

STATE OF SOUTH CAROLINA) **AIRCRAFT STORAGE HANGAR LEASE**
) Terminal South
 COUNTY OF JASPER) May 30, 2023, edition
 (Standard Replacement Lease)

This LEASE is made effective as of the ____ day of _____, _____, by and between Jasper County, South Carolina herein referred to as “Lessor”, and _____ herein referred to as “Lessee”.

RECITALS

WHEREAS, Lessor is the owner and operator of an airport known as Ridgeland – Claude Dean Airport, hereinafter called “Airport”; and,

WHEREAS, Lessor desires to accommodate, promote, and enhance general aviation at the Airport pursuant to Title 49 United States Code, Public Law 97 – 248, Airport and Airway Improvement Act of 1982; as amended and pursuant to the authority vested in the County of Jasper by the South Carolina Code of Laws, Title 55 Aeronautics; as amended; and,

WHEREAS, Lessee desires to use the facilities of the airport and to maintain a base of operations at the airport; and,

WHEREAS, Lessor is willing to lease a portion of the airport premises together with such rights and privileges as are set forth in this Lease; and,

WHEREAS, the Lessor and Lessee acknowledge that Lessee occupies an existing aircraft storage hangar for the storage of aircraft or is purchasing an existing aircraft storage hangar; as more particularly described below.

NOW THEREFORE, for and in consideration of the above recitals, the terms and covenants of this Lease, and other valuable consideration, the receipt of which is acknowledged, the parties agree as follows:

1. **USE OF AIRPORT.** Lessee is granted the use, in common with others similarly authorized, of the airport, together with all facilities, equipment, improvements, and services which have been or may hereafter be provided at or in connection with the airport from time to time including, but not limited to, the landing field and any extensions thereof or additions thereto, roadways, runways, aprons, taxiways, water & sewer facilities, landing lights, beacons, radio navigation aids, radio communication aids, and all other conveniences for flying, landings, and takeoffs.

2. **EXCLUSIVE PROPRIETARY RIGHTS.** The Lessor (Airport Owner) shall, at its sole discretion, exercise exclusive proprietary rights to provide any or all aeronautical services.

3. EXCLUSIVE RIGHTS. Notwithstanding, anything herein contained that may be, or appear to be, to the contrary, it is expressly understood and agreed that the rights granted under this Lease are non-exclusive and the Lessor herein reserves the right to grant similar privileges to another Lessee or other Lessees on other parts of the airport.
4. ECONOMIC NON-DISCRIMINATION.
 - a. Commercial Operator shall furnish said services on a reasonable and not unjustly discriminatory basis, to all users thereof and charge reasonable, and not unjustly, discriminatory prices for each unit or service provided and Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers. Not applicable to non-commercial hangar Tenants.
 - b. Lessor will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
 - c. Lessor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
5. SUBORDINATION (Property Rights Reserved).

This Lease is subject to and subordinate to the following:

 - a. The Lessor reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or views of Lessee, and without interference or hindrance by or on behalf of Lessee, provided Lessee is not deprived of the use or access to the leased premises or any of Lessee's rights under this Lease and unless said activities by the Lessor shall result in the loss of convenient access to the leased premises by Lessee assigns, subtenants, renters, agents, employees or guests.
 - b. The Lessor reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting any building or other structure on the Airport which would limit the usefulness of the Airport or constitute a hazard to aircraft.
 - c. During national emergency, the Lessor shall have the right to lease all or any part of the landing area or airport to the United States or South Carolina National Guard for military use, and if any such Lease is executed, the provisions of this Lease insofar as they may be inconsistent with the provisions of such lease to the government, shall be suspended, but such suspension shall not extend the terms of this Lease. Abatement

of Lease payments shall be reasonably determined by the Lessor and Lessee in proportion to the degree of interference with the Lessee's use of the leased premises.

6. LEASED PREMISES. Lessor grants to Lessee the exclusive use of that portion of the airport premises shown in Appendix "A" and further described as follows: **Lot _____ -land parcel 062-21-01-001 _____** together with the existing hangars and other constructed improvements currently located on such premises which must be maintained on the premises throughout the term of the Lease.

The leased premises shall be used only for personal, non-commercial storage of aircraft. The premises may not be used for any other purpose without advance, written permission of the Lessor. The tenant shall be responsible for all taxes, maintenance and upkeep.

