

**T-HANGER LEASE AGREEMENT**

THIS CONTRACT OF LEASE, made and entered into this \_\_ XXXXX XX \_\_ 2022 \_\_, by and between Capital City Airport, hereinafter referred to as "Lessor", and \_\_\_\_\_, Address \_\_\_\_\_, hereinafter referred to as "Lessee,

WITNESSETH:

THAT WHEREAS, the Lessor now owns, controls, and operates the Capital City Airport located at 88 Airport Road, Frankfort, Franklin County, Kentucky; and

WHEREAS, the said Lessor has T-hangar buildings to be used for the purpose of parking and storing aircraft, and wishes to lease same to interested parties consistent with the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants hereinafter contained the parties hereto agree for themselves, their successors and assigns as follows:

Aircraft No. : \_\_\_\_\_ Manufacturer: \_\_\_\_\_ Registered: : \_\_\_\_\_

Owner: \_\_\_\_\_

Email Address: \_\_\_\_\_

Billing Address: \_\_\_\_\_

Cellphone: \_\_\_\_\_ Alternate Phone: \_\_\_\_\_

Type of Pilot License: \_\_\_\_\_ Insurance Carrier: \_\_\_\_\_

Insurance Policy #: \_\_\_\_\_ Insurance Policy Efft Date: \_\_\_\_\_

Insurance Limit of Liability: \_\_\_\_\_ Insurance Limit of Property Damage: \_\_\_\_\_

or any other aircraft owned and/or operated by the Lessee for which the Lessee has obtained the written consent of the Lessor to store in or on said premises.

- 1. **Term of Lease:** The initial term of this lease shall be for a period of 12 months commencing on the \_ xx \_ day of \_ xxxxxxxx \_, 2022, and ending on the \_ xxxx \_ day of \_ xxxxxxxx \_, 2023, provided that unless either party gives written notice to the other thirty (30) days prior to the end of such initial term that this lease will not be extended beyond the aforementioned ending date, this lease shall be automatically extended upon the same terms and conditions as are contained herein from year-to-year until terminated by either party as hereinafter set forth.

## T-Hangar Lease Agreement

**Rent:** The Lessee shall pay to the Lessor as rent for said premises the sum of \$ \_xxxxxx \_ annually, payable in equal monthly installments of \$ \_xxxxx \_ each, in advance on the first day of each month during the initial term and any subsequent automatