

T-HANGAR RENTAL AGREEMENT

Crossville Memorial Airport Crossville, Tennessee

This Agreement made this _____ day of _____, 2019, by and between the City of Crossville, Tennessee, as “Owner”, and Johnny W. Presley, (with the right to assign this Agreement to his aircraft holding company), hereinafter referred to as “Renter”, the owner of, or person responsible for, aircraft N _____ TBD _____, a (Make and Model) _____ TBD _____. (Renter is in the process of acquiring two different Citation X jets, and one King Air; registration and model numbers will be provided as soon as title is transferred.)

The hangar space designated or known as the “large hangar building”, and will be rented to the Renter, provided all of the following stipulations, rules, and safety regulations are agreed to and followed. Owner agrees to remove all other planes and equipment from this building.

1. Rent will be paid monthly in the amount of \$2,500 00 per month, payable by the tenth (10th) business day of the first month of each annual term. The initial term of this Agreement shall be for five (5) years, beginning December 1, 2019, with the first monthly payment of \$2,500 due on or before December 13, and a like monthly payment due by the tenth (10th) business day of each month for four years thereafter. This Agreement shall renew, upon mutual agreement of Renter and Owner, at the same rental rate and subject to the same terms and provisions herein, for another term of five (5) years, unless Renter, prior to the expiration of the initial term declines, in writing, to obligate itself for the renewal term. Additionally, owner is studying the proposal to construct, with economic development grant money, a hangar built to Renter’s specific instructions and requirements, including the possibility of medical evacuation use, to be leased to Renter, and, if Renter enters into any such lease agreement with owner, this Agreement may be terminated by Renter, at Renter’s option, with no further rent or other obligations for Renter at the time of termination.

2. The hangar space covered by this agreement will be used solely for the purpose of housing and protection of Renter's aircraft identified above. Further, Renter may use the subject hangar for purposes directly related to his businesses.

3. The occurrence of anyone or more of the following shall constitute a default by Renter:

(a) Renter fails to pay the rent when due. If the Renter is 30 days late in payment, a 10% late fee will be added. If the Renter is 60 days late, the Renter will forfeit his/her hangar;

(b) Renter breaches any other provision of this agreement and such failure continues for ten (10) days after written notice thereof by Owner; or,

(c) Renter makes any general assignment for the benefit of creditors, Renter is subject to a petition for Bankruptcy or reorganization, or Renter's aircraft located on the Premises is subject to attachment, execution or other seizure. In the event of a default by Renter, which is left uncured after ten (10) days written notice, Owner shall have the right to re-enter the premises and remove Renter and Renter's possessions without termination of this Agreement and Renter shall remain liable for rental applicable to any subleases of the premises. In the event that Owner shall be required to engage legal counsel for the enforcement of any of the terms of this Agreement, whether such employment shall require institution of suit or other legal services required to secure compliance on the part of the Renter, in addition to all other amounts, the Renter shall pay the reasonable value of said attorney's fees, all court costs, litigation taxes, and any other expenses incurred by the Owner as a result of such default. All litigation for the enforcement of this Agreement shall take place in Crossville, Cumberland County, Tennessee, and shall be governed by the laws of the State of Tennessee.

4. Flammable material will not be stored in the hangar, even for a short period of time. Rags, papers, trash and all items must be disposed of, (or stored properly as the case may be), immediately after use.

5. The Renter may change the oil in his aircraft if he chooses to do so. Any spills must be cleaned from the hangar floor and tarmac immediately and the used oil disposed of in the manner and location specified by the management.

6. Aircraft engines and fuel tank areas will be kept five (5) ft minimum distance from all electrical wiring, devices, and equipment within the hangar bay.

7. Aircraft batteries shall not be charged where installed in an aircraft located inside or partially inside a hangar.

8. Mobile servicing equipment, such as battery chargers, work lights, or extension cords, not suitable for Class 1, Division 2 locations, shall not be operated within five (5) ft of an aircraft's engines or fuel tanks.