7. RIGHT OF INGRESS AND EGRESS. Lessee shall have at all times the full and free right of ingress and egress from the premises and facilities referred to in Appendix "A" of this Lease for Lessee, its employees, customers, passengers and guests. Such right shall also extend to persons or organizations supplying materials or furnishing services to Lessee, to include vehicles, machinery and equipment reasonably required by such persons or organizations.

8. GROUND LEASE

TERM, RATE, OPTIONS. The Initial Term of this Lease is five (5) years, in accordance with Section 29-39(f) of the Jasper County Code of Ordinances and the Aviation Leasing Policy adopted by Jasper County.

a. Based upon the Aviation Leasing Policy adopted by Jasper County, the Initial Lease Rate shall be _____ cents per square foot of the leased premises including the building(s) footprint, ramp, parking area, access road and other required _____, and other required area set forth in Exhibit "A" existing and commencing on the _____ day of _____ and ending on the _____ day of _____, unless terminated at an earlier date for any reason set forth in this lease. The lease shall be paid yearly in advance or monthly with the first increment due immediately upon lease execution.

b. Lessor has the right to adjust the lease rate at the end of the first five (5) year anniversary of this Lease, and during the intervening years, rent shall be annually adjusted based on the percentage change in the consumer price index (CPI) as adopted by the County Council in its Budget Ordinance. Lessor will provide notice of the new lease rate a minimum of ninety (90) calendar days prior to implementation.

9. HOLD-OVER. If for any reason, the Lessee cannot vacate the premises expeditiously at Lease expiration or termination, the Monthly Holdover rent shall be due at the rate of 200%.
10. LATE CHARGES. Lease payments, and other costs and charges authorized herein, not received by Lessor by the tenth (10th) of each month when due, if Lessee chooses to pay appropriate charges monthly, are subject to a late penalty, without notice to the Lessee, of one and one-quarter percent (0.0125) per month.
11. RULES & REGULATIONS.
 - a. Lessee agrees to observe and obey all laws, regulations and ordinances of the jurisdictions (federal, state and local) having authority over the premises.
 - b. Lessee agrees to observe and obey the Ridgeland – Claude Dean Airport “Rules & Regulations”, “Minimum Standards for Aeronautical Services” and “Minimum Standards for Aircraft Hangar Construction” with respect to construction, operation and maintenance of the premises and provided further that such regulations shall not be inconsistent with procedures prescribed or approved from time to time by the Federal Aviation Administration.
 - c. Lessee agrees to be responsible for the proper tie down, securing or storage of aircraft under its custody.
 - d. Lessee agrees to be responsible for proper securing of facilities and gates after each use including use by Lessee’s employees, guests and customers.
 - e. Lessee agrees not to handle, store or utilize any toxic or hazardous materials, beyond customary toxic or hazardous materials such as fuels, lubricants, hydraulic fluids, solvents, etc. in such quantities commonly found in aircraft hangars, without Lessor’s prior written consent and approval.
 - f. Lessee agrees to be responsible for the mitigation and clean-up of spills of toxic or hazardous materials within the premises or emanating from the premises; including fines that may be levied by the appropriate authorities.
 - g. Lessee acknowledges responsibility for permit fees, licenses, taxes and encumbrances associated with the structure and contents.
12. INSURANCE. At all times during the Lease term, Lessee shall maintain, at its sole cost, insurance as specified in “Minimum Standards for Aeronautical Services”.

Such insurance, at a minimum, must insure against claims and liability for bodily injury and property damage arising from the use, occupancy, disuse or condition of the leased premises. The insurance shall be carried by a company or companies authorized to transact business in the State of South Carolina with a financial rating of "A" or better.

