

CITY OF FREMONT AIRPORT – COMMERCIAL USE LEASE

THIS LEASE, made and entered into this ____ day of _____, _____, between **THE CITY OF FREMONT**, a Michigan municipal corporation, of 101 East Main, Fremont, Michigan 49412, hereinafter referred to as "**Lessor**" and _____ of _____, hereinafter referred to as "**Lessee**".

WITNESSETH

1. **Premises: Term.** Lessor, in consideration of the rents and covenants herein specified, does hereby let and lease to Lessee:
 - A. Land within the S ½ of Section 9 of the Township of Sheridan, being within the boundaries of the Fremont Municipal Airport, hereinafter referred to as "Airport". Said leased land being more particularly described as Lot(s) # _____ of the Fremont Municipal Airport Airpark. See Attachment "A" for the specific lot layout and dimensions of the Airpark.
 1. Lessee shall submit for approval of the Fremont City Manager all plans, specifications and blueprints for any improvements of whatever nature to be placed on said premises and same shall be reviewed by the City Manager on or before ____ days from the date of submittal by Lessee and unless approved in writing within said period, such plans, specifications and blueprints shall be deemed disapproved.
 2. City to review and approve through City, or its designee, of any business activity and also will be subject to adopted minimum standards for commercial operations at F.M.A. and the A.L.P.
 - B. In common with other tenants, or users, the right to that portion of the Airport landing field and public appurtenances, including runways, landing strips, aprons, taxiways, access and parking areas, hangars, navigational aids and public airport facilities and improvements of a public nature, which are now or shall hereafter be connected with of appurtenant to the Airport, subject to such terms as shall from time to time be established rules and regulations or those issued by the Federal Aviation Administration ("FAA") and the Michigan Bureau of Aeronautics,
 - C. For the term commencing on _____, _____, and ending on _____, _____, for such commercial operations as Lessee is licensed to engage in pursuant to all presently applicable governmental rules and regulations (including but not limited to Federal, State, City of Fremont and Sheridan Charter Township's rules and regulations) or such rules and regulations shall be amended in the future, reserving to Lessor the following rights without the consent of or interference by Lessee:
 1. To alter, repair, maintain or improve the landing area and all public buildings and facilities or the Airport and appurtenances thereto;

2. To protect by any lawful means the aerial approaches to the Airport and to prevent Lessee from erecting any structure or from carrying on or permitting any activity which in the opinion of the Lessor, would limit the usefulness of the Airport or constitute a hazard or interference with the landing, taking off or maneuvering of aircraft; and
 3. During the time of war or national emergency to suspend this lease and to lease the Airport or any facility or part thereof to the United States for military or naval use.
2. **Rent.** Lessee does hereby hire the Premises for the above mentioned term and covenants to pay to Lessor rent for Premises in the amount and manner described by the following paragraphs:
 - A. The annual rent for the initial sixty (60) month period of this lease shall be \$_____ per year and shall be paid in advance annually on the effective date of this agreement of each year of the sixty (60) month period
 - B. For each subsequent sixty (60) month period during the term of this lease, the rent may be increased by Lessor, in its sole discretion, by an amount (rounded to the nearest \$.01) which shall not exceed the increase in the Consumers Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for Detroit, Michigan, as determined from time to time by the United States Department of Labor Bureau of Statistics, occurring sine the commencement date. At no time, however, shall the rent for any subsequent sixty (60) month period be less than the rent payable for the initial sixty (60) month period. Notice in writing of intention to renegotiate the rental payments shall be given by Lessor to Lessee personally or by certified mail sixty (60) days prior to the end of the first sixty (60) month period. Existing rent and payment terms shall continue in effect until negotiation of the new rent amount is completed. For the purpose of this lease, the Consumers Price Index means the Index for All Items for Urban Wage Earners and Clerical Workers Commodity Groups for the Grand Rapids, Michigan area as determined by the United States Department of Labor, Bureau of Statistics.
3. **Payment.** All rent shall be payable to the City of Fremont and delivered to the Airport Manager at the Fremont Municipal Airport.
4. **Default; Remedies.** Should any rent be due and unpaid, or if default be made in any of the covenants herein contained and if said payment is not made or such default shall continue for thirty (30) days after written notice to Lessee, or in the event of the insolvency of or the institution of bankruptcy proceedings by or against Lessee or the appointment of a receiver or a trustee of Lessee's property, Lessor, in addition to any other remedy provided by law, may re-enter into and repossess the Premises, and remove the Lessee and every other occupant and may re-let the Premises or any part thereof for any term, either shorter, longer, or the same, at a higher, lower, or the same rental, making such alterations as may be

necessary, without working a termination of this lease; provided, however, that Lessor at its option, may in any such event terminate this lease effective on the date specified in written notice from Lessor to Lessee. If the Lessor shall, on any such default by Lessee, obtain possession of the premises by re-entry, summary proceeding, or otherwise, the Lessee shall pay to Lessor all expenses incurred in obtaining possession of Premises, all expenses and commissions which may be paid i and about the letting of the same, and all other damages resulting from Lessee's default. No termination of this lease pursuant to this paragraph or repossession of the Premises shall relieve Lessee of its liabilities and obligations under this lease, all of which shall survive any such termination or repossession and if the premises shall not have been re-let, Lessee shall pay to Lessor as and for liquidated an agreed current damages the then present value of the rent and other sums and charges to be paid by Lessee until what would have been the end of the term in the absence of such termination or repossession. If the Premises shall have been re-let, Lessee shall pay the Lessor, as and for liquidated and agreed current damages for Lessee's default the present value of the equivalent of the amount of rent and such other sums and other charges as would be payable under this lease by Lessee if this lease were still in effect, less the present value of the net proceeds, in any, of the re-letting effected pursuant to the provisions hereof, after deducting all of Lessor's expenses in connection with such re-letting, including, without limitation, all repossession costs, brokerage and management commission, operation expenses, legal expenses, reasonable attorney fees, alteration, alteration costs and expenses of preparation of such re-letting. Exercise of any remedy hereunder by Lessor shall not exclude the right to exercise any other remedy hereunder. The Lessor's rights, remedies and benefits shall be cumulative.

5. **Compliance with Health and Safety Regulations.** Lessee shall keep and obey all police and sanitary regulations imposed by any State or Municipal authority and observe all regulations imposed by any underwriter as a basis of the insurance. Lessee shall remove all refuse, garbage and debris from the Premises and shall keep the Premises and the hangar in a clean, safe and sanitary condition at all times. Any inflammable or combustible trash shall be disposed of promptly and shall not be allowed to accumulate upon the Premises.
6. **Compliance with Aeronautics Regulation.** The Lessor shall have the right to and enforce reasonable rules and regulations with respect to the use of the Airport and facilities thereon which Lessee agrees to observe and obey. Lessee shall keep and obey all rules and regulations of the Michigan bureau of Aeronautics, and all FAA Airport Regulations, all Local Rules of the City of Fremont, currently in effect and as may be amended from time to time and shall obtain from the proper authorities and keep in effect all required licenses for the carrying on of any commercial activity.
7. **Lessee agrees that:**
 - A. As provided in subparagraph (b), below, (i) the Premises shall be maintained free from contamination from any Hazardous Substances (as

defined in subparagraph (d), below); (ii) the Premises shall not be used for the manufacture, storage, generation or disposal of any Hazardous Substance or of any biologically active material; (iii) Lessee shall not be, and shall not permit any assignee or sublessee to be involved in operations at or near the Premises that could lead to the imposition of Lessor of liability, or the creations of a lien on the Premises, under any law relating to Hazardous Substances; (iv) Lessee shall not cause or permit to exist any discharge spillage loss, seepage or filtration of oil, petroleum, chemical liquids or solids, liquid or gaseous products or any Hazardous Substance upon, under or within the Premises; and (v) Lessee shall not permit to exist any underground or above ground tanks for the storage of fuel oil, gasoline, and/or other petroleum products or by-products.

- B. Lessee has advised Lessor that certain containerized combustible materials such as cleaning supplies, painting materials, lubrication supplies and gasoline in airplane fuel tanks, which are directly related to the use of an airplane hangar will be present on the Premises. Lessee shall take all appropriate measures to assure that such materials, including any that constitute Hazardous Substances are at all times generated, handled, and disposed of off-site only in strict compliance with all applicable environmental laws.
- C. To indemnify, defend and hold Lessor harmless from and against any and all losses, liabilities (including strict liability), damages, injuries, expenses, including attorney's fees costs of any settlement or judgement and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against Lessor by any person or governmental authority for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage leakage, spillage, discharge, emission, discharging or release from the Premises or any area allocated to Lessee's use thereon on any Hazardous Substance (including, without limitation, any losses, liabilities (including strict liability), damages, injuries, expenses, including attorney's fees, costs of any settlement or judgement or claims asserted or arising under the Comprehensive Environmental Response Compensation and Liability Act, as amended, any so-called federal, state or local "Superfund" or "Superlien" laws, or any other statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability (including strict liability) or standards of conduct concerning any Hazardous Substance).
- D. For purposes of this Lease, "Hazardous Substances" shall mean and include those elements, wastes, materials, substances or compounds which are contained in the list of hazardous substances adopted by the United States Environmental Protection Agency (the "EPA") or the list of toxic

pollutants designated by congress or the EPA or defined by any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material as now or at any time hereafter in effect, including, without limitation, asbestos, pcbs, radioactive substances, methane, volatile hydrocarbons and industrial solvents.

- E. If Lessee receives any notice or otherwise obtains knowledge of (i) the happening of any material event involving the presence, spill, release, leak, seepage, discharge or cleanup of any Hazardous Substance on or from the Premises or in connection with Lessee's or Lessee's representatives, agents or sublessee's use or operations thereon, or (ii) any complaint, order, citation or material notice with regard to air emissions, water discharges or any other environmental, health or safety matter (an "Environmental Complaint") from any person (including without limitation the EPA), then Lessee shall immediately: (i) notify Lessor of such occurrence, (ii) fulfil any legally required reporting and notification obligations, (iii) take such steps as are appropriate to mitigate the release, (iv) obtain from reputable environmental consultants, and deliver to Lessor, three (3) detailed estimates of the cost of remedying such condition, and (v) begin appropriate remedial action and diligently pursue such remedial action to completion, all at Lessee's sole cost and expense. In the event of a condition requiring remediation which is likely, in Lessor's reasonable estimation, to cost more than ten thousand dollars (\$10,000.00), Lessee shall provide Lessor, immediately upon Lessor's request, with adequate financial assurances that Lessee will meet its obligations under this subparagraph (e). The financial assurances required under this subparagraph (e) shall take the form of a bond or letter of credit in form and substance satisfactory to Lessor in an amount equal to Lessor's reasonable estimate, based upon advice of an independent licensed professional, of the anticipated cost of the remedial action required under this subparagraph (e) and shall be provided within ten (10) days of Lessor's written request. Upon Lessor's request, from time to time, Lessee shall provide Lessor with copies of material safety data sheets for all toxic and hazardous substances, materials or wastes stored, discharges, disposed of, released, treated or used by Lessee in, on or about the Premises, and provide Lessor with all filings made pursuant to the Emergency Planning and Right to Know Act.
- F. Lessor shall have the right but not the obligation after providing Lessee with notice and a reasonable opportunity to cure, to enter onto the Premises or any area allocated to Lessee's use or to take such other actions

as Lessor deems necessary or advisable to cleanup, remove, resolve or minimize the impact of, or otherwise deal with, any such Hazardous Substance or Environmental Complaint following receipt of any notice from any person or entity (including without limitation the EPA), asserting the existence of any Hazardous Substance or an Environmental Complaint pertaining to the Premises or any part thereof which, if true, could result in an order, suit or other action against Lessee or Lessee's representatives, agents or sublessees and/or which, in the sole opinion of Lessor, could impair the value of Lessor's interest in the Premises. All costs and expenses incurred by Lessor in the exercise of any such rights shall be deemed additional rent and payable by Lessee upon demand.

G. If Lessor acting in good faith shall have reasonable cause to believe that the Premises have been contaminated from Hazardous Substance, Lessee shall agree to cause, at its own cost and expense, an audit or assessment to be performed promptly and in accordance with the terms and conditions hereof. Said audit and/or risk assessment must be by an environmental consultant satisfactory to Lessor. Should Lessee fail to undertake and seek diligently to perform said environmental audit or risk assessment within thirty (30) days of Lessor's written request, Lessor shall have the right but not the obligation to retain an environmental consultant to perform said environmental audit or risk assessment. All cost and expenses incurred by Lessor in the exercise of such rights shall be payable by Lessee upon demand as additional rent.

H. The promises, covenants, warranties and indemnities of this Paragraph 7 shall survive the termination of this Lease.

8. **Signs.** No signs, posters or similar devices shall be erected, displayed or maintained in view of the general public in, on or above the Premises, without the prior written approval of the Lessor, and any not so approved shall be removed by the Lessor at the expense of the Lessee.
9. **Utilities.** Lessee shall pay the cost of all utilities consumed on the Premises during the term of the Lease and Lessor shall have no liability therefor. Charges for utilities include without limitation, gas, electricity, light, trash, heat, power, water, and sewage. If the existing utility facilities are required to be modified or replaced for any reason as a result of Lessee's needs, or as a result of any decision by any utility company or authorized agency, governmental or otherwise, then Lessee shall pay the cost thereof and shall save Lessor harmless therefrom.
10. **Taxes; Special Assessment.** The Lessee shall pay when due all taxes or special assessments (or installments thereof) hereinafter legally levied by any governmental agency against the Premises or improvements made on the Premises, including buildings or personal property of the Lessee. Lessee shall, if requested by Lessor, execute any petition or other document required to include the Premises in any special assessment district for the extension of the sewer or water to service the Premises.
11. **Mortgage of Improvements.** The Lessor hereby agrees that the Lessee may place a mortgage upon the buildings located on the Premises and may assign this Lease Agreement

as collateral for the purpose of securing a loan or loans, provided the Lessee shall notify the Lessor, in writing of the name and address of the mortgagee and of the terms of the mortgage, prior to the placement thereof and, provided further that any such mortgage is subordinate to and subject to all terms and conditions of the Lease. Any notices of default served on the Lessee by the Lessor shall also be served upon the mortgagee, and said mortgagee shall have a like opportunity to cure such default as the Lessee may have.

The Lessor's consent to Lessee's collateral assignment of this Lease is conditioned upon the express restrictions that any party assuming the Lease shall be obligated to perform and be bound by all terms and conditions of this Lease, and that any such party shall meet all eligibility requirements for rental of Lessor property as established by the Lessor, the FAA and the Michigan bureau of Aeronautics. Prior written approval by the Lessor of such new tenant shall be required before such new tenant shall be in, or entitled to possession of said Premises.

12. **Maintenance and Repair.** Lessee shall install and maintain on all buildings now or hereafter erected on the Premises such proper obstacle lights as may be required by the Lessor or other appropriate authority. Lessee shall, at Lessee's expense, during the term of this Lease or any extension thereof, keep the Premises and all buildings presently existing thereon or subsequently erected, with any additions or improvements thereto, in good repair and of a neat and attractive appearance. Lessee shall maintain the grounds to the surveyed lot lines including regular mowing of the grass to provide a lawn-like appearance and provide snow removal for taxiways, ramps and sidewalks which exclusively serve Lessee's hangar.
13. **No Exclusive Rights.** It is hereby specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to Lessee to provide aeronautical services to the public as prohibited by Section 308 (a) of the Federal Aviation Act of 1958, as amended, and the Lessor reserves the right to grant to others the privilege and right of conducting any on or all activities of an aeronautical nature (Federal Aviation Act of 1958 Section 308 (a) – AC 150/5100-16A)
14. **Federally Obligated Airport Covenants.** Lessee acknowledges that the Airport is a federally obligated airport and accordingly, as additional considerations for this Lease, the Lessee hereby covenants and agrees with respect to the Premises and the use thereof as covenants running with the land that:
 - (a) In the event facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFT Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended. (49 CFT Part 21 – DOT Title VI Assurance – AC 150/5100-15A)
 - (b) (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the

construction of any improvements on, over, or under the Premises and the furnishings of services thereof, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (3) the Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFT Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulation may be amended. (49 CFT Part 21 – DOT Title VI Assurance – AC 150/5100-15A)

- (c) Lessee shall furnish service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable, and no unjustly discriminatory prices for each unit or service, provided that the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates, and other similar types of price reductions to volume purchasers. (As used herein, “service” shall include the furnishings of parts, materials, and supplies including the sale thereof, as well as furnishing of services.) (Grant Assurance 22)
- (d) Lessee will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by said Subpart E.
- (e) Lessee will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. (AAIA of 1982, Section 520 – AC 150-5100-15A)
- (f) Lessee will practice nondiscrimination in its activities and will provide Disadvantaged Business Enterprise participation in their leases as required by the Lessor, in order to meet the Lessor’s goals, or required by the FAA in order to obtain an exemption from the prohibition against Long-term exclusive leases. (49 CFR Part 23 – AC 150-5100-15A)
- (g) Lessee shall design, contract and operate any improvements to the Premises in accordance with all applicable provisions of the American with Disabilities Act.
- (h) Lessee shall insert the above subparagraphs (a) through (f), inclusive, in any lease agreement, contract, or similar instrument by which said Lessee grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public or engage in employment activities on the Premises herein leased.

It is further understood and agreed that the Lessor shall have the right to take such action as the federal government may direct to enforce these covenants, agreements and obligations.

15. **Lease is Subordinate.** This Lease shall be non-exclusive and subordinate to the provisions of and requirements of any existing or future agreement between the Lessor and the United State relative to the development, improvement, operation or maintenance of the Airport. (FAA Order 5190.6A-AGL-600)
16. **Right of Lessor to Develop or Improve Airport.** The lessor reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance on the part of the Lessee. (FAA Order 5190.6A-AGL-600)
17. **Protection of Aerial Approaches.** The Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent the Lessee from erecting or permitting to be erected, any building or other structure on the Premises which, in the opinion of the Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft. The Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event any future structure or building is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises. (FAA Order 5190.6A-AGL-600)
18. **Right of Aircraft Owner to Perform Maintenance.** Lessee shall not prevent or interfere with any person, firm or corporation operating aircraft on the Airport from providing 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. (Assurance 22 – FAA Order 5190.6A-AGL-600)
19. **Right of Lessor to Maintain and Repair Airport.** The Lessor reserves the right, but shall not be obligated to the Lessee, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of the Lessee in this regard (FAA Order 5190.5A-Agl-600)
20. **Military Use.** All facilities of the Airport usable for the landing and taking off of aircraft shall be made available by Lessee to the United States at all times, without charge for use by military and naval aircraft in common with other aircraft; and this Lease shall be subordinate to any existing or future agreement between Lessor and the United States relative to the operation and maintenance of the Airport.
21. **Notice.** In the event it shall be necessary for Lessor to give notice of any kind to Lessee, the same shall be given and shall be complete by sending such notice addressed by registered mail to Lessee at City of Fremont Municipal Airport, 101 E Main, Fremont, Michigan 49412, or by serving the same on any officer of Lessee, or by posting copy thereof at the entrance to the Premises.
22. **Damage or Destruction.** In the event the Premises or any improvements thereon are

damaged or destroyed by fire or other casualty, the Lessee shall repair said improvements within a reasonable period of time not to exceed one hundred twenty (120) days, and the rent shall abate for that period in proportion to the extent that the Premises or any improvements thereon are damaged or destroyed. In the event the buildings located on Premises are totally destroyed and, in the opinion of the Lessee, damage to such an extent as to render it impracticable to rebuild or restore the same; or because of any rule or regulations of any governmental authority, the same cannot be rebuilt or restored; then either party hereto shall be privileged to cancel this Lease and in the event of such cancellation, the accrued rent up to the time of such damage is to be paid by the Lessee. The decision of total destruction must be reached by the Lessee within (30) days after the occurrence of the damage, and, in the event that the premises are determined to be totally destroyed, the Lessee must complete removal of all remaining debris within thirty (30) days after said decision is reached.

23. **Insurance.** Lessee shall provide and maintain the following insurance at Lessee's cost:

- (a) A fire insurance policy with the extended coverage endorsement attached and vandalism and malicious mischief endorsements on any buildings or structures built on the Premises herein leased with an amount of insurance equal to the replacement cost of such buildings or structures.
- (b) General liability insurance in the amount of \$1,000,000.000 combined single limit for bodily injury liability and property damage liability to protect the Lessor from liability for all suits and claims for damages or injuries sustained on any part of the premises under the Lessee's control or caused or sustained by Lessee's aircraft operating from the premises.
- (c) The insurance maintained by Lessee shall be in a form acceptable to Lessor, endorsed to include Lessor as an additional insured, when applicable, state that the insurance is primary over any insurance carried by Lessor, and the commercial general liability policy shall include the following coverages: (a) Premises/Operations; (b) Independent Contractors; (c) Broad Form Contractual in support of the Indemnity of this Lease; (d) Hangar Keeper's Liability, or similar coverage; and (e) Personal Injury Liability. Lessee shall furnish Lessor with certificates of insurance listing the Lessor as an additional insured and, providing that Lessor shall be notified in writing at least thirty (30) days prior to cancellation of, any material change in or renewal of the policy. Any liability insurance maintained by Lessee with respect to the Premises shall contain a clause or endorsement under which the insurer waives all right of subrogation against Lessor, its agents or employees, with respect to losses payable under such policy.

In the event the Lessee fails to obtain such insurance in the manner herein provided, the Lessor, at its option, may procure the same and the premium paid therefore shall forthwith become payable by Lessee to the Lessor upon demand as an additional rent.

24. **Mutual responsibility.** Lessor shall not be responsible for damage to Lessee or Lessee's property and Lessee shall not be responsible for damage to Lessor's property caused by perils covered under a standard fire insurance policy with the extended coverage endorsement attached.

25. **Hold Harmless and Indemnify.** The Lessee agrees to hold the Lessor harmless and indemnify Lessor from any claim, suit, judgement, settlement, processes, liabilities, losses, damages, penalties, costs and expenses, including attorneys fees, of any nature whatsoever arising out of alleged negligence, wrongful or unlawful acts or omissions of the Lessee, its agents, licensees, invitees, sublessees and employees, during its use or occupancy of the demised premises under the terms of this lease, or any extension thereof, except due to the intentional acts of Lessor. The promises, covenants, warranties and indemnities of Paragraph 25 shall survive the termination of this lease.
26. **Assignment and Subleases.** Lessee may not assign this Lease or any part thereof or sublease the Premises or any part thereof without the prior written consent of Lessor, but Lessor agrees said consent shall not be unreasonably withheld.
27. **Binding Effect.** The covenant, conditions, obligations and agreements made and entered into by the parties hereto are hereby declared binding upon the successors and assigns of the parties hereto.
28. **Expiration of Lease.** Lessor agrees that, upon expiration of this Lease, the Lessee at his discretion has the right to negotiate a new Lease with the Lessor, the terms of which are to be defined at the time of negotiation; or, instruct the Lessee to remove the structure in its entirety within sixty (60) days and return the property to its original state; or, purchase the building from the Lessee at a price mutually agreeable to both the Lessee and Lessor. Should Lessee remain in possession of the Premises after the expiration of the terms of this Lease, then this Lease and all its terms, provisions and covenants shall be continued in full force and effect as a tenancy from month to month, terminable by either party on thirty (30) days' written notice prior to the end of any month.
29. **Amendment.** This Lease may be modified or amended only by a written instrument duly authorized and executed by Lessor and Lessee. Lessor and Lessee agree to negotiate and execute and appropriate amendment to this Lease intended to qualify the Lease as a "safe harbor management contract" in accordance with the existing applicable regulations, ruling, procedures and similar guidance promulgated pursuant to the Internal Revenue Code of 1986, as amended, in the event of the City of Fremont prepares to issue or have issued on its behalf tax exempt bonds in connection with the Airport, improvements thereto or expansion thereof and legal counsel to the County determine that such an amendment in such event is in the best interest of the City.
30. **Paragraph Headings; Severability.** Topical headings appearing in this Lease are for convenience only. They do not define, limit or construe the contents of any paragraphs or clauses. In the event any provision of this Lease is held to be invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
31. **Applicable Law.** The laws of the State of Michigan will control in the construction and enforcement of this Lease.
32. **Recording.** This Lease shall be recorded in the records of the County of Newaygo Register of Deeds at the expense of the Lessee.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the day and year set forth in the first paragraph hereof.

**Signed, sealed and delivered
In the Presence of:**

**LESSOR:
City of Fremont:**

By: _____
Its:

By: _____
Its:

STATE OF MICHIGAN)
)ss
County of Newaygo)

On this ____ day of _____, _____, before me, a Notary Public, in and for said County, personally appeared _____, to me known to be the same person/persons described in and who executed the within instrument, who acknowledged the same to be their free act and deed.

_____, Notary Public
Newaygo County, Michigan
My commission expires:

**Signed, sealed and delivered
In the Presence of:**

LESSEE:

By: _____

By: _____

STATE OF MICHIGAN)
)ss
County of Newaygo)

On this ____ day of _____, _____, before me, a Notary Public, in and for said County, personally appeared _____, to me known to be the same person/persons described in and who executed the within instrument, who acknowledged the same to be their free act and deed.

_____, Notary Public
Newaygo County, Michigan
My commission expires:

Drafted by:
Keith J. Schuiteman (P26900)
Attorney at Law
40 W. Sheridan, Box 40
Fremont, Michigan 49412
pm:c:cof\airport\private2.lse or TMB/Airport Commercial Lease