

FREMONT COUNTY AIRPORT LAND LEASE

THIS LEASE, made and entered into this 13th day of June, 2023, between FREMONT COUNTY, by and through the Fremont County Board of County Commissioners, "Landlord," and JAMES R. WICK, "Tenant."

WITNESSETH:

WHEREAS, the Landlord is the owner and operator of the Fremont County Airport together with the land on which said airport is situated, and

WHEREAS, Tenant is desirous of leasing a tract of ground on said airport property for the purpose of occupying a hangar, approximately 40 feet by 45 feet in size, including appropriate land surrounding said hangar for use by Tenant, and

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. Leased Premises:

The Landlord hereby leases unto the Tenant for the term and upon the rental and conditions hereinafter stated, the real property described in Exhibit A, attached hereto and made a part hereof, hereinafter "Leased Premises," situated in the County of Fremont, State of Colorado. In addition to the above description, the Leased Premises and building address situated on the land will be described as Hangar #26, Fremont County Airport, 60928 U.S. Highway 50, Penrose, Colorado 81240.

2. Term:

Landlord hereby leases said land, hereinafter referred to as the "Leased Premises" or, unto Tenant for a period of thirty (30) years. The lease term shall commence on the 13th day of June, 2023, and shall terminate without notice on the 12th day of June 2053.

Landlord grants unto Tenant the exclusive right and option to renew or extend this Agreement for an additional five-year term under the same terms and conditions of the original thirty year lease. Such option shall be exercised no later than ninety (90) days before the end of the original term. Exercise of such option to renew, shall be in writing but in no event shall Tenant be entitled to renew the term hereof, even though such notice be timely given, unless Tenant shall have timely performed all of its obligations hereunder and not be in default hereunder.

3. Rental Rate and Other Fees:

Tenant agrees to pay Landlord as rental a sum of money equal to twenty (\$.20) per square foot per year, for 2750 square feet, as described in Exhibit A, attached herewith, totaling \$550.00 per annum. The first payment of the annual ground rental lease shall begin on June 13, 2023. Such payments shall be credited to the Airport Fund or any other fund which may be established for airport purposes. Taxes (real or personal), if any, assessments, utilities and insurance of the Leased Premises shall be the sole responsibility of Tenant and not of the Landlord. This rental shall be paid annually in advance upon the anniversary date of this Agreement without demand from the County.

After the fifth (5th) year of any five (5) year increment of this Agreement or any extension thereof, the yearly rental shall be re-established for the ensuing five (5) years. Such adjustment shall be the total net percentage increase or decrease in the Consumer Price Index for all urban consumers, CPI-U, during the preceding five (5) year period, or such other measure which may replace the CPI-U as published by the United States Department of Commerce.

Tenant, as additional rent, shall pay to Landlord a fuel flowage fee of twenty-five cents (\$0.25) per gallon for all fuel delivered into aircraft of Tenant, other than fuel sold by an existing FBO or other approved vendor who pays a fuel flowage fee to Landlord. Landlord shall reserve the right to negotiate said flowage fee with Tenant at each annual review. Such fee shall be paid as a monthly rent for the prior month's fueling.

Any rent overdue for more than thirty (30) days will have an additional fee added to cover extra administrative costs. The additional fee will equal 10% of the current annual rental. In the event the Fremont County Board of County Commissioners is required to initiate any collection procedures or costs to collect any unpaid rent from Tenant, the Tenant shall pay all of the Board's expenses in connection therewith, including reasonable attorney's fees.

4. Improvements and Use:

A. Tenant shall be responsible for maintaining a paved aircraft taxiway and ramp area in front of the hangar. It is the responsibility of the Tenant to maintain this entire ramp area in a manner which is safe and clean of debris so as not to cause danger or unsafe conditions for taxiing aircraft and airport users.

Tenant grants the right to users of the Fremont County Airport the right to use this aircraft ramp area from time to time for passage of aircraft on the adjacent taxiway moving through this area of the airport.

B. At the end of the initial lease term/or any renewal thereof, the parties agree that the Tenant may at its/his/her sole expense remove any improvements from the Leased Premises. Any removal shall be conditional upon the restoration for the Leased Premises to its original condition and with no damages to the Leased Premises being occasioned. Said removal shall also be expressly conditional upon the fact that the Tenant is not in default as to payment of rental or in default as to any other conditions of this Agreement. Notice of intent to remove said improvements shall be given to Landlord in writing no later than ninety (90) days prior to the end of such initial lease term or renewal period, and shall be completed no later than the end of such term or period. If at the end of the lease term Landlord deems it beneficial to retain the concrete slab after removal of the hangar and Landlord advises the Tenant to that effect, Tenant shall not remove said slab.

C. The Leased Premises and the improvements shall be occupied by Tenant or its subtenants as a hangar facility for the servicing and storage of aircraft owned or leased by Tenant or subtenants or their parent corporations, subsidiaries or affiliates, and for such other purposes directly related to such uses. Tenant and its subtenants shall have no right to utilize said premises, or any improvement thereon, other than as specifically allowed under this paragraph, and it is specifically understood that the Leased Premises shall not be used for an aviation fixed base operation or similar type commercial aviation operation. The operation of any commercial aviation activity within Tenant's Hangar without first obtaining the written approval from the Fremont County Board of County Commissioners shall be deemed a substantial breach and will result in cancellation of this Agreement.

D. In the event Tenant or its subtenants wish to operate a commercial business on the Leased Premises, then formal application must be submitted and written approval received from the Fremont County Board of County Commissioners. Tenant's regular employees may perform maintenance, preventative maintenance, rebuilding and alteration of Tenant's aircraft and components as allowed under the U.S. Federal Aviation Regulations Part 43. No maintenance shall be performed on the Leased Premises on aircraft not owned by Tenant or owned by subtenants or assignees. Tenant shall secure a written Special Use Permit from the Fremont County Board of County Commissioners or its agents for any variances to this paragraph that may be desired. Such special use permit shall be renewable annually upon review by the Fremont County Board of Commissioners. Assignments and subleases are further subject to the terms and conditions as set forth in Section 15.

E. Tenant grants the County the right to enter said Leased Premises and to do what is necessary for the purposes of repairing, replacing and/or maintaining any and all utility lines under said Leased Premises which serve other uses at the Fremont County Airport, it being understood that the County will repair, in a good and workmanlike fashion, and all damage done to said Leased Premises as the result of work done hereunder.

F. The storage and accumulation of flammables, explosive liquids or solids, waste, debris or other hazardous materials is not permitted within the hangar or adjacent to the hangar other than the fuel or gasoline contained in the aircraft themselves, or otherwise in fuel tanks of vehicles, such as cars, lawnmowers, snow blowers, or other equipment legitimately located in or adjacent to the hangar. Tenant shall maintain the hangar in accordance with the requirements and regulations of the Fremont County Airport Rules and Regulations, State of Colorado and United States Environmental Protection Agency. The Tenant shall be responsible for all costs associated with mitigating any contamination of the soil or improvements thereon which is caused by the Tenant.

G. Tenant will not modify, alter, paint or improve the completed hangar except to the extent required to maintain its original state. Any additional modification, painting or improvements must receive prior written approval from the Airport Manager.

H. Tenant shall not park or leave aircraft on the taxiways or on pavement adjacent to the hangar in a manner which unduly interferes with or obstructs access to adjacent hangars. Parking of automobiles will be permitted only in designated parking areas or within the hangar.

5. Maintenance Obligations: Tenant, at its expense, shall keep the improvements on said Leased Premises in good repair and maintenance, and in a safe, sanitary, orderly, and slightly condition. Tenant is responsible for all trash removal and disposal.

6. Default:

A. By Tenant

In the event of a default on the part of the Tenant in the payment of rents, the Landlord shall give written notice to the Tenant of such default, and demand the termination of this Agreement, or the correction thereof. If, within thirty (30) days after the date the Landlord gives such notice, the Tenant has not corrected said default and paid the delinquent amount in full, the Landlord may by written notice to the Tenant terminate this Agreement and all rights and privileges granted hereby in and to the Leased Premises.

In the event of a default on the part of the Tenant of any other provision of this Agreement, Landlord shall provide written notice to the Tenant of such default and allow a reasonable time for correction of such

default, not to exceed 60 days. Should Tenant fail to correct such default, Landlord may terminate this Agreement, enter the premises and exercise any available legal remedy to remove Tenant from the premises.

This Agreement, together with all rights and privileges granted in and to the Leased Premises, shall terminate at the option of the Landlord with prompt written notice to the tenant upon the filing by the Tenant of a voluntary petition in bankruptcy, any assignment for benefit of creditors of all or any part of the Tenant's assets, or the violation of any other provision of this Agreement that is not cured within 30 days after the date Landlord provides notice.

B. By Landlord.

Landlord will endeavor to give not less than fourteen (14) days, prior written notice to Tenant of an anticipated temporary Airport closure.

This Agreement will terminate at the option of Tenant:

(i) upon the permanent closure of the Airport, the term "permanent closure" to mean for the purposes of this Agreement, the closure of the airport for 90 or more consecutive days;

(ii) the loss of the ability of Tenant, due to no significant fault of Tenant, to fly in or out of the Airport for reasons other than inclement weather, casualty or disaster, for a period of 90 consecutive days; and

(iii) the default by the Landlord in the performance of any covenant or condition required to be performed by the Landlord, and the failure of the Landlord to remedy such default for a period of sixty (60) days after receipt from the Tenant of written notice to remedy the same, or default in the timely payment of any money due the Tenant and failure to cure such default within thirty (30) days after notice to the Landlord.

Termination of this Agreement due to default of Landlord shall grant Tenant the option to remove said improvements upon written notice to Landlord within thirty (30) days of said default. Tenant shall otherwise complete said removal according to the terms and in the manner specified in Section 4. B.

7. Signs:

Tenant shall not erect, paint or maintain any signs whatsoever upon the Leased Premises without first securing the written consent of the Fremont County Board of County Commissioners. Any such signs shall comply with all regulations of the Fremont County Planning and Zoning Department, Airport Rules and Regulations, or standards which might be developed by the Fremont County Board of County Commissioners. Only one identification sign, logo, or name will be permitted on the exterior of the hangar.

8. Right of Inspection:

The Landlord reserves and retains for its officers, employees and authorized representatives the right to enter the premises during reasonable business hours and after prior notice for the purpose of inspecting and protecting such premises, and of doing any and all things which the Fremont County Board of County Commissioners may deem necessary for the proper general conduct and operation of the Fremont County Airport, and in the exercise of said Board's police power.

Additionally, the Fremont County Board of County Commissioners, acting through and upon the recommendation of the Airport Manager and the Airport Advisory board, shall conduct semi-annual inspections of the premises. If the premises is found not to conform to the terms and conditions of this Agreement, written notice of such nonconformance, including the necessary corrective action required to return premises to conformance, shall be mailed to Tenant. If the repairs or other corrective action set forth in such notice are not completed within sixty (60) days of the date of such notice, the Agreement shall terminate.

9. Taxes and Licenses:

The premises and its contents shall be subject to taxation as personal property under all applicable laws of the State of Colorado.

Tenant covenants and agrees to pay promptly all valid taxes and other government charges of whatever nature, applicable to Tenant's operation on the Leased Premises. Tenant also covenants and agrees not to permit any mechanics or materialman's lien to be foreclosed upon the Leased Premises or improvements thereto and thereupon, or any part or Leased Premises thereof by reason of any work or labor performed or materials furnished by a mechanic or materialman, Tenant further covenants and agrees to pay promptly when due all bills, debts and obligations incurred by it in connection with its operations on the Leased Premises, and not to permit the same to become delinquent and to suffer no lien, mortgage, judgment or execution to be filed against said property or improvements thereon which will be in any way an impairment of the rights of Landlord under this Agreement. If Tenant be adjudged bankrupt in any district court of the United States having jurisdiction, Landlord may, at its option, terminate this Agreement.

10. Indemnification and Insurance:

Tenant assumes the risk of loss or damage to the hangar and its contents, whether from windstorm, fire, earthquake, snow, water run-off, or any other causes whatsoever. Tenant covenants and, agrees that it will indemnify and save harmless Landlord from all demands, claims, costs, causes of action or judgments, and from all expenses that be incurred, in investigating or resisting the same, arising from or growing out of neglect by Tenant, its contractors, agents, members, stockholders, employees, invitees, servants, subtenants, successor or assigns in connection with its occupancy or their occupancy of any portion of Fremont County Airport.

Additionally, Landlord shall not be liable for any loss, injury, death or damage to persons or property which at any time may be suffered or sustained by any owner/Tenant or by any person whoever may at the time may be using or occupying or visiting the Leased Premises or be in, on or about the same, whether such loss may be caused by or in any way result from or arise out of any act, omission, or negligence of Tenant or of any occupant, visitor or any user of any portion of the premises, or shall result from or be caused by any other matter or thing, and Tenant shall indemnify Landlord against all claims, liability, loss or damage, including attorney fees, whatsoever on account of such loss, injury, death or damage. Tenant shall waive all claims against Landlord for damages to the facility that is placed or constructed on the premises, and for injuries to persons or property in or about the premises, and to injuries to persons or property in or about the premises, from any cause arising at any time except for any loss, injury, death or damage arising by reason of the negligence of Landlord, its agents or employees.