13. INDEMNIFICATION OF LESSOR. Lessee agrees to indemnify Lessor against any and all liability for injuries to persons or damage to property caused by Lessee's use or occupancy of the leased premises, provided, however, that Lessee shall not be liable for any injury, damage, or loss occasioned by the negligence of Lessor or its employees, vendors, guests or agents; and provided further that Lessor shall give to Lessee prompt and timely notice of any claim made or suit instituted directly or indirectly, contingent or otherwise, affects or might affect Lessee, and Lessee shall have the right to compromise and defend the suit to the extent of its own interest.
14. WAIVER OF SUBROGATION. Lessee and Lessor release each other and waive any right of recovery against each other for loss or damage to their respective property, which occurs on or about the leasehold or airport property (whether due to negligence or, misrepresentation of any kind, of either Party, their agents, employees, officers, contractors, licensees, invitees or otherwise), to the extent that such loss or damage is reimbursed by insurance proceeds and does not otherwise void or invalidate any required insurance coverage under this Lease. Lessee agrees that all policies of insurance obtained by it in connection with the leasehold or as required hereunder shall contain appropriate waiver of subrogation clauses.
15. TERMINATION.
 - a. If Lessee fails to make payment due under this Lease within thirty (30) days of the date on which such payment is due or shall violate any other term or covenant of this Lease, Lessor at its option, may terminate this Lease, after giving notice of the violation to Lessee and Lessee having thirty (30) days to cure the violation, and take possession of the hangar and Lessee's personal property as is reasonably necessary to secure payments of the amounts due and unpaid.
 - b. This Lease shall terminate, at the option of the Lessor, with prompt written notice to Lessee and holder of a Leasehold Mortgage upon the appointment of a receiver or trustee of all, or substantially all, of Lessee's assets by a court of competent jurisdiction.
 - c. Failure by the Lessor or Lessee to take any authorized action upon default by Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by Lessee shall not constitute a waiver of

said default nor of any subsequent breach or default of any of the terms, covenants and conditions of this Agreement.

16. SURRENDER OF POSSESSION.

From current lease instead of below

- a. Upon the expiration or other termination of this Lease, Lessee's rights to use of the premises, facilities and services described in this Lease shall cease, and Lessee shall vacate the premises without unreasonable delay.
- b. At the termination or expiration of this Lease, Lessee shall surrender the leased premises to Lessor in as good condition as when received by Lessee from Lessor or as thereafter improved, reasonable use and wear excepted. Lessee shall repair any damage to the premises occasioned by its use, or by the removal of Lessee's trade fixtures, furnishings, and equipment and repair shall include the patching and filling of holes and repair of structural damage.
- c. Except as otherwise provided in this Lease, all buildings, hangars, structures, improvements, equipment, and other property bought, installed, erected, or placed by Tenant in, on, or about the airport and premises leased, shall be deemed to be personal and shall remain the property of Tenant, and Tenant shall have right at any time during the term of this Lease or any extension, and for additional period of sixty (60) calendar days after the expiration of or otherwise termination of this Lease, to remove any and all such personal property from the airport, subject, however, to Tenant's obligation to repair all damage, if any resulting from such removal and to restore the leased premises to its original condition, waste and debris-free, and environmental issues. Any and all property not removed by Lessee prior to the expiration of the above-stated sixty (60) calendar day period shall, in County's sole discretion, become part of the land on which it is located and title to such property shall vest in Lessor. [NOTE: Suitable adjustments will be made in accordance with the County Airport Leasing Policy in the event the improvements are to be surrendered to the County under the Lease being replaced]
- d. If agreed to by the County, in lieu of removal, at Tenant's option, Tenant may transfer the ownership (title) of the Improvements (specifically designated by the County) to the County at no cost to the County.
 1. Provided the Tenant has been in good standing with the County, the County may offer a Reversionary Deferred Lease Agreement ("RD Lease Agreement") to the Tenant in accordance with the adopted County Airport Leasing Policy.

2. The County will not purchase improvements at the expiration of any agreement.

17. INSPECTION BY LESSOR. Lessor, by its officers, employees, agents, and contractors, may enter the leased premises at any reasonable time for inspection and environmental testing or for any purpose necessary or incidental to the performance of its obligations under this Lease. Such inspection shall not interfere with Lessee's use, occupancy or security requirements, except when necessary for reasons of public safety and/or law enforcement, or for the protection of property. The Lessor shall endeavor to provide seventy-two (72) hours written notice of its intent to inspect.

17A. ASSIGNMENT AND SUBLETTING. Lessee shall not at any time assign its rights or sublet under this Lease or any part thereof without the Lessor's prior written consent and approval. Lessee shall not subdivide either its ownership of the improvements or leasehold improvements in the Leased Premises.