9. The aircraft will not be started inside the hangar. It must be pulled clear of the hangar doors before starting engine(s).

10. When the aircraft is removed from the hangar for the purpose of flight, the hangar doors will be closed and locked.

11. When taxiing in the hangar area, the aircraft will be kept at an absolute minimum speed, best described as a "slow walk."

12. Renter of hangar space is responsible for the cleanliness of the hangar and for any trash which may come from his aircraft and/or hangar and come to rest on the ramp outside his hangar. Periodic inspections will be made of all hangars by the Owner, or his representative, and by the Crossville Fire Chief. The Renter will open his hangar at any time upon request for these inspections.

13. Renter will supply the lock for his hangar and will have the only access to his hangar, except for inspections as stated in the item above.

14. THIS AGREEMENT IS NOT TRANSFERABLE. In the event the Renter discontinues or terminates use of the hangar space whether voluntarily or involuntarily, the hangar space returns to the control of the Owner and this agreement terminates. Notwithstanding the foregoing, Renter may assign and transfer this Agreement to a company created for the purpose of holding title and registration of his or its aircraft.

15. The Renter of the hangar space, designated in this agreement, cannot under any circumstances, sublease or rent this space to anyone else.

16. The Renter agrees to hold the fixed base operator and the City of Crossville harmless for any damages to his aircraft while said aircraft is stored in the hangar space. The fixed base operator maintains liability insurance to cover any damage to any aircraft that is caused by direct action of fixed base operator personnel. However, inasmuch as the fixed base operator has limited access to the T-hangars, the fixed base operator does not accept any liability for the aircraft covered in this agreement. The Renter must supply a waiver of subrogation to Owner from his/her insurance company concerning liability and damage to the aircraft. The Renter must carry a minimum of \$2,000,000 liability for personal injury, death and property damage, naming Owner thereon as an additional insured. A copy of such policy or proof of insurance must be forwarded to Owner.

17. The Renter will follow the Federal Aviation Regulations at all times while based at Crossville Memorial Airport. The Renter understands that any violations of the Federal Aviation regulations must be reported to the FAA. Renter shall abide by all laws and regulations applicable to the airport and Renter's use of the same as well as the Charter and City Code of the City of Crossville. Renter shall abide by all policies promulgated by the City of Crossville with regard to the hangars, the airport, and all matters relative thereto.

18. Renter assures City that no person shall on the grounds of race, color,

national origin, sex or creed as provided by Title VI of the Civil Rights Act of 1974, the Civil Rights Restoration Act of 1987 (PL 100.259), and Section 520 of the Airport and Airway Improvement Act of 1982 be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. Renter further assures that every effort will be made to ensure nondiscrimination in all of its programs and activities, whether those programs are federally funded or not.

19. Renter shall pay unto Owner, upon the commencement of this Lease, a damage deposit of \$1,000.00, with any amount of the deposit not used by Owner to be refunded to Renter upon termination of expiration of the Lease.

20. All notices shall be in writing and sent by United States certified or registered mail, return receipt requested, and shall be addressed as follows: To Renter at _____ and to Owner at City of Crossville, 392 North Main Street, Crossville, Tennessee 38555.

21. This agreement contains the entire agreement between the Owner and Renter and it shall not be changed except by written agreement signed by the parties hereto. Further, Renter's agents, representatives, invitees, and guests are bound in every respect to the terms and provisions of this Lease, and all applicable laws, while upon airport property.

I (we) have read and understand the above stipulations, rules and regulations pertaining to the rental of hangar space at Crossville Memorial Airport, and do agree to abide by them.

RENTER:

The City of Crossville, Tennessee, does hereby rent the hangar space specified in this agreement to the Renter above per the stipulations, rules and regulations of this agreement.

CITY OF CROSSVILLE

By: _____

Its: _____