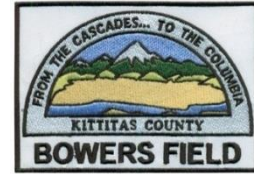


**KITTITAS COUNTY REGIONAL AIRPORT-BOWERS FIELD  
HANGAR GROUND LEASE**



This Airport Hangar Ground Lease (hereinafter “LEASE”) is made and entered into as of the 1st day of January 2022, by and between KITTITAS COUNTY, a Washington Municipal Corporation (hereinafter “LESSOR”) and \_\_\_\_\_ (hereinafter “LESSEE”).

**WITNESSETH:**

**WHEREAS**, LESSOR owns the Kittitas County Regional Airport-Bowers Field (ELN) (hereinafter “AIRPORT”) which is operated by the Airport Department,

**WHEREAS**, LESSOR has approved property available for lease as provided by this LEASE and LESSEE desires to occupy and use such property in accordance with this LEASE,

**NOW THEREFORE**, in consideration of the mutual promises herein and the benefit to be derived by each party, the parties agree as follows:

**1. PREMISES:**

LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR that portion of the AIRPORT described in Exhibit A attached hereto and incorporated herein by this reference.

**Tee Hangar** \_\_\_\_\_

(hereinafter “PREMISES”) for the purposes set forth in this LEASE. LESSEE agrees to accept the PREMISES “As Is,” and LESSOR makes no warranty as to the condition of the PREMISES or their suitability for any particular purpose.

**2. TERM:**

**Term.**

**2.1 Effective Date and Initial Term.**

The Lease shall be effective as of the Lease Date. The term of this Lease shall be for a period of one year commencing on the Lease Date as provided in Exhibit C, if attached, and ending on \_\_\_\_\_, such period being the “Initial Term” or “Term” and including any extensions as provided in Section 2.2. A “Lease Year” means the twelve calendar months commencing with the month of the Lease Date or Commencement Date, as the case maybe, each year of the Term.

**2.2 Expiration Date.**

The date on which this Lease expires under the terms of Sections 2.1 or 2.2 shall be the “Expiration Date.”

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

**1**

**LESSOR**\_\_\_\_\_

**3. RENT:**

Initial rent for the LEASE will be \$175.00 per year to be paid annually.

Due Date: Annual rent payments shall be payable in advance and due on or before LEASE anniversary date of January 1<sup>st</sup> each year during the TERM of this LEASE. Monthly payments can be made, but there will be an additional ten (10%) percent monthly administration fee charged for this service.

**3.1 Payment:**

Any amount due in connection with this Lease shall be due without prior notice or demand, except when notice is necessary to make Lessee aware of an amount due, and shall be paid without offset, abatement, or deduction. Lessor shall first apply any sum paid to past due rent (beginning the most recent amount due), including late fees and interest as provided herein. No statement on any check or elsewhere shall be deemed to create an accord and satisfaction. Lessor may accept any payment (including but not limited to, past due amounts and related charges) without prejudice to Lessor’s rights to any default under this Lease. If any check paid on behalf of Lessee is dishonored by a bank, Lessee shall pay all charges that the bank may assess to Lessor plus a service charge of Fifty Dollars (\$50.00) per occurrence. Lessee shall make payments to Lessor at the address set forth in Section 11.7 (or such other address as Lessor may designate in writing from time to time.

**3.2 Deposit:**

In addition to initial rent and upon execution of this LEASE by both parties, LESSEE shall deposit with LESSOR the amount of one month’s rent plus leasehold tax, (\$197.47) as a guarantee of LESSEE's performance of this LEASE and the timely payment of the rental provided for herein; and in the event LESSEE shall fail to pay the rental as provided herein, or otherwise breach this LEASE, then the Airport Director may apply such deposit, or any part thereof as may be necessary, to the payment of rental or to the payment of damages for such breach or pursue any other remedies provided herein. In the event that such deposit is used by the county for payment related to an incident of breach, the LESSEE shall replenish the deposit after each and every expenditure so as to retain the amount of one year’s rent and leasehold tax in the deposit account.

**3.3 Past Due Amounts:**

**3.3.1 Annual Rental Payments:**

If Lessee fails to pay the annual rent when due under this Lease, such unpaid amount shall bear interest at the rate of twelve percent(12%) per annum from the due date of such amount to the date of payment in full, with interest.

### **3.3.2 Monthly Rental Payments:**

If Lessee fails to pay the monthly rental payment when due under this Lease, such unpaid amount shall bear interest at the rate of twelve percent (12%) from the due date of such amount to the date of payment in full, with interest.

### **3.4 Leasehold Tax:**

In addition to any rental herein provided, the LESSEE shall pay to the LESSOR the leasehold tax as set forth by the State of Washington R.C.W. 82.29A.030 or as amended. The tax shall be due and payable at the same time the rental charged herein is due and payable. Currently, the Leasehold Tax rate is at twelve-point eighty-four percent (12.84%).

## **4. USE:**

Lessee agrees that it shall use the Premises for the following purposes and for no other purposes: storage and maintenance of an aircraft consistent with Federal Aviation Administration standards, state and County standards, to include the Kittitas County Airport Minimum Standards, Airport Master Plan, Bowers Field Rules and Regulations, and Local zoning. Any object, equipment or vehicle that prevents an aircraft from being stored in a hangar is not allowed. An "aircraft" shall be any aircraft that LESSEE owns or leases (or that is subject to an authorized sublease) when approved in writing in advance by LESSOR. LESSEE shall provide proof of the ownership or lease of any Aircraft upon LESSOR's request. The Aircraft identified at Exhibit C are the Aircraft approved by LESSOR upon entering this LEASE, and LESSEE shall provide the same information to LESSOR in writing when requesting approval for any subsequent Aircraft.

### **4.1 No Unauthorized Use:**

LESSEE AND LESSEE'S associates shall not engage in any unauthorized uses, including, but not limited to: engaging in or knowingly allowing any unsafe or hazardous activity, practice or condition to exist on or about the PREMISES; damaging, interfering with, or altering any airport improvement; restricting access on any road or other airport area that LESSEE does not lease; any use that would constitute a public or private nuisance or a disturbance or annoyance to other airport users; any commercial activity without LESSOR's reasonable consent; driving a motor vehicle in a prohibited airport location; the use of automobile parking areas in a manner not authorized by LESSOR; any use that would interfere with any authorized operation at the airport; and any use that would be prohibited by or would impair coverage under either party's insurance policies.

LESSEE and LESSEE's associates, (lessee's employees, officers, directors, contractors, subcontractors, suppliers, agents, invitees and other representatives) shall use the PREMISES and the Airport only for purposes that are expressly authorized by this LEASE and not prohibited by state, federal and local laws and regulations. In addition, the Tenant specifically agrees to abide by the following tee-hangar rules and regulations:

- To use the tee-hangar only for aircraft storage purposes.

- To use only U.S. approved electrical tools and equipment in or about the tee-hangar.
- To not use any open flame devices inside of the tee-hangar.
- To keep the tee-hangar clean and free of debris.
- To not attach to any part of the tee-hangar any part of a hoisting or holding mechanism.
- To not paint, remove, modify, bend, drill, cut or otherwise alter or modify any part of the tee-hangar without prior written permission of the Airport Director.
- To not park or leave an aircraft or automobile on the pavement adjacent to the tee-hangar in a manner which unduly interferes with or obstructs adjacent tee-hangars or taxiways.
- To not conduct any charter, rental, repair or instructional service, or any other commercial activity in, or from, a tee-hangar without first obtaining permission from the Airport Director and obtaining a licences to do business on the Kittitas County Airport (Bowers Field).
- To not lock the tee-hangar with any lock other than the one supplied by the LESSOR
- To not use, or permit the tee-hangar to be used, for any unlawful or offensive purpose which might constitute a nuisance.

#### **4.2 Comply with All Laws:**

LESSEE and LESSEE's associates shall comply at all times, at LESSEE's sole cost, with any and all laws and regulations (as amended or otherwise modified from time to time) that are applicable to LESSEE's use, occupancy, or operations at the PREMISIS or the airport (the "Laws and Regulations"), which include, but are not limited to, all laws, statutes, ordinances, regulations, codes, and other pronouncements of any kind having the effect of law including, but not limited to, the Airport Rules and Regulations and Airport Minimum Standards as adopted from time to time, airport master plans and zoning codes, and all Laws and Regulations pertaining to the environment (the "Environmental Laws"); any and all plans and programs developed in compliance with such requirements (including, but not limited to, any Airport Security Plan); and all lawful, reasonable, and nondiscriminatory airport policies and other requirements.

#### **4.3 Permits and Licenses:**

LESSEE shall obtain and maintain in current status all permits and licenses that are required under any Laws and Regulations in connection with LESSEE's use, occupancy, or operations at the PREMISES or the airport.

#### **4.4 Taxes and Liens:**

LESSEE shall pay, or cause to be paid, before delinquency, any and all taxes levied, assessed and/or which become payable during the LEASE term hereof upon all or any part of the improvements, aircraft, equipment, furniture, fixtures and other personal property located in or on the PREMISES or that relate to LESSEE's use, occupancy, or operations at the PREMISES or the airport, together with all other obligations for which a lien may be

created relating thereto, including, but not limited to, utility charges and work for or on any Improvements.

**4.5 Signage and Advertising:**

LESSEE is not authorized to install or operate any signage outside of enclosed structures on the PREMISES, other than the hangar number.

**4.6 Security:**

LESSEE and LESSEE's associates shall at all times when on or about the airport comply with all security measures that LESSOR, Federal Aviation Administration, state, county or any other governmental entity having jurisdiction may require in connection with users of the airport, including, but not limited to, any access credential requirements. LESSEE agrees that airport access credentials are the property of LESSOR and may be suspended or revoked by LESSOR in its sole discretion at any time. LESSEE shall pay all fees associated with such credentials, and LESSEE shall immediately report to the Airport Management any lost credentials or credentials that LESSEE removes from any employee or any of LESSEE's associates.

**4.7 Removal of Disabled Aircraft:**

LESSEE shall promptly remove or cause to be removed from any portion of the airport not leased by LESSEE the aircraft or any other aircraft that LESSEE owns or controls if it becomes disabled. LESSEE may store such aircraft within LESSEE's enclosed improvements or, with LESSOR's prior written consent, elsewhere at the airport on terms and conditions established by LESSOR. If LESSEE fails to comply with this requirement after a written request by LESSOR to comply (unless the location of the airplane requires immediate removal from active runways or taxiways precluding ability for written notification), LESSOR may, but is not required to, cause the removal of any such aircraft at LESSEE's sole expense by any means that LESSOR reasonably determines. If LESSOR is required to move an aircraft from an active runway or taxiway, for failure of LESSEE to do so, those costs will also be borne by LESSEE. Any such costs incurred by LESSOR shall become due and owing immediately from LESSEE, and subject to late fees, penalties and interest as set forth for late monthly payments.

**4.8 Maintenance and Repair:**

The maintenance and repair of the tee-hangar structure necessitated by ordinary wear and tear shall be the responsibility of the LESSOR. Any maintenance or repair of the tee-hangar necessitated by acts of negligence caused by the LESSEE, its agents or representatives, shall be the responsibility of the LESSEE. The LESSEE is responsible for the electrical hook up through Puget Sound Energy. Snow removal will be performed by the LESSOR

starting two (2) feet from the hangar opening. Any snow or ice removal on the hangar shall be the responsibility of the LESSEE. The LESSEE agrees to promptly notify the Airport Director, in writing, of any unsafe or hazardous conditions which may exist in the tee-hangar. Unless such written notification is given in advance by the LESSEE, the LESSOR will not be responsible to the LESSEE for any injuries, loss, or damage caused by a lack of maintenance or repair, in such maintenance or repair could have cured the patent hazardous condition. Any improvement or alterations made by the LESSEE, will become part of the tee-hangar and shall belong to the LESSOR at time of termination.

**4.9 Access:**

LESSOR agrees that, if LESSEE is not in breach of this LEASE, LESSEE and LESSEE's Associates (including, but not limited to agents/employees/invitees) are authorized for non-exclusive ingress and egress across the common areas of the airport in the areas designated by LESSOR and for the purposes for which they were designed, all as permitted by applicable Laws and Regulations as defined in Section 4.2, to the extent reasonably necessary for LESSEE's use, occupancy, and aircraft operations at the PREMISES. LESSEE is at all times responsible for the actions of any and all Associates, both financially and otherwise.

**5. LESSOR'S AUTHORITY:**

**5.1 Nature of Lessor:**

LESSOR is a governmental entity and the owner of the AIRPORT, and LESSOR has all lawful rights, powers, and privileges to act in those capacities.

**5.2 Access to Premises:**

LESSOR for itself and its commissioners, employees, agents, contractors, subcontractors, and other representatives ("LESSOR's Associates") reserves the right to enter the Premises upon the giving of not less than twenty-four hours actual prior notice to LESSEE'S authorized representative(s) to conduct inspections to determine compliance with this Lease; provided, that only reasonable prior notice, as circumstances reasonably dictate, shall be required in the event of an emergency or security or safety concern. For non-emergent issues related to health and safety issues, and to undertake work required by LESSEE, but not completed after written notification, LESSOR shall provide 24-hours prior notice of intent to complete such work. For emergency work required to be performed by LESSOR because LESSEE has not completed such work or cannot be located, notice shall be reasonable under the circumstances.

**5.3 Applicable Law:**

This LEASE is made pursuant to Chapter 2.81 KCC and is subject to the provisions of Chapter 59.12 RCW, each as now or hereafter amended, provided, however, that no such amendment shall modify any of the substantive terms hereof.

**6. HAZARDOUS SUBSTANCES:**

Except as provided in this Section 4 and otherwise allowed by law, LESSEE shall not, without LESSOR's prior written consent, keep on or around the PREMISES for use, handling, transport, disposal, treatment, generation, storage or sale, any substances designated as, or containing components designated as hazardous, dangerous, toxic, harmful, medical or infectious (collectively referred to as "HAZARDOUS SUBSTANCE"), and/or is subject to regulation by any federal, state or local law, regulation, statute, ordinance or management plan. With respect to any such HAZARDOUS SUBSTANCE, LESSEE shall:

- A. Maintain on the PREMISES only reasonable quantities of such HAZARDOUS SUBSTANCES as are reasonably necessary, usual and appropriate for the routine maintenance and operation of the Aircraft and the Improvements;
- B. Within five (5) days of LESSOR's request, provide information to LESSOR regarding LESSEE's use, handling, storage, treatment, transportation, generation, or disposal of HAZARDOUS SUBSTANCES and provide evidence satisfactory to LESSOR of LESSEE's compliance with the applicable government regulations;
- C. Allow LESSOR or LESSOR's agent, representative or consultant to come on the PREMISES as allowed in Section 5.2 to inspect LESSEE's compliance with all applicable governmental regulations regarding HAZARDOUS SUBSTANCES and to assess the environmental condition of the PREMISES, including, but not limited to, the imposition of an environmental audit;
- D. Comply with all applicable governmental statutes, ordinances, rules, regulations, management plans and requirements regarding the proper and lawful use, handling, disposition, transportation, generation, treatment, and disposal of HAZARDOUS SUBSTANCES.

**6.1 Cleanup Costs, Default and Indemnification:**

LESSEE shall be fully and completely liable to LESSOR and shall indemnify, defend and save LESSOR harmless from any and all cleanup costs, and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to LESSEE's unauthorized, negligent or illegal use, handling, disposal, transportation,

generation and/or disposal of HAZARDOUS SUBSTANCES, in or about the PREMISES. Upon LESSEE's default under this Section 6, in addition to the rights and remedies set forth elsewhere in this LEASE, LESSOR shall be entitled to the following rights and remedies:

- A. At LESSOR's option, to exercise the remedies under the procedures set forth in **Section 10**; and
- B. To recover any and all damages associated with the default, including, but not limited to cleanup costs and charges, civil and criminal penalties and fees, loss of AIRPORT revenue by LESSOR, any and all damages and claims asserted by third parties and LESSOR's attorneys' and consultants' fees and costs.

## **6.2 Survival:**

The provisions of Section 6 shall survive the expiration or earlier termination of this LEASE.

## **7. INDEMNITY AND INSURANCE:**

### **7.1 Indemnity by LESSEE:**

Subject to the provisions of **Section 7.4 below**, LESSEE will save and hold LESSOR, and LESSOR's Associates harmless from and against all loss, damage, liability or expense, including reasonable attorneys' fees, resulting from, claimed by or against or incurred by LESSOR or arising from any injury to any person or loss of or damage to any property caused by or resulting from any negligent act or omission or willful misconduct of LESSEE or LESSEE's Associates in, on or about the PREMISES or AIRPORT or arising from or incurred by reason of any breach or default in the performance of any obligation on LESSEE's part to be performed under the terms of this LEASE and from and against all costs, reasonable attorneys' fees, expenses and liabilities incurred in or about such claim or any action or proceeding brought thereon. Neither LESSOR nor LESSOR's Associates shall be liable for any loss or damage to persons or property sustained by LESSEE, or other persons, which may be caused by the PREMISES, or any appurtenances thereto, being out of repair, or by theft or by any act of neglect or omission of LESSEE or LESSEE's Associates, or of any other person, or by any other cause of whatsoever nature, unless caused by the negligence of LESSOR or LESSOR's Associates.

### **7.2 Indemnity by LESSOR:**

Subject to the provisions of **Section 7.4 below**, LESSOR will save and hold LESSEE, and LESSEE's Associates harmless from and against all loss, damage, liability or expense, including reasonable attorneys' fees, resulting from, claimed by or against or incurred by LESSEE or arising from any injury to any person or loss of or damage to



any property caused by or resulting from any negligent act or omission or willful misconduct of LESSOR or of LESSOR's Associates in or about the PREMISES or AIRPORT or arising from or incurred by reason of any breach or default in the performance of any obligation on LESSOR's part to be performed under the terms of this LEASE and from and against all costs, reasonable attorneys' fees, expenses and liabilities incurred in or about such claim or any action or proceeding brought thereon. Neither LESSEE nor LESSEE's Associates shall be liable for any loss or damage to persons or property sustained by LESSOR, or other persons, which may be caused by the AIRPORT, or any appurtenances thereto, being out of repair, or by theft or by any act of neglect or omission of LESSOR or LESSOR's Associates, or of any other person, or by any other cause of whatsoever nature, unless caused by the negligence of LESSEE or LESSEE's Associates.

### **7.3 LESSEE'S Use:**

LESSEE shall indemnify and hold harmless LESSOR and LESSOR's Associates against and from any and all claims, liability, obligation, cost or expense, including attorneys' fees, incurred or arising from or by reason of the use of the PREMISES by LESSEE or LESSEE's Associates from any activity, work, or thing done, permitted or suffered by the LESSEE or LESSEE's Associates in or about the PREMISES, and shall further indemnify and hold harmless LESSOR and LESSOR's Associates against and from any and all claims, liabilities, costs, obligations and expenses, including attorneys' fees, arising from or incurred by reason of any breach or default in the performance of any obligation on LESSEE's part to be performed under the terms of this LEASE and from and against all costs, attorneys' fees, expenses and liabilities incurred in or about such claim or any action or proceeding brought thereon.

### **7.4 Concurrent Negligence:**

Notwithstanding the provisions of **Sections 7.1 or 7.2** above, in the event of the concurrent negligence of the LESSEE and LESSEE's Associates on the one hand and that of LESSOR and LESSOR's Associates on the other hand, which concurrent negligence results in injury or damage to persons or property and relates to the use, occupation, construction, alteration, repair, addition to, subtraction from, improvement to or maintenance of the PREMISES, then:

- A. LESSEE's obligation to indemnify LESSOR as set forth in this Section shall be limited to the extent of LESSEE's negligence, and that of LESSEE's Associates, including LESSEE's proportional share of costs, attorneys' fees, and expenses incurred in connection with any claim, action or proceeding brought with respect to such injury or damage; and

- B. LESSOR's obligation to indemnify LESSEE as set forth in this Section shall be limited to the extent of LESSOR's negligence, and that of LESSOR's Associates, including LESSOR's proportional share of costs, attorneys' fees, and expenses incurred in connection with any claim, action or proceeding brought with respect to such injury or damage.

*THE LESSOR AND LESSEE SPECIFICALLY AGREE THAT THE PROVISIONS OF THIS SECTION 8 ALSO APPLY TO ANY CLAIM OF INJURY OR DAMAGE TO THE PERSONS OR PROPERTY OF THE LESSOR AND LESSEE'S RESPECTIVE EMPLOYEES, AND LESSOR AND LESSEE, AND EACH OF THEM, SEPARATELY ACKNOWLEDGES AND AGREES THAT, AS TO SUCH CLAIMS, EACH AS TO THE OTHER DOES HEREBY WAIVE ANY RIGHT OF IMMUNITY WHICH THEY MAY HAVE UNDER INDUSTRIAL INSURANCE (TITLE 51 RCW AS AMENDED AND UNDER ANY SUBSTITUTE OR REPLACEMENT STATUTE). THIS WAIVER AND AGREEMENT WAS SPECIFICALLY NEGOTIATED BY LESSOR AND LESSEE AND IS SOLELY FOR THE BENEFIT OF LESSOR AND LESSEE AND THEIR SUCCESSORS AND ASSIGNS AND IS NOT INTENDED AS A WAIVER OF EITHER'S RIGHTS OF IMMUNITY UNDER SAID INDUSTRIAL INSURANCE FOR ANY OTHER PURPOSE.*

**7.5 Insurance:**

The parties hereto agree that this lease is a lease of storage space only. It shall be the LESSEE's responsibility to insure any contents he elects to store in the tee-hangar, including but not limited to the aircraft, for such limits and overage as the LESSEE desire. The parties further agree that the contents stored in the tee-hangar shall be deemed to be in the full and exclusive care, custody, control, and possession of the LESSEE and not the LESSOR.

The LESSEE shall provide aircraft liability insurance coverage in an amount not less than:

\$100,000 – Bodily Injury

\$300,000 – Property Damage

\$300,000 – Each Occurrence

The LESSEE agrees to provide and maintain proof of aircraft liability insurance requirements throughout the term of the lease..

**7.6 Survival:**

The obligations of the parties under this Section arising by reason of any occurrence taking place during the term of this Lease shall survive the expiration or earlier termination of this Lease.

**8. NON-DISCRIMINATION:**

To the extent required by law, LESSEE, for itself, its personal representative, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as follows:

No person, on the grounds of race, color, religion, sex, age, marital status, handicap or national origin, shall be unreasonably excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in LESSEE's personnel policies and practices or in the use or operation of LESSEE's services or facilities.

LESSEE agrees that in the construction of any improvements on, over or under AIRPORT land and the furnishing of services thereon, no person, on the grounds of race, color, religion, sex, marital status, handicap, age or national origin, shall be unreasonably excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

LESSEE shall use the PREMISES in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

It is the policy of the Department of Transportation that minority business enterprise as defined in 49 CFR Part 46, i.e., firms owned and controlled by minorities; firms owned and controlled by women and firms owned and controlled by financially disadvantaged persons; shall have the maximum opportunity to participate in the performance of Agreements as defined in 49 CFR Section 23.5. Consequently, this Agreement is subject to 49 CFR Part 23 as applicable.

LESSEE hereby assures that no person shall be excluded from participation in, denied the benefits of or otherwise discriminated against in connection with the award and performance of any contract, including leases and agreements, covered by 49 CFR Part 23 on the grounds of race, color, national origin or sex.

LESSEE hereby assures that it will include the above clauses in all sub-leases and cause sub-tenants to similarly include clauses in further sub-leases or partial assignments.

**9. Assignment, Subleasing and Renting.**

Except as provided in this Section 10, Lessee shall not assign, sublet, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, nor rent or sublet the whole or any part of the Premises, nor shall this Lease or any interest hereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Lessor, which consent shall not be unreasonably withheld or delayed. Month-to-Month leases are not assignable.

**9.1 Assignment by Lessee.** Upon receipt of Lessor's prior written consent and as otherwise provided in this Section 10, Lessee shall have the right to fully assign its rights under the Lease to the next available person on the T-hangar wait list. Lessor reserves the right to refuse to give such consent if, in Lessor's reasonable business judgment the proposed assignee is not financially or otherwise reasonably capable of fully performing the obligations of Lessee under this Lease; or that the proposed assignee's use of the Premises would result in the Premises or Improvements being used in contravention of the terms of this Lease. The proposed assignee must meet all county requirements then existing for a new tenant and assume the existing lease as tenant. In the event an assignee is approved by Lessor in writing and upon such assignee's written acceptance of all terms and conditions of the Lease, Lessee shall be released from any further obligation under the Lease.

**9.2 Assignment by Lessor.** Lessor shall have the right, in Lessor's sole discretion, to assign any of its rights under this Lease (and in connection therewith, shall be deemed to have delegated its duties), and upon any such assignment, Lessee agrees that Lessee shall perform its obligations under this Lease in favor of such assignee.

**9.3 Transfer Fee.** Each time the right to occupy a hangar unit is transferred by an assignment or sublease, the Lessee shall pay the Lessor a sum of \$525.00, as an administration fee.

**9.4 Subleasing and Renting.** Subleases or renting of T-hangers is prohibited due to a long waiting list of interested tenants.

**10. Damage, Destruction, and Condemnation.**

**10.1 Damage or Destruction of Premises.** If any portion of the Premises or the Improvements is damaged in any manner, Lessee shall promptly remove from the Airport all damages and debris and timely cause repairs to be made to restore the Premises and Improvements to an orderly and safe condition; provided the Lessee shall not be required to restore the Improvements. In the event new Improvements are undertaken by Lessee, all work shall be performed in accordance with the terms of this Lease, and Lessee shall not receive any abatement of Lessee's rent obligations.

**10.2 Condemnation.** In the event of any condemnation proceeding in which all or any part of the Premises or Improvements is taken, Lessee may pursue a claim against the condemner for the value of the Improvements and Lessee's leasehold interest condemned, and any sub-Lessees may pursue a claim against the condemner for the value of their sub tenancy interests. In the event of a partial taking, Lessor shall reduce the ground rent payable by Lessee on a pro rata basis for portions of the Premises so taken. If Lessor determines in its sole discretion that all or a material portion of the Premises will be, or has been rendered, not reasonably subject to lease as a result of such taking, Lessor may terminate this Lease by giving Lessee a written notice of termination, and this Lease shall

terminate under the provisions of Section 9.2 at the time specified in the notice, which shall not be less than thirty (30) days after the date of such notice.

## 11. **Default.**

11.1 **Lessee's Default.** The occurrence of any of the following events shall constitute a default by Lessee under this Lease unless cured within thirty (30) days following written notice of such violation from Lessor: (i) Lessee fails to timely pay any installment of rent or any additional rent; (ii) Lessee violates any requirement under this Lease, including, but not limited to, abandonment of the Premises; (iii) Lessee assigns or encumbers any right in this Lease, delegates any performance hereunder, or subleases or rents any part of the Premises, except as expressly permitted in this Lease; (iv) Lessee files a petition in bankruptcy or has a petition filed against Lessee in bankruptcy, insolvency, or for reorganization or appointment of a receiver or trustee which is not dismissed within sixty (60) days; (v) or Lessee petitions for or enters into an arrangement for the benefit of creditors, or suffers this Lease to become subject to a writ of execution and such writ is not released within thirty (30) days. If the nature of Lessee's obligation is such that more than thirty (30) days are reasonably required for performance or cure or a different time for performance is specified, Lessee shall not be in default if Lessee commences performance within such thirty (30) day or specified period and thereafter diligently prosecutes the same to completion.

11.2 **Remedies.** Upon any default by Lessee under this Lease and subject to Section 10, Lessor may at any time pursue any or all remedies available to Lessor, including, but not limited to, the following: (i) perform in Lessee's stead any obligation that Lessee has failed to perform, and Lessee shall promptly pay to Lessor all costs incurred by Lessor for such performance, together with interest and service fees for any past due amounts (as provided in Section 3.2) and an administrative charge equal to twelve percent (12%) of the cost incurred by Lessor which the parties agree is a reasonable estimate of and liquidated damages for Lessor's overhead expenses associated with such performance; (ii) terminate Lessee's rights under this Lease upon delivering a written notice of termination; and (iii) re-enter and take possession of the Premises by any lawful means with or without terminating this Lease. Lessee shall pay all costs and damages arising out of Lessee's default, including, but not limited to, the cost of recovering possession of the Premises, the cost of improving and reletting the Premises, including, but not limited to, any real estate broker fees or marketing costs, and attorneys' fees and costs regardless of whether formal action is commenced or concluded. No action by Lessor or Lessor's Associates shall be construed as an election by Lessor to terminate this Lease or accept any surrender of the Premises unless Lessor provides Lessee with a written notice expressly stating that Lessor has terminated this Lease or accepted a surrender of the Premises. Following a default by Lessee under this Lease, Lessor shall exercise commercially reasonable, good faith efforts to mitigate its damages as required by applicable law.

11.3 **Default by Lessor.** Lessor shall not be in default under this Lease unless Lessor fails to perform an obligation required of Lessor under this Lease within thirty (30) days after written notice by Lessee to Lessor. If the nature of Lessor's obligation is such that

more than thirty (30) days are reasonably required for performance or cure, Lessor shall not be in default if Lessor commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

11.4 **Survival.** The provisions of this Section 10 and the remedies and rights provided in Section 7 shall survive any expiration or termination of this Lease.

11.5 **Holding Over.** If Lessee remains in possession of the Premises and Improvements after any expiration or termination of this Lease, it shall be deemed that the Lessee has entered into such occupancy without the permission of Lessor. Such occupancy shall not waive any default under this Lease and Lessor may terminate such occupancy as a tenancy at sufferance. During such occupancy, Lessee shall comply with all provisions of this Lease along with those that are applicable to a tenancy at sufferance, and reasonable rent for the Premises shall be deemed to be the highest rate then charged at the Airport for ground rent plus rent for the Improvements at its then fair market value based on Lessor's survey of rent for similarly situated facilities at the Airport and at other similar, tertiary airports in the Western United States, which Lessor shall determine in its reasonable discretion.

## 12. **General Provisions.**

12.1 **No Exclusive Rights.** Nothing in this Lease shall be construed to grant to Lessee any exclusive right or privilege for the conduct of any activity on the Airport, except to lease the Premises for Lessee's exclusive use as provided herein.

12.2 **Lease Preserves Authority's Compliance.** This Lease shall be interpreted to preserve Lessor's rights and powers to comply with Lessor's Federal and other governmental obligations.

12.3 **Subordination to Authority's Government Commitments.** This Lease is subordinate to the provisions of any Lease between Lessor and the United States or other governmental authority (regardless of when made) that affects the Airport, including, but not limited to, leases governing the expenditure of Federal funds for Airport improvements. In the event that the Federal Aviation Administration or other governmental authority requires any modification to this Lease as a condition of Lessor entering any lease or participating in any program applicable to the Airport, including, but not limited to, those providing funding, Lessee agrees to consent to any such modification. If a governmental authority determines that any act or omission of Lessee or Lessee's Associates has caused or will cause Lessor to be noncompliant with any of Lessor's government commitments, including, but not limited to, any assurances or covenants required of Lessor or obligations imposed by law, Lessee shall immediately take all actions that may be necessary to preserve Lessor's compliance with the same. Lessor shall have the right to terminate this Lease and reenter and repossess any portion of the Premises if the U.S. Department of Transportation or other governmental authority having jurisdiction expressly requires any such action, subject to any review that may be afforded to Lessee by such authority. Lessee's remedy shall be against the U.S. Department of Transportation or other

governmental authority having jurisdiction that required such action in the same means as an event of condemnation as provided above in section 11.2.

12.6 **Subordination to Financing and Matters of Record.** This Lease is subordinate to the provisions of any leases or indentures entered by Lessor (regardless of when entered) in connection with any debt financing applicable to the Airport and is subordinate to any matter of record affecting the real property of the Airport.

12.7 **Notices.** Any notice, demand, written consent, or other communication required to be in writing under this Lease shall be given in writing by personal delivery, express mail (postage prepaid), nationally recognized overnight courier with all fees prepaid (such as Federal Express or UPS), or certified mail (return receipt requested and postage prepaid) when addressed to the respective parties as follows:

Lessor:           Airport Director  
                      Bowers Field  
                      3110 Airport Rd, Ste #1  
                      Ellensburg WA 98926

Lessee:           \_\_\_\_\_  
                      \_\_\_\_\_  
                      \_\_\_\_\_  
                      \_\_\_\_\_

Either Lessor or Lessee may change its notice address by giving written notice (as provided herein) of such change to the other party. Any notice, demand, or written consent or communication shall be deemed to have been given, and shall be effective, upon compliance with this Section 13.7 and delivery to the notice address then in effect for the party to which the notice is directed; provided, however, that such delivery shall not be defeated or delayed by any refusal to accept delivery or an inability to effect delivery because of an address change that was not properly communicated.

12.8 **Force Majeure.** No act or event, whether foreseen or unforeseen, shall operate to excuse Lessee from the prompt payment of rent or any other amounts required to be paid under this Lease. If Lessor, or Lessee in connection with obligations other than payment obligations, is delayed or hindered in any performance under this Lease by a force majeure event, such performance shall be excused to the extent so delayed or hindered during the time when such force majeure event is in effect, and such performance shall promptly occur or resume thereafter at the expense of the party so delayed or hindered. A "force majeure event" is an act or event, whether foreseen or unforeseen, that prevents a party in whole or in part from performing as provided in this Lease, that is beyond the reasonable control of and not the fault of such party, and that such party has been unable to avoid or overcome by exercising due diligence, and may include, but is not limited to, acts of nature, war, riots, pandemics, strikes, accidents, fire, and changes in law.

12.9 **Rights and Remedies.** Except as expressly set forth in this Lease, the rights and remedies set forth in this Lease are not intended to be exhaustive and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently exist.

12.10 **Attorneys Fees.** If either party is required to bring or maintain any action (including assertion of any counterclaim or cross-claim, or claim in a proceedings in arbitration, bankruptcy, receivership or any other proceeding instituted by a party hereto or by others), or otherwise refers this Lease to an attorney for the enforcement of any of the covenants, terms or conditions of this Lease, the prevailing party in such action shall, in addition to all other payments required herein, receive from the other, all the costs incurred by the prevailing party including reasonable attorneys' fees and such costs and reasonable attorneys' fees which the prevailing party incurred in, and in preparation for, such action, arbitration, trial, appeal, review and/or proceeding in bankruptcy court. The provisions of this Section 13.10 shall survive any expiration or termination of this Lease.

12.11 **Governing Law, Venue, and Waiver of Jury Trial.** This Lease and the respective rights and obligations of the parties shall be governed by, interpreted, and enforced in accordance with the laws of the State of Washington. Venue for any action arising out of or related to this Lease or actions contemplated hereby shall be laid in Kittitas County, Washington, and each of the parties hereby irrevocably consents to the jurisdiction of the same. LESSOR AND LESSEE EACH KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ITS RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER OF THEM AGAINST THE OTHER FOR ALL MATTERS ARISING OUT OF OR RELATING TO THIS LEASE OR ANY USE, OCCUPANCY, OR OPERATIONS AT THE PREMISES OR THE AIRPORT. The provisions of this Section 13.11 shall survive any expiration or termination of this Lease.

12.12 **Amendments and Waivers.** No amendment to this Lease shall be binding on Lessor or Lessee unless reduced to writing and signed by both parties. No provision of this Lease may be waived, except pursuant to a writing executed by the party against whom the waiver is sought to be enforced.

12.13 **Severability.** If any provision of this Lease is determined to be invalid, illegal, or unenforceable, the remaining provisions of this Lease shall remain in full force and effect if both the economic and legal substance of the transactions that this Lease contemplates are not affected in any manner materially adverse to any party. If any provision of this Lease is held invalid, illegal, or unenforceable, the parties shall negotiate in good faith to modify this Lease to fulfill as closely as possible the original intents and purposes of this Lease.

12.14 **Merger.** This Lease constitutes the final, complete, and exclusive Lease between the parties on the matters contained in this Lease. All prior and contemporaneous negotiations and Leases between the parties on the matters contained in this Lease are expressly merged into and superseded by this Lease. In entering into this Lease, neither



party has relied on any statement, representation, warranty, nor Lease of the other party except for those expressly contained in this Lease.

12.15 **Confidentiality.** Lessee acknowledges that Lessor is subject to legal requirements regarding the public disclosure of records. Lessee shall comply with such laws in connection with making any request that Lessor maintain a record confidentially, and if Lessee complies with the same Lessee shall have the right to defend any such request for confidentiality at Lessee's expense.

12.16 **Relationship of Parties.** This Lease does not create any partnership, joint venture, employment, or agency relationship between the parties. Nothing in this Lease shall confer upon any other person or entity any right, benefit, or remedy of any nature.

12.17 **Further Assurances.** Each party shall execute any document or take any action that may be necessary or desirable to consummate and make effective a performance that is required under this Lease.

12.18 **Miscellaneous.** The headings in this Lease are provided for convenience only and do not affect this Lease's construction or interpretation. All references to Sections are to Sections in this Lease. Each provision to be performed by Lessee shall be construed as both a covenant and a condition. This Lease shall be construed without regard to any presumption or rule requiring construction or interpretation against the drafting party. If Lessee consists of more than one individual or entity, the obligations of all such individuals and entities shall be joint and several. References in this Lease to any period of days shall mean calendar days unless specifically stated otherwise.

12.19 **Binding Obligation.** Lessee warrants and represents that it has the right, power, and legal capacity to enter into and perform its obligations under this Lease as a legal, valid, and binding obligation of Lessee. All leases involving married tenants shall be executed by both spouses. All entity tenants shall execute the lease by authorized or required persons as established by appropriate documentation which shall be attached hereto as Exhibit G and incorporated herein by this reference. Any guarantors shall execute a separate lease guaranty which shall be general in nature unless a limitation is agreed to by the Lessor and shall also be attached hereto as part of Exhibit G.

12.20 **Time of Essence.** Time is of the essence of this Lease.

IN WITNESS WHEREOF, the LESSOR and LESSEE have signed their names and affixed their seals  
the day and year first above written.

**LESSOR:**

BOARD OF COUNTY COMMISSIONERS  
KITITITAS COUNTY, WASHINGTON

ATTEST:

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Approved as to Form:

\_\_\_\_\_  
Prosecuting Attorney

**LESSEE:**

\_\_\_\_\_  
(Signature)

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EXHIBIT A

\_\_\_\_\_

LESSEE Signature

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Address, Phone Number, and Email

**REQUIRED INFORMATION:**

\_\_\_\_\_

Aircraft Registration No.

\_\_\_\_\_

Aircraft Type:

**KITTITAS COUNTY NOTICE OF NOTARY  
BOWERS FIELD AIRPORT**

**LESSEE:**

\_\_\_\_\_  
\_\_\_\_\_  
DATE: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
DATE: \_\_\_\_\_

STATE OF WASHINGTON  
COUNTY OF KITTITAS

On this \_\_\_\_\_ day of \_\_\_\_\_, 2021 before me personally  
appeared to me \_\_\_\_\_ and \_\_\_\_\_, who executed the within  
and foregoing instrument and acknowledged said instrument to be their free and voluntary act.

Given under my hand and official seal the day and year last above written.

\_\_\_\_\_  
Notary Public in and for the State of Washington  
Residing at \_\_\_\_\_  
My Appointment Expires \_\_\_\_\_

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

**LESSOR** \_\_\_\_\_

**KITTITAS COUNTY NOTICE OF NOTARY  
BOWERS FIELD AIRPORT**

**LESSOR:**  
THE KITTITAS COUNTY  
BOARD OF COUNTY COMMISSIONERS

\_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
VICE-CHAIRPERSON

\_\_\_\_\_  
COMMISSIONER

STATE OF WASHINGTON  
COUNTY OF KITTITAS

On this \_\_\_\_\_ day of \_\_\_\_\_, 2011 before me personally appeared to me \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_, known to be the duly elected, qualified and acting County Commissioners of Kittitas County, Washington, who executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said County, for the uses and purposes therein mentioned, and each on oath stated that they were authorized to execute said instrument by resolution of the Board of County Commissioners of said county, and that the seal affixed is the official seal of said County.

Given under my hand and official seal the day and year last above written.

\_\_\_\_\_  
Notary Public in and for the State of Washington  
Residing at \_\_\_\_\_  
My Appointment Expires \_\_\_\_\_