18. SALE OF LEASED PREMISES. Lessee shall not sell structures built on leased premises without prior written approval of the Lessor.

a. In the event Lessee offers the leasehold for sale, Lessor shall have the right (but not the obligation) to purchase the leasehold.

b. If Lessor declines or fails to purchase the leasehold at the asking price, Lessee shall be free to offer the leasehold for sale to others. However, if a bona fide offer is received from a 3rd party prospective buyer, then Lessee shall again notify Lessor, in writing, and offer the Leasehold to Lessor at the price and upon same or better terms named by the prospective buyer.

c. Lessee acknowledges their responsibility to provide a copy of this Lease document to prospective buyers prior to sale. Lessee further acknowledges that sale of such leasehold shall be documented with the execution of the approval bill of sale document included herein as Appendix "A".

d. Sale or assignment of the Leased premises only includes the right of possession under the ground lease, and the improvements, fixtures and other property installed, erected or placed by the Lessee are subject to the provisions of Section 15 of the Lease, and are the property of the County if not removed as may be allowed at the termination or expiration of the Lease as set forth in the Aviation Leasing Policy. Further, any renewal of a lease executed prior to 2019 shall be conditioned upon the express acknowledgment of the rights of the County to the improvements placed upon the ground lease at the expiration or termination of the renewal, if such are not removed as may have been allowed in the lease being renewed.

19. SURETY FOR PERFORMANCE & PAYMENT. Before any major construction, alteration or repair is commenced on the Premises, Lessee shall furnish to Lessor adequate surety for performance and payment in a form acceptable to the Jasper County finance director, in an amount not less than the cost of the improvements to be constructed, and which will remain in effect until the entire cost of the work has been paid in full and the new improvements have been insured as provided in this Lease. The surety will state the following:

1) It is conditioned to secure the completion of the proposed construction free from all liens and claims of contractors, subcontractors, mechanics, laborers and materialmen following the commencement of construction;

2) The construction work shall be completed by Lessee, the general contractor, or, on their default, the surety;

3) In default of such completion and payment, such part of the amount of the surety as shall be required to complete the work shall be paid to Lessor as liquidated and agreed damages for the non-performance of Lessee's agreements, it being agreed the exact amount of Lessor's damages is difficult and impractical to ascertain; and

4) The surety will defend, hold harmless and indemnify Lessor against all loss, cost, damage, expense and liability arising out of or connected with the work of improvement.

20. HURRICANE WARNING. Tenant shall remove its aircraft or substitute aircraft from the Airport in the event that a hurricane warning is posted for Jasper County, South Carolina by the National Hurricane Center, or as required by the Ridgeland – Claude Dean Airport management. If, for any reason whatsoever, Tenant fails to so remove the aircraft or substitute aircraft under such circumstances, then the Tenant shall be responsible for all damages to such aircraft or substitute aircraft resulting from or in connection with Tenant's failure to so move such aircraft or substitute aircraft.

21. NOTICES. Notices provided for in this Lease shall be sufficient, if in writing, and sent by registered mail, postage prepaid, to:

Lessor:

County Administrator
C/O Airport Manager
Ridgeland – Claude Dean Airport
P.O. Box 653
Ridgeland, SC 29936

Lessee:

22. GOVERNING LAW. This Lease shall be governed by, construed, and enforced in accordance with the laws of the State of South Carolina.
23. SEVERABILITY. If any section, sentence or clause of this Lease is for any reason held void or inoperative, the remaining provisions shall not be affected.
24. EFFECT OF LEASE. All covenants, conditions, and provision of this Lease shall extend to and bind the legal representatives, successors, and assigns of the respective parties.
25. ENTIRE AGREEMENT. This Lease constitutes the entire agreement between the parties, and any prior understanding or representation of any kind preceding the date of this Lease shall not be binding on either party except to the extent incorporated in this Lease.
26. MODIFICATION OF LEASE. Any modification of this Lease or additional obligation assumed by either party in connection with the Lease shall be binding only if in writing and signed by each party or authorized representative of each party.

[Signature page follows.]

WHEREFORE, the parties, acting through their duly authorized and empowered representatives have caused to be executed this lease under their hands and seals, the day and year first above written.

LESSOR:

JASPER COUNTY, SOUTH CAROLINA

(Witness)

By:_____

Name:

Title:

[Seal]

Notary

STATE OF SOUTH CAROLINA)

) ACKNOWLEDGEMENT

COUNTY OF JASPER)

I, the undersigned notary public, do hereby certify that the above named officer of the Lessor, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this ____ day of _____ 20____.

[SEAL]

(Notary signs and affixes seal)
Notary Public for South Carolina
Print Name: _____
My Commission Expires:

LESSEE:

(Witness)

By: _____

Name:

Title:

[Seal]

Notary

STATE OF SOUTH CAROLINA)

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ACKNOWLEDGEMENT

COUNTY OF JASPER)

I, the undersigned notary public, do hereby certify that the above-named officer of the Lessor, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this ____ day of _____ 20____.

[SEAL]

(Notary signs and affixes seal)

Notary Public for South Carolina

Print Name: _____

My Commission Expires: