AIRPORT
AERONAUTICAL LEASE
ARGREEMENT
(WITH CONSTRUCTION)
between
The City of Sebastian, Florida
and

(form revised April 2006)
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EXHIBIT “A”  SURVEY AND LEGAL DESCRIPTION
EXHIBIT “A1” FINAL AS-BUILT SURVEY AND LEGAL DESCRIPTION
EXHIBIT “B”  TENANT’S IMPROVEMENTS
EXHIBIT “C”  LEASE EXTENSION AGREEMENT
AIRPORT
AERONAUTICAL LEASE AGREEMENT
(WITH CONSTRUCTION)

THIS LEASE, made and entered into this _____ day of _______________, by and between the CITY OF SEBASTIAN, a municipal corporation existing under the laws of the State of Florida, (hereinafter referred to as the "Landlord"), and _________________ (hereinafter referred to as the "Tenant"). The Landlord and the Tenant are sometimes collectively referred to herein as the "Parties".

W I T N E S S E T H:

WHEREAS, the Landlord is the owner of certain property located in the County of Indian River, Florida; and

WHEREAS, said property constitutes a portion of the Sebastian Municipal Airport (hereinafter referred to as the "Airport"); and

WHEREAS, Landlord desires to construct improvements upon said airport property designated for aeronautical use for the construction of_________________________ and has developed design and engineering plans and specifications for the same; and

WHEREAS, Tenant has expertise in developing and managing improvements of this nature, and proposes to undertake development of the Improvements on behalf of Landlord

WHEREAS, the Tenant desires to provide_________________________ at the Sebastian Municipal Airport and lease the said property from the Landlord, and compensate Landlord for transfer of the entrepreneurial opportunity provided by the Improvements; and

WHEREAS, the Landlord has agreed to lease such property to the Tenant subject to certain terms and conditions, and to that end as set forth hereinafter;

NOW, THEREFORE, in consideration of the premises and the mutual covenants, terms and conditions to be performed as set forth and hereinafter provided, the receipt and sufficiency of which are hereby acknowledged, the Parties have agreed as follows:
ARTICLE I
PREMISES

Subject to the terms and conditions set forth in this Lease, Landlord hereby demises and leases to Tenant and Tenant hereby leases from Landlord, that certain land, and any buildings, structures, fixtures, fences, utility installations, parking facilities, landscaping and irrigation systems currently existing or hereafter located thereon at Sebastian Municipal Airport, as more particularly described on Exhibit "A" hereto ("Premises"). Tenant shall cause a survey to be undertaken at its expense ("Survey"). Upon completion of the Improvements, a final, as-built survey and legal description will be attached, as Exhibit "A-1" to this Lease and the size of the Premises and Annual Rent will be adjusted if necessary. Tenant hereby leases the Premises subject to, and Tenant hereby agrees to comply with: (i) all applicable building codes, zoning regulations, and municipal, county, state and federal laws, ordinances and regulations governing or regulating the Premises or its uses, (ii) all covenants, easements and restrictions of record, (iii) the Rules and Regulations of Sebastian Municipal Airport, as the same may be amended from time to time ("Airport Rules"), (iv) the Minimum Standards for Aeronautical Services for the Sebastian Municipal Airport as the same may be amended from time to time ("Minimum Standards"), (v) the Development Standards for the Sebastian Municipal Airport as the same may be amended from time to time, and (vi) the Sebastian Municipal Airport’s current FAA-approved Airport Layout Plan, as the same may be amended from time to time (the “Airport Layout Plan”).

1.1 Condition of Premises. Except as agreed to in Paragraph 1.2 herein, Tenant accepts the Premises "AS-IS". Tenant acknowledges that Landlord has made no representations or warranties relating to the suitability of the Premises for any particular use, other than for the purpose of constructing ______________________________ and unless otherwise expressly provided in this Lease, Landlord shall have no obligation whatsoever to repair, maintain, renovate or otherwise incur any cost or expense with respect to the Premises.

(a) Tenant shall not permit any unlawful nuisance, waste or injury on the Premises. Tenant agrees to surrender the Premises upon the expiration of this Lease, or earlier termination hereof in a condition substantially similar to the condition of the Premises on the Commencement Date together with improvements placed thereon, ordinary wear and tear excepted.
(b) Tenant shall have the right to terminate this Lease within ninety (90) days from the Effective Date of this Lease if Tenant is unable to obtain (i) a title insurance policy due to outstanding liens and/or encumbrances on the Premises (the reverter rights of the federal government under the original deed to the City of Sebastian excepted), (ii) a successful Phase I Environmental Survey and, (iii) a building permit for the improvements.

1.2 Construction of Improvements by Tenant. Tenant shall have sole responsibility for construction of the improvements on the Premises, described in Exhibit "B" hereto, hereinafter called the “Improvements” on or before ____________________________ 20___. Any construction by Tenant on the Premises shall be in accordance with local building codes and shall also be governed by Exhibit "B" hereto, which is incorporated herein by reference.

1.3 Quiet Enjoyment. Landlord agrees that, subject to Tenant's performance of the terms and conditions of this Lease, Tenant shall peaceably and quietly have, hold and enjoy the Premises in accordance with the terms and conditions of this Lease.

1.4 Permitted uses. The Tenant agrees that the Premises shall be used exclusively for the purposes of _______________________________ and related functions in accordance with the Minimum Standards. Any use of the Premises other than those specifically stated above are expressly prohibited without the express written consent of the Landlord. Such consent may be withheld by the Landlord for any reason. All aeronautical businesses and activities must be certified and licensed by the FAA in the appropriate categories of their specific operation and shall be in compliance with the Airport Rules and Minimum Standards. The Tenant agrees that no use of the Premises will be conducted in such a manner as to constitute a nuisance or a hazard and that, in connection with the use of the Premises, the Tenant will observe and comply with all applicable laws, ordinances, orders and regulations prescribed by lawful authorities having jurisdiction over the Premises.

1.5 Signage. The Tenant shall have the right to erect and maintain such sign or signs on the Premises as may be permitted by applicable law and the Development Standards; provided, however, the Landlord must approve any such signs in writing prior to erection. The Landlord may impose any reasonable restrictions as, in the sole discretion of the Landlord, are deemed necessary.