Insurance:

At all times during the term of this Agreement, and of any renewal or extension hereof, Tenant agrees that it will, at its own cost and expense, provide and keep in force a policy which includes bodily injury and property damage with a combined single limit of no less than one million dollars (\$1,000,000). Tenant shall provide Landlord with a copy showing proof of such insurance and subsequent renewals or changes as might occur during the term of this Agreement.

Such policy shall provide that such policy may not be materially changed, altered, or canceled by the insurer during its terms without first giving ten (10) days written notice by certified or registered United States mail return receipt requested, to the Landlord.

Tenant shall not violate the terms or prohibitions of any insurance policy herein required to be furnished by Tenant.

Tenant shall, at Tenant's expense, obtain and keep in force during the term of this agreement a property insurance policy upon the building to the full insurable value thereof. It is agreed by and between the Landlord and Tenant that, in the event of damage to the improvements equating to less than 50% of the value thereof by any casualty insured against, the proceeds of the aforementioned insurance policy or policies shall be devoted exclusively first to the repair or replacement of said improvements with the excess of any remaining to the property of Tenant. In such event, neither Tenant nor Landlord shall in any event be required to devote or expend in the repair or replacement of said policy or policies. In the event of damage to the improvements located on the Leased Premises equating to 50% or more of the value of said improvements, Tenant shall have the option to either repair said damage or to retain the insurance proceeds. In the event the Tenant shall elect to retain the insurance proceeds, the Tenant shall have the obligation to return the Leased Premises to the condition existing prior to the commencement of this Agreement and upon return of the Leased Premises to such condition, all obligations of the Tenant under this Agreement shall be terminated. The decision of the Tenant to repair or rebuild shall be communicated to the Landlord in writing within 60 days after the casualty and repairs shall thereafter be accomplished with due diligence.

11. Removal of Equipment:

Subject to the provisions of Section 6, hereof, all equipment and personal property placed by Tenant at its expense in, on, or about said Leased Premises (other than fixtures) shall remain the property of Tenant and Tenant shall have the right at any time during the term hereof, when not in default thereunder, to remove all such equipment and property, provided, however, that all property placed by Tenant at its expense, in, on, or about said Leased Premises and affixed to the realty so that same may not be removed without material damage to the improvements thereto, shall not be removed by Tenant, but shall become the property of Fremont County upon the termination of this Agreement.

12. Surrender and Holding Over:

Tenant covenants that at the expiration of the period set forth in section 2, it will quit and surrender said Leased Premises in good state and condition, reasonable wear and tear excepted. Tenant further covenants and agrees that said Leased Premises and all fixtures, improvements, equipment and other property brought, installed, erected, attached, or placed by Tenant in, on or about said Leased Premises and which by and under the terms of this Agreement are provided to them remain on said Leased Premises as the property of Fremont County shall be in good usable condition, reasonable wear and tear excepted and Fremont County shall have the right on such termination to enter upon and take possession of said Leased Premises, with or without process of law, without liability for trespass. Should Tenant hold over the use or

continue to occupy the said Leased Premises after the termination or cancellation of this Agreement, such holding over shall be deemed merely a tenancy for successive monthly terms upon the same conditions as provided in this Agreement.

13. Inconvenience During Construction:

Tenant recognizes that from time to time during the term of this Agreement it will be necessary for the Landlord to initiate and carry forward extensive programs of construction, reconstruction, expansion, relocation, maintenance and repair in order that the Fremont County Airport and its facilities may be suitable for the volume and character of air traffic and flight activity which will require accommodation, and that such construction, reconstruction, expansion, relocation, maintenance, and repair may inconvenience or temporarily interrupt in its operations at the Fremont County Airport. Tenant agrees that no liability shall attach to Landlord, its officers, agents, employees, contractors, subcontractors and representatives by reason of such inconvenience or interruption, and for and in further consideration of the premises, Tenant waives any right to claim damages or other consideration thereof, provided, however, that this waiver shall not extend to, or be construed to be a waiver of, any claim for physical damage to property resulting from negligence or willful misconduct.

14. Place and Manner of Payments:

In all cases where Tenant is required by this Agreement to pay any rentals, fees or other charges or to make other payments to Landlord, such payments shall be made at the office of the Fremont County Board of County Commissioners, 615 Macon Avenue, Cañon City, Colorado 81212, or at such other place as Landlord may hereafter designate by notice in writing to Tenant and shall be made, in legal tender of the United States and any check shall be received by Landlord subject to Collection, Tenant agrees to pay any bank charges made for the collection of any such checks.

15. Assignments and Subletting:

Tenant shall have the right to assign or sublet this Agreement provided, however, that said assignee or subtenant shall be financially acceptable to the Fremont County Board of County Commissioners. In the event of a sale or conveyance of the improvements located on the Leased Premises, Tenant may assign said Agreement and, subject to the foregoing conditions, shall be released from any further liability under said Agreement. In the event of a sublease or assignment which does not include the sale or conveyance of the improvements on said property, Tenant shall still remain liable under the terms and conditions of this Agreement as a Guarantor of said Agreement.

16. Agreements with United States:

This Agreement is subject and subordinate to the terms, reservations, restrictions, provisions, and conditions of any existing or future agreement between the Landlord and the United States, relative to the operation or maintenance of the Fremont County Airport and its appurtenant facilities, the execution of which has been or may be required as a condition precedent to the participation by any Federal Agency in the extension, expansions, or development of said Airport Facilities.

17. Notices:

All notices required to be given to Landlord hereunder shall be in writing and be sent by certified mail to Fremont County Board of County Commissioners, 615 Macon Avenue, Canon City, Colorado 81212, and to the Fremont County Airport Manager, 60298 US-50, Penrose, CO 81240. All notices required to be given to Tenant hereunder shall be in writing and sent by certified mail, addressed to: James R. Wick, 1111 Horseshoe Lane, Cañon City, CO 81212 (970-980-9145); provided, that the parties, or either of them, may designate in writing from time to time subsequent or supplementary persons or addresses in connection with said notices. The effective date or service of any such notice shall be the date such notice is mailed to Tenant or Landlord.

18. Airport Rules and Regulations:

In addition to all other provisions of this Agreement, Tenant agrees to comply with the Fremont County Airport Rules and Regulations, and all amendments, thereto.

19. F.A.A. Lease Requirements:

A. The Landlord 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 Tenant, and without interference or hindrance.

B. The Landlord reserves the right, but shall not be obligated to Tenant 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 Tenant in this regard.

C. This Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the County and the United States, relative to the development, operation, or maintenance of the Airport.

D. Tenant 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 Leased Premises, or in the event of any planned modification or alteration of any present or future building or structure on the Leased Premises.

E. It is understood and agreed that nothing contained in this Agreement shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

F. There is hereby reserved to the Landlord, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of our flight in the air, using said airspace of landing at, taking off from, or operating on the Fremont County Airport.

G. Tenant by accepting this Agreement expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the Leased Premises above that elevation set in the Fremont County Zoning Resolution. In the event the aforesaid covenant is breached, the County reserves the right to enter upon the Leased Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Tenant.

H. Tenant by accepting this Agreement expressly agrees for itself, its successors and assigns, that it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft from the Fremont County Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the County reserves the right to enter upon the Leased Premises and cause the abatement of such interference at the expense of the Tenant.

20. Miscellaneous:

A. This Agreement shall be binding on the assigns, transferees, heirs, executors, successors, and trustees of the parties hereto.

B. No waiver by the Fremont County Board of County Commissioners of any failure by Tenant to comply with any term or condition of the Agreement, shall be construed to be, a waiver by the Board of any other failure by Tenant to comply with any term or condition of this Agreement.

21. Invalid Provisions:

The invalidity of any provisions, articles, paragraphs, portions or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable agreement and provided that the invalidity of any provision, article, paragraph, portions or clauses of this Agreement shall not result in substantial detriment to a party hereto.

22. Entire Agreement:

This Agreement constitutes the entire agreement of the parties hereto and may not be changed, modified, discharged or extended except by written instrument duly executed by Landlord and Tenant. The parties agree that no representations or warranties shall be binding upon Landlord or Tenant unless expressed in writing in this Agreement.

23. Governing Law:

This Agreement shall be construed in accordance with the laws of the State of Colorado.

