portion of the Premises so taken.

**Section 15.5 Reduction.** Except as herein otherwise specifically provided, if title to less than the whole or substantially all of the Premises shall be taken or injured as aforesaid, this Lease shall continue, and Tenant shall continue to pay the Rent and other charges herein reserved with appropriate abatement based upon the portion of the Premises taken or rendered unusable by the taking.

**Section 15.6 Notice.** If the temporary use of the whole or any part of the Premises shall be taken by any lawful power or authority, by the exercise of the right of condemnation or eminent domain, or by agreement between Tenant and those authorized to exercise such right, Tenant shall

give prompt notice thereof to Landlord, the Term shall not be reduced or affected in any way, Tenant shall continue to pay in full the Rent and other charges herein reserved, without reduction or abatement, and Tenant shall be entitled to receive for itself any award or payment made for such use during the Term, subject to the rights of any mortgagee.

## ARTICLE XVI

### Conditional Limitations - Default Provisions

**Section 16.1 Tenant Events of Default.** If any one or more of the following events shall happen:

(a) if default shall be made in the due and punctual payment of Rent when and as the same shall become due and payable, and such default shall continue for a period of ten (10) days after written notice thereof from Landlord to Tenant; or

(b) if default shall be made by Tenant in the performance of or compliance with any of the covenants, agreements, terms or conditions contained in this Lease other than those referred to in the foregoing paragraph (a), and such default shall not be cured within a period of thirty (30) days after written notice thereof from Landlord to Tenant (except that in connection with a default under subparagraph (b) not susceptible of being cured with due diligence within forty-five (45) days, the time of Tenant within which to cure the same shall be extended for such time as may be necessary to cure the same with all due diligence, provided Tenant commences and proceeds diligently to cure the same within the aforesaid forty-five (45) day period and further provided that such period of time shall not be so extended as to subject Landlord to any criminal liability); and

(c) whether or not the same shall have been cured, if Tenant shall have defaulted upon any covenants, agreements, terms or conditions contained in this Lease (including, but not limited to violations of Landlord's rules and regulations) on more than three (3) occasions in any five (5) year period;

(d) if default shall be made by Tenant or any affiliate of Tenant (including, but not limited to, any manager or management company in which Tenant or any owner of Tenant or affiliate of Tenant is directly or indirectly an owner or part owner) in the performance of or compliance with any of the covenants, agreements, terms or conditions contained in any other agreement between Tenant or any affiliate of Tenant and Landlord and such default shall not be cured within any applicable notice and cure period provided for in the subject agreement;

then, and in case of such event under (a), (b), (c) or (d) ("Events of Default"), Landlord at any time thereafter during the continuance of such event or Events of Default may give written notice to Tenant, specifying such event or Events of Default and stating that this Lease and the Term hereby demised shall expire and terminate on the date specified in such notice or that Landlord may at its election cure such default at Tenant's expense, which date shall be at least forty-five (45) days after the giving of such notice in case of any Event of Default; and upon the date specified in such notice, this Lease and the Term and all rights of Tenant under this Lease shall expire and terminate.

**Section 16.2 Surrender of Premises.** Upon any expiration or termination of this Lease, pursuant to the provisions of Section 16.1 hereof, Tenant shall quietly and peacefully surrender the Premises to Landlord, and Landlord, upon or any time after such expiration or termination, may, without further notice, enter upon and re-enter the Premises and by summary proceeding, judgment or otherwise, and may have, hold and enjoy the Premises, and all buildings, fixtures and improvements thereon, and the right to receive all rental and other income from the Premises.

**Section 16.3 Reletting.** At any time or from time to time after expiration or termination pursuant to the provisions of Section 16.1 hereof, Landlord may rent the Premises or any part thereof not then being occupied by any of the above-referenced parties in the name of Landlord or otherwise for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the Term) and on such conditions as Landlord may determine and may collect and receive all rental income of and from the Premises.

**Section 16.4 Landlord's Recovery.** In the event of any such expiration or termination by reason of Tenant's default, whether or not the Premises or any part thereof shall have been relet, Tenant shall pay to Landlord and Landlord shall recover from Tenant, the Rent for the entire Term then in effect reduced, however, to present value using a three percent (3%) discount rate, and all other charges required to be paid by Tenant, together with all repossession costs, brokerage commissions, legal expenses (including reasonable attorneys' fees), and expenses of preparation for reletting.

**Section 16.5 Landlord Events of Default.** If substantial and material default shall be made by Landlord in the performance of or compliance with any of the material covenants, agreements, terms or conditions contained in this Lease, and such default shall continue for a period of thirty (30) days after written notice thereof from Tenant to Landlord;

Then and in any such event ("Events of Default") Tenant at any time thereafter during the continuance of such event or Events of Default may give written notice to Landlord, specifying such event or Events of Default and stating that this Lease shall terminate on the date specified in such notice or that Tenant may at its election cure such default at Landlord's expense, which date shall be at least forty-five (45) days after the giving of such notice in case of any Event of Default; and upon the date specified in such notice, this Lease shall terminate unless the Landlord shall have cured same within said forty-five (45)-day period; (except that in connection with a default not susceptible of being cured with due diligence within forty-five (45) days, the time of Landlord within which to cure the same shall be extended for such time as may be necessary to cure the same with all due diligence, provided Landlord commences promptly and proceeds diligently to cure the same and further provided that such period of time shall not be so extended as to subject Tenant to any criminal liability).

**Section 16.6 Remedies Cumulative.** The rights of the Landlord upon default as aforesaid are cumulative and are in addition to all others allowed at law or in equity, including but not limited to rights of specific performance.

## ARTICLE XVII



## Condition of Property; Quiet Enjoyment

**Section 17.1 No Landlord Warranty.** Landlord hereby expressly disclaims any warranties of any nature, expressed or implied, as to the integrity or suitability of the Premises and any other warranties of any nature, expressed, implied or otherwise. **TENANT HEREBY ACCEPTS THE PREMISES IN "AS IS" CONDITION.** Tenant represents that it has made complete inspection of the Premises, the USTs and the Fuel Farm, and that it has conclusively determined therefrom that the Premises is suitable for Tenant's intended use thereof and is otherwise acceptable.

**Section 17.2 Landlord Representations.** Landlord represents and warrants that it has the power and authority to enter into this Lease and to grant the tenancy hereby created. If and so long as Tenant pays the Rent and observes and performs all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall and may, peaceably and quietly have, hold and enjoy the Premises without interference by Landlord or anyone claiming by, through or under Landlord, subject to all of the provisions of this Lease. Notwithstanding the foregoing, Tenant understands and acknowledges that there are tenants and uses of property adjacent to or near the Premises. Landlord shall have no liability for failing to regulate, enforce regulations against, or prevent interference from such uses and tenants.

## ARTICLE XVIII

### Surrender of Premises

**Section 18.1 Delivery of Possession.** Upon the expiration or termination of this Lease, Tenant shall immediately deliver to Landlord actual possession of the Premises, free and clear of any and all liens or encumbrances, free from the need for any environmental remediation and, at Landlord's request, Tenant shall provide Landlord with a Phase I environmental report (and Phase II results if recommended in the Phase I) from a mutually agreeable environmental consultant demonstrating that there are no environmental conditions at the Premises where remediation is required in Landlord's reasonable opinion.

**Section 18.2 Removal of Personal Property and Trade Fixtures.** Provided Tenant is not in default at the time of expiration or termination of this Lease, Tenant may, at its option and expense, remove Tenant's personal property and trade fixtures. Such removal shall be concluded not later than the date of termination or expiration.

**Section 18.3 Non-Removal.** If Tenant has not removed the Tenant's personal property and trade fixtures in accordance with this Section, then Landlord may at its option, either exercise a right to assume ownership of the same or any part thereof, or may have the same or any part thereof removed and the Premises restored at Tenant's expense. Tenant shall remit the expenses of removal and restoration within thirty (30) days after Landlord's invoicing therefore, or at Landlord's option, Tenant shall cause the removal and restoration according to specifications approved by Landlord.

## ARTICLE XIX

### Assignment of Tenant's Interest; Mortgages

**Section 19.1 Transfers; Consent.** Tenant shall not, without the prior written consent of Landlord, (i) assign, transfer, mortgage, hypothecate, or encumber this Lease or any estate or interest herein or in the Premises or buildings or improvements thereon, whether directly, indirectly or by operation of law, (ii) permit any other entity to become a Tenant hereunder by merger, consolidation, or other reorganization, (iii) if Tenant is a corporation, partnership, limited liability company, limited liability partnership, trust, association or other business entity other than a corporation whose stock is publicly traded, permit, directly or indirectly, the transfer of any ownership interest in Tenant so as to result in (A) a change in the current control of Tenant or (B) a transfer of ten percent (10%) or more in the aggregate in any twelve (12) month period in the beneficial ownership of such entity, (iv) sublet any portion of the Premises (not, however, including to prohibit Tenant from storage or tie down of aircraft for fees on a periodic basis subordinate to this Lease), (v) grant any license, concession, or other right of occupancy of any portion of the Premises, or (vi) permit the use of the Premises by any parties other than Tenant (each of the events listed in this Section 19.1 being a "Transfer"). If Tenant requests Landlord's consent to any Transfer, then concurrently with such request, Tenant shall provide Landlord with a written description of all terms and conditions of the proposed Transfer and all consideration therefor, copies of the proposed documentation, and the following information about the proposed transferee: name and address; information reasonably satisfactory to Landlord about the proposed transferee's business and business history; its proposed use of the Premises which must not deviate from the Lease; banking, financial, and other credit information; and general references sufficient to enable Landlord to determine the proposed transferee's creditworthiness and character. Landlord shall not unreasonably withhold consent to any assignment or subletting of the Premises, provided that without intending to limit the reasons for withholding consent the parties agree that it shall be reasonable for Landlord to withhold any such consent if Landlord determines in good faith that (i) the proposed transferee is not of a reasonable financial standing or is not creditworthy, (ii) the proposed transferee is of a character or reputation which reasonably may be of concern to existing or prospective tenants at the Airport, (iii) in Landlord's judgment, the proposed transferee is of a character or engaged in a business which is not in keeping with the standards of Landlord for the Airport or which may create an unsuitable tenant mix at the Airport, or (iv) in Landlord's reasonable judgment, the proposed transferee would (a) create increased burdens upon the Airport facilities, (b) cause potential security problems or additional security concerns at the Airport, or (c) result in a material increase in Landlord's potential liabilities. Landlord may reasonably withhold its consent to all other Transfers in its reasonable discretion. Any Transfer made without Landlord's consent shall be void and at Landlord's election, shall constitute an Event of Default by Tenant. Tenant shall reimburse Landlord immediately upon request for all of its reasonable attorneys' and consultants' fees and costs incurred in connection with considering any request for consent to a Transfer. If Landlord consents to a proposed Transfer, then the proposed transferee shall deliver to Landlord a written agreement whereby it expressly assumes the Tenant's obligations hereunder; however, any transferee of less than all of the space in the Premises shall be liable only for obligations under this Lease that are properly allocable to the space subject to the Transfer for the period of the Transfer. Landlord's consent to a Transfer shall not release Tenant

from its obligations under this Lease, but rather Tenant and its transferee shall be jointly and severally liable therefor. Landlord's consent to any Transfer shall not waive Landlord's rights as to any subsequent Transfers. If an Event of Default occurs while the Premises or any part thereof are subject to a Transfer, then Landlord, in addition to its other remedies, may collect directly from such transferee all rents becoming due to Tenant and apply such rents against Rent. Tenant authorizes its transferees to make payments of rent directly to Landlord upon receipt of notice from Landlord to do so. Notwithstanding, Tenant may sublet the Premises to Tenant's Company provided, however, that Tenant's Company's interest shall be and remain subordinate and subject to this Lease.

**Section 19.2 Environmental Condition on Assignment.** As a condition to consideration of or consent to any Transfer, Landlord may require that Tenant demonstrate compliance with the provisions of Section 5.8. Such may include Tenant providing at its expense a Phase I Environmental Report (and Phase II Environmental Report, if recommended by the Phase I) demonstrating compliance to Landlord's satisfaction.

**Section 19.3 Mortgages.** Tenant shall have the right during the Term to subject Tenant's leasehold interest in the Premises to a leasehold mortgage (including any extension, modification, renewal or replacement thereof or any refinancing thereof) to secure any loan the debt service for which, or for any replacement thereof, is contemplated to be paid solely from the revenues from the Premises; provided, however, that:

(a) Landlord shall not be liable for the payment of the sum secured by such leasehold mortgage, nor for any expenses incurred in connection with the same, and neither such leasehold mortgage nor any instrument collateral thereto shall contain any covenant or other obligation on the part of Landlord to pay such debt, or any part thereof, or to take any affirmative action of any kind whatsoever; furthermore, such mortgage will seek no money judgment against Landlord;

(b) Neither the term of the debt secured by said leasehold mortgage nor the period over which said debt is amortized shall terminate subsequent to the expiration of the Term of this Lease;

(c) The leasehold mortgage or attornment agreement referred to below shall expressly provide that Landlord shall have the right at any time to do any act or thing required of Tenant under the leasehold mortgage and that all such acts or things done and performed by Landlord shall be as effective to prevent a forfeiture of Tenant's rights thereunder as if done by Tenant;

(d) The leasehold mortgage or attornment agreement referred to below shall expressly provide that the mortgagee shall give Landlord written notice of the occurrence of any event which would constitute a default thereunder, the failure to cure which might result in the acceleration of the maturity of the debt secured by said leasehold mortgage, and that as a condition precedent to such acceleration or to such event constituting a default thereunder Landlord shall have the same right to cure said default as is given to the Tenant. Landlord shall enter into a reasonable subordination and attornment agreement with Tenant's mortgagee in compliance with the foregoing; provided that such may not alter the terms of the Lease.

## ARTICLE XX

## Statements, Records, Accounts, and Audit

**SECTION 20.1 Estoppel Certificates.** At any time and from time to time either party to this Lease, on at least ten (10) days' prior written request by the other party to this Lease, shall execute and deliver to the party making such request a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there shall have been modifications that the same is in full force and effect as modified and stating the modifications) and the dates to which the Rent and other charges have been paid and stating whether or not, to the best knowledge of the party executing such certificate, the party requesting such statement is in default in performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which the executing party may have knowledge.

**SECTION 20.2 Airport Operations Report.** Within one hundred twenty (120) days after the end of each calendar years commencing with calendar year end 2023, Tenant shall submit to Landlord a written report (the "Annual Report of Airport Operations") summarizing the FBO operations conducted by Tenant. Such report shall contain data and information and be in form reasonably satisfactory to Landlord. Among other things that may be covered by the Annual Report of Airport Operations, the following shall be addressed: (i) total numbers of aircraft landings and departures by month with year over year comparisons; (ii) total census of aircraft hangered and or serviced or repaired by the Tenant or by any person, firm or entity subleasing from Tenant or otherwise operating at the Premises; (iii) aircraft fueling statistics by month and type; (iv) reports of other services or activities of the Tenant and any subtenant of Tenant provided at the Airport.

**SECTION 20.3 Financial Reports.** Within thirty (30) days after written request, but not more frequently than once per calendar year, Tenant shall provide such reasonable financial information with respect to the operations of Tenant on the Premises at the Airport, as may be requested by Landlord, including, but not limited to, most recently available financial statements and information on the Tenant's operations.

## **ARTICLE XXI**

### **Notices**

All notices, demands and requests required under this Lease shall be in writing. All such notices, demands and requests shall be deemed to have been properly given if served personally, or by facsimile transmission, private overnight delivery service or if sent by United States certified mail, postage prepaid, addressed as hereinafter provided. All such notices, demands and requests mailed to Landlord shall be addressed to Landlord at c/o Office of the Mayor, City of Medina, P.O. Box 703, Medina, Ohio 44258-0703, or at such other address (and addressed to the attention of such officer or other person) as Landlord may from time to time designate by written notice to Tenant and any mortgagee. All such notices, demands and requests mailed to Tenant or any of them shall be addressed to Tenant at the Premises. All such notices, demands and requests mailed to any mortgagee shall be addressed to such mortgagee at the address furnished to Landlord pursuant to the provisions of Section 19.3 hereof, or to such other address as such mortgagee may from time to time designate by written notice to Landlord.

## ARTICLE XXII

### Miscellaneous

**Section 22.1 Whole Agreement.** Anything in this Lease or otherwise to the contrary notwithstanding, this Lease shall constitute a lease agreement only between Landlord and Tenant and shall not constitute an agency, partnership, or joint venture, either express or implied.

**Section 22.2 Strict Performance.** No failure by either party to this Lease to insist upon the strict performance of any covenant, agreement, term or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance or payment of full or partial rent during the continuance of any such breach, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No covenant, agreement, term or condition of this Lease to be performed or complied with by either party to this Lease, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by the other party to this Lease. No waiver of any breach shall affect or alter this Lease, but each and every covenant, agreement, term and condition of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

**Section 22.3 Memorandum of Lease.** Upon the commencement of the Term, Landlord and Tenant shall execute, acknowledge and deliver a Memorandum of Lease in a form and content reasonably satisfactory to Landlord and Tenant. Such Memorandum shall be recorded, at the cost of Tenant, in the public records of Medina County, Ohio.

**Section 22.4 Entire Agreement.** This Lease contains the entire agreement and understanding among the parties hereto and shall be deemed to supersede and cancel all other agreements and understandings, written or oral, entered into prior to the date hereof, relating to the transactions herein contemplated.

**Section 22.5 Captions.** The captions of this Lease are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease.

**Section 22.6 Invalidity.** If any provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby; and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

**Section 22.7 Governing Law.** This Lease and all the terms and provisions hereof shall be construed and enforced in accordance with the laws of the State of Ohio, exclusive of choice of law rules.

**Section 22.8 Binding Effect.** The covenants and agreements herein contained shall bind and inure to the benefit of Landlord and Tenant, and their respective successors and assigns, except as otherwise provided herein.

**Section 22.9** **Time.** Time is of the essence of this Lease, and of each Section hereof.

**Section 22.10** **Cross-Default.** Tenant acknowledges that it is the “Manager” under that certain Management Agreement dated of even date herewith between Tenant (as “Manager”) and Landlord (the “Management Agreement”), under which Management Agreement the Tenant, as Manager, manages the operations of the Airport. This Lease and the Management Agreement shall be cross-defaulted with each other. Upon the occurrence of any default or event of default by Tenant with respect to this Lease, or the Management Agreement, a default by Tenant shall be deemed to have occurred under each of them.

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IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease the day and year first above written.

**“LANDLORD”:**  
**CITY OF MEDINA, OHIO**

By: \_\_\_\_\_  
Name: Dennis Hanwell  
Title: Mayor

**“TENANT”:**  
**[R. WALDRON ENTITY]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Gregory Huber, City of Medina, Law Director

STATE OF OHIO            )  
  ) ss:  
COUNTY OF \_\_\_\_\_ )

**BEFORE ME**, a Notary Public in and for said county and state, personally appeared Dennis Hanwell, as Mayor of **CITY OF MEDINA, OHIO**, who acknowledged that he did execute the foregoing instrument on behalf of same and that the same was his free act and deed.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and seal as of this \_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Notary Public

STATE OF OHIO            )  
  ) ss:  
COUNTY OF \_\_\_\_\_ )

**BEFORE ME**, a Notary Public in and for said county and state, personally appeared \_\_\_\_\_, as \_\_\_\_\_ of **[R. WALDRON ENTITY]**, a(n) \_\_\_\_\_ [state] \_\_\_\_\_ [limited liability company/corporation], who acknowledged that he/she did execute the foregoing instrument on behalf of said limited liability company and that the same was his/her free act and deed.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and seal as of this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Notary Public



**EXHIBIT A**

**Land**

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**EXHIBIT B**

**FBO Land**

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