

# AIRPORT HANGAR LEASE

**THIS AGREEMENT**, is made and entered into on the date indicated below, by and between the Mauston-New Lisbon Union Airport. An airport jointly owned and controlled pursuant to Chapter 114 of Wisconsin Statutes by the Cities of Mauston and New Lisbon, Wisconsin, acting through the Airport Commission (hereinafter referred to as “Lessor”), and \_\_\_\_\_ (hereinafter referred to as “Lessee”).

## WITNESSETH

**WHEREAS**, the Lessor owns and operates an airport known as the Mauston-New Lisbon Union Airport; and,

**WHEREAS**, the Lessor rents land to persons desirous of constructing and/or maintaining a hangar in which aircraft may be stored; and,

**WHEREAS**, Lessee is desirous of leasing from the Lessor a parcel of land on the airport for the purpose of constructing and/or maintaining a hangar and for the purpose of storing one or more aircraft in said hangar and for the purpose of using the Airport’s facilities for the landing and taking off of such aircraft; and,

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

1. **Property Description:** Hangar No. \_\_\_\_\_ consisting of a structure \_\_\_\_\_ feet by \_\_\_\_\_ feet (\_\_\_\_ sq. feet).
2. **Term:** The term of this lease shall be for a period of Twenty-Five (25) Years commencing on \_\_\_\_\_ and terminating on \_\_\_\_\_.
3. **Renewal:** At the termination of the aforesaid term, this Lease may be renewed for an additional term of Twenty-Five (25) years at the option of the Lessee. If the Lessee intends to renew the lease for the additional term, Lessee shall notify Lessor of that intent in writing no later than 6 months prior to the termination of the lease agreement. All terms and conditions of this Lease shall remain in full force and effect during continuation of this Lease, except that the Lessor may increase the rent as provided below.

4. **Rent:** Lessee agrees to pay the Lessor for the use of said premises, rights and easements, herein described, a yearly rental of \$0.10 per square foot for the land occupied by the hangar for a total of \$\_\_\_\_\_, payable in advance upon the signing of this lease, and on each anniversary thereafter, until this lease terminates. Payments shall be mailed and postmarked by January 1<sup>st</sup> of the year due. All payments shall be made payable to the “Mauston-New Lisbon Union Airport” and shall be sent to the Secretary/Treasurer of the Mauston-New Lisbon Airport Commission. Finally, the lease rate specified herein shall be subject to reexamination and readjustment as provided below.

5. **Rent Adjustments:** Lessor may adjust the rent on an annual basis not to exceed the percentage of property tax increase of the Airport property as established by the Township of Lisbon, and shall be determined by the Mauston-New Lisbon Airport Commission. Lessor shall provide Lessee written notice of any such change in annual rent by no later than October 1<sup>st</sup>. Lessee shall have the option to terminate the lease upon receiving notice of any increase in rent and shall provide written notice to Lessor, by no later than November 1<sup>st</sup> informing Lessor of their intent to terminate the lease. If Lessee decides to terminate this lease, they shall remove the hangar and all other property from the premises within said sixty (60) days.

6. **Other Fees:** Nothing herein shall limit Lessor’s right to impose and Lessee’s obligation to pay, any and all other fees and assessments which Lessor may establish from time to time by the Airport Commission, for Airport services and privileges.

**7. Lessee Rights and Obligations:**

a. **Hangar Construction:** The Lessee shall have the right to design, construct, use, maintain, and repair a hangar building and associated structures (hereinafter collectively referred to as a “hangar”) upon the premises, provided all such structures conform to the building code requirements of the Wisconsin Department of Industry, Labor & Human Relations and pertinent provisions of any State laws and local ordinances in effect. All plans for construction or alteration of such structures shall be submitted for review and approval in writing to the Lessor no less than thirty (30) days prior to such construction or alteration. Said plans shall be scaled drawings of the intended structure including, width, length, and height as well as lot line setbacks and other measurements as may be requested by Lessor. No work may be commenced until Lessor has approved said plans in writing. Lessor shall approve, modify or reject said plans within 30 days of receipt and shall not unreasonably withhold approval.

b. **Hangar Use:** Hangars primary intended use shall be for the storage of aircraft, aircraft equipment, and such items as are typically used by pilots and aircraft owners in the use of aircraft, as determined by the Airport Commission. Hangars primary intended use is not for storage of automobiles, trailers, campers, RV’s, home furnishings, business supplies, wood, building materials, or any other items

not typically used in connection with the operation of aircraft. At no time shall the Lessee store any flammable material (except for the fuel in the aircraft) nor shall the Lessee store explosives or other dangerous or hazardous materials, in or around the hangar, without the Lessor's prior written consent. If Lessee has no airplane that is being stored in said hangar, Lessee shall take reasonable action to lease or sell said hangar for the specific use consistent with the requirements of the terms of this lease. A "FOR SALE" sign or "HANGAR SPACE FOR LEASE" sign shall be prominently displayed on the hangar. If Lessee fails to comply with this requirement, or fails to make reasonable efforts to sell or lease said hangar, the Airport Commission may provide Lessee with no less than sixty (60) days written notice that the Commission will terminate the lease of the hangar and require removal of the hangar and all other personal property within 60 days of the notice.

c. **Hangar Maintenance:** The Lessee will maintain its hangar, associated appurtenances, and the surrounding land in a safe, useful, clean, painted, neat and orderly condition, and Lessee shall perform such repairs, maintenance and upkeep as the Lessor shall deem necessary and appropriate to maintain the safety of the Airport and to maintain the attractive, professional appearance of the Airport. In the event of fire or any other damage or casualty to structures owned by the Lessee, the Lessee shall repair, replace or remove the damaged structure, and restore the leased area to its original condition, within 120 days of the date the damage occurred. Upon petition by the Lessee, the Lessor may grant an extension of time if it appears such extension is warranted.

d. **Obstruction Lights:** Whenever determined necessary by the Lessor, the Lessee agrees to install, maintain, and operate proper obstruction lights on the tops of all of Lessee's buildings or structures, at the Lessee's sole cost.

e. **Signs:** No signs or advertising matter may be erected on the leased premises without the prior written consent of the Lessor.

f. **Nonexclusive Rights:** Lessee shall have the nonexclusive right, in common with others so authorized:

- a. To use the common areas of the airport, including runways, taxiways, aprons, roadways, floodlights, landing lights, signals, and other conveniences for the take-off, flying, and landing of aircraft.
- b. To use the airport parking areas, appurtenances and improvements thereon, but this shall not restrict the right of the Lessor to charge fees for the use of such areas.
- c. To use all access ways to and from the premises, limited to streets, driveways or sidewalks designated for such purposes by the Lessor, and

which right shall extend to Lessee's employees, passengers, guests, invitees, and patrons.

g. **Rules and Regulations:** The Lessee agrees to observe and obey all current and future laws, ordinances, rules and regulations promulgated and enforced by the Lessor and by other proper authority having jurisdiction over the conduct of operations at the airport, provided the same are consistent with the procedures proscribed or approved from time-to-time by the Federal Aviation Agency for landing and taking off of Lessee's Aircraft.

h. **Hold Harmless:** The Lessor shall not be liable to the Lessee for, and Lessee shall hold the Lessor harmless from, any and all claims, damages or losses caused by the acts or omissions of the Lessee, its family, guests, invites, employees, agents, representatives or servants, relating to or arising out of Lessee's use and enjoyment of the Airport or the rights and privileges granted by this Lease. The Lessor shall not be liable for any loss or damage, not caused by negligent acts or omissions of the Lessor, which Lessee may sustain from:

- a. Theft or burglary in or about the premises;
- b. Delay or interruption in any utility service from any cause whatsoever;
- c. Fire, water, rain, frost, snow, gas, odors or fumes from any source whatsoever;
- d. Any injury to any person or damage to any property; or
- e. Failure to keep the Airport premises, appurtenances, fixtures and/or equipment in repair.

i. **Insurance:**

- a. Lessee shall, during the entire term hereof and at its sole cost and expense, maintain fire and extended coverage insurance on Lessee's hangar and all furniture, fixtures, equipment and personal property owned by the Lessee located on the Airport. Lessor shall have no obligation to provide insurance for any of Lessee's personal property, nor for Lessee's buildings, fixtures or equipment which may be attached to or placed upon the Lessor's real estate.
- b. Lessee shall, during the entire term hereof and at its sole cost and expense, maintain comprehensive general liability insurance against claims for bodily injury or death occurring in or about the premises, such insurance to afford minimum protection during the term of the Contract

of not less than the level as may be determined by the Airport Commission from time to time, with respect to bodily injury or death and for property damage. Lessee shall furnish to Lessor a certificate of any such policies of insurance required under this paragraph.

- c. The insurance policies required to be carried by Lessor hereunder shall contain provisions that such policies are not subject to cancellation or change without at least 30 days written notice to the Lessee.
- d. Any insurance required to be maintained by Lessee under this section may be provided and maintained by blanket insurance covering the premises and other locations, properties and insurable interests of the Lessee, provided that the coverage obtained by such blanket policy shall be in a manner sufficient to satisfy the obligations of Lessee under this Section.
- j. **Taxes:** The Lessee shall pay all taxes and assessments that may be levied against the personal property or buildings of the Lessee.
- k. **FBO Operations:** Nothing herein shall authorize the Lessee to conduct any business operations or to act as a Fixed Base Operator (FBO) on the premises leased herein. All such activities are prohibited without the prior written approval of the Lessor. However, nothing herein shall be construed to prohibit the Lessee from performing any services on its own aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform.
- l. **Utilities:** The Lessor shall be responsible for payment of all of its own utility expenses (gas, electric, telephone, heat, etc.) and at no time shall the Lessee use the utilities of the Lessor without the Lessor's prior written consent, nor shall the Lessee have its utility bills placed into the name of the Lessor.
- m. **Abandonment:** If the Lessee fails to use the hangar in accordance with the terms of this lease for a continuous period of 60 days, and has not reasonably offered the premise for lease or for sale under the terms of this lease, the Lessor, in its sole discretion, may terminate the lease with the Lessee.
- n. **Liens and Encumbrances:** The Lessee shall neither create, nor cause or permit to be created, any lien, encumbrance, security interest or other charge, including liens for work, labor or materials furnished, or alleged to have been furnished, on the leased premises or property.
- o. **Occupants:** No person or entity may occupy the hangar of the Lessee except the Lessee, without the prior written consent of the Lessor. However, nothing herein

shall prohibit the Lessee from temporarily permitting another person or entity to temporarily store aircraft in the Lessee's hangar for a period of time not exceeding fourteen (14) days. It is understood that any storage term beyond fourteen (14) days, requires the written permission of the Lessor.

p. **Lessor's Rights and Obligations:**

- a. **Airport Maintenance:** Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing and taxi areas of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of Lessee in this regard.
- b. **Obstructions:** Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against any obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the airport which, in the opinion of the Lessor, would limit the usefulness of the airport or constitute a hazard to aircraft. Lessee shall, upon approval by Lessor and prior to any construction of any nature within the boundaries of the airport, prepare and submit to the Federal Aviation Administration, FAA Form 7460-1, "Notice of Proposed Construction or Alteration", as required by Federal Aviation Regulation Part 77.
- c. **Airport Development:** The Lessor reserves the right to further develop and improve the airport as Lessor sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance from the Lessee. If the development of the airport requires the removal and/or relocation of the Lessee's hangar building(s), the Lessor and Lessee agree that such removal and/or relocation shall occur pursuant to the following terms and conditions:
  - i. The Lessor will provide the Lessee with written notice at least 180 days prior to said removal and/or relocation, and
  - ii. The Lessor shall, in the Lessor's sole discretion, either
    - 1. Pay a third party to relocate the Lessee's building(s) to a new location on the airport, or
    - 2. pay the Lessee the fair market value of the building(s).
- d. **Snow Removal:** The Lessor agrees to plow and remove the snow, at no extra charge, from the taxiways in front of the hangars, except within 10

feet of hangar doors. The manner, speed and timeliness of snow removal shall be in the sole discretion of the Lessor, and may vary from year-to-year and from snowfall-to-snowfall. Snow removal from the taxiways in front of Lessor's hangar shall be accomplished only after all runways, aprons, and primary taxiways have been first cleared. Lessee hereby releases and holds the Lessor harmless from any liability for any and all damages, incurred by the Lessee, caused by or arising from the manner, speed or timeliness of the Lessor's snow removal.

- e. **Right to Inspect:** Lessor reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this agreement, or to the operation of the airport.

9. **Default and Termination:**

- a. **Default Defined:** Lessee shall be deemed in default upon:

- i. Failure to pay rent or any other property-imposed fee within 30 days after due date.
- ii. The filing of any petition under the Federal Bankruptcy Act or any amendment thereto, including a petition for reorganization.
- iii. The commencement of any proceeding for dissolution or for the appointment of a receiver.
- iv. The making of an assignment for the benefit of creditors.
- v. Violation of any of the other terms or conditions of this lease after written notice to cease and/or correct such violation has been served upon the Lessee by the Lessor, and after the Lessee has failed to correct such violation within thirty (30) days of service of such notice (or such later deadline as may be established in the Notice by the Lessee). Mailing notice by U.S. Mail, Certified Mail, shall constitute "service" of notice. In the case of a violation which cannot with due diligence be cured within a period established, the Lessee may apply to the Lessor for an extension of time within which to cure said violation.

- b. **Effect of Default:** Default by the Lessee shall authorize the Lessor, at its sole option, to declare this lease void, to cancel the same, and to re-enter and take possession of the premises.

- c. **Remedies:** Except otherwise provided herein, no right or remedy herein conferred shall be considered exclusive of any other right or remedy and each and every right and remedy shall be cumulative and in addition to any other right and remedy given hereunder existing at law or in equity or by statute.
  - d. **Restoration of Property:** Upon termination of this lease, the Lessee shall remove all of its buildings, equipment, and property, and restore the leased premises to its original vacant condition, unless the Lessor agrees, in writing, to accept all or any part of the property which the Lessee wishes to abandon.
  - e. **Non-waiver:** Any intentional or unintentional waiver by the Lessor of any violation of this Contract by the Lessee shall not be construed or interpreted to be a waiver of any other prior, subsequent or contemporaneous violation.
10. **Lease Transfer:** The Lessee may not assign or transfer this agreement or any interest contained herein, without the consent of the Lessor, which consent shall not be unreasonably withheld.
11. **Right of First Refusal:** The Lessee hereby conveys and grants to the Lessor a First Right of Refusal on the hangar currently located or hereafter erected on the airport's property under this Lease. The Lessee cannot sell, assign, transfer or otherwise convey any interest in this Lease or the hangar to anyone except the Lessor, unless the following steps are satisfied.
- a. The Lessee shall not sell, transfer or otherwise convey any interest in this Lease or the hangar to a third party except upon receipt of a written offer from said third party which sets forth all of the terms and conditions of the proposed transaction (hereinafter "Written Offer").
  - b. Upon obtaining said Written Offer and before accepting said Written Offer, the Lessee shall present said Written Offer to the Lessor by mailing said Written Offer to the Lessor by certified mail, return receipt requested.
  - c. The Lessor shall have 10 days from receipt of said Written Offer within which to take one of the following steps, during which time the Lessee shall not accept or act upon said Written Offer.
    - i. Lessor may submit to Lessee, a written offer substantially equal to or greater than the terms and conditions of the third party offer. If such an offer is submitted to the Lessee, Lessee shall immediately reject the offer of the third party and accept the written offer of the Lessor. Lessor shall consummate the sale under the accepted terms and conditions within 45 days of acceptance of the offer.
    - ii. Lessor may submit a written waiver to the Lessee of this right of first refusal and submit a written approval of the sale, assignment,



conveyance or transfer. If Lessor elects this option, then the Lessee may proceed to consummate the transaction contemplated in the Written Offer with the third party, but only upon the exact terms and conditions of said third party's Written Offer. If any terms and conditions are amended prior to the closing of the transaction between the Lessee and the third party, then the Lessee shall resubmit an amended Written Offer to the Lessor containing the amended terms and conditions, and shall follow the foregoing procedures again regarding the amended Written Offer.

iii. Lessor shall submit a written objection to the sale, assignment, conveyance or transfer, stating the reasons therefore. If the Lessor submits a written objection, the Lessee may take steps to cure the Lessor's objections, and once cured, may resubmit a new Written Offer following the foregoing procedures.

If the Lessor fails to take any of the foregoing options within 30 days, then it shall be presumed that the Lessor has chosen option (2) above.

d. In the event that the Lessor does not in fact sell, transfer or otherwise convey any interest in the Lease or hangar to the third party pursuant to the terms and conditions of said third party's Written Offer for whatever reason, this first right of refusal shall remain effective, and all rights and obligations heretofore described shall apply. Furthermore, if only part of the Property is sold, transferred or conveyed pursuant to said Written Offer, then this first right of refusal shall remain in full force and effect for the remainder of the Property which was not sold, transferred or conveyed. Moreover, this first right of refusal shall be binding upon the third party who receives or retains any interest in the Lease or a hangar located on airport property.

12. **Subordination Clause:** This lease shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States or the State of Wisconsin relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development of the airport. Furthermore, this lease may be amended to include provisions required by those agreements with the United States or the State of Wisconsin.

13. **Airport Closings:** During time of War or other State or National emergency, the Lessor shall have the right to suspend this Contract, and to turn over operation and control of the Airport to the State of Wisconsin and/or the United States Government during any period when the airport shall be closed by any lawful authority, thereby

restricting the use of the airport in such a manner as to interfere with the use of same by Lessee, the rent shall abate, and the period of such closure shall be added to the term of this lease so as to extend and postpone the expiration thereof.

14. **Miscellaneous:**

- a. All notices to or demands upon Lessee or Lessor, desired or required to be given under any of the provisions of this Contract, shall be in writing, and shall be deemed to have been duly and sufficiently given and served if and when a copy thereof has been mailed by certified mail, postage prepaid, to the following:

Lessee's Address: \_\_\_\_\_

Lessee's Phone No.: \_\_\_\_\_

Lessor's Address: Mauston-New Lisbon Union Airport Commission  
\_\_\_\_\_

or to such other address as Lessee or Lessor may from time to time designate by written notice to each other. Lessee must notify Lessor of any address and phone number changes.

- b. The captions of this Contract are for convenience only and are not to be construed as defining or limiting in any way the scope or intent of the provisions hereof.
- c. This Contract shall be construed and enforced in accordance with the laws of the State of Wisconsin, and any action brought to enforce any provision of this Contract shall be venued in the Circuit Court of Juneau County, Wisconsin.
- d. Time shall be of the essence with regard to the provisions of this Contract.
- e. This Contract shall be binding upon and inure to the benefit of the parties, their heirs, legal representatives, successors, and assigns.
- f. If any provision of this Contract shall be determined to be void by a court of competent jurisdiction, such determination shall not affect any other provisions of this Contract and such other provisions shall remain in full force and effect. It is the intention of the parties hereto that if any provision of this Contract is subject to more than one construction, one of which would render the provision valid and the other which would render the provision invalid, then the construction which would render the provision valid shall control.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this \_\_\_\_\_ day of

\_\_\_\_\_, \_\_\_\_\_.

**LESSEE:** \_\_\_\_\_

**By:** \_\_\_\_\_

Signature Printed Name Title

**LESSOR:** Mauston-New Lisbon Union Airport Commission

**By:** \_\_\_\_\_

Signature Printed Name Title

**By:** \_\_\_\_\_

Signature Printed Name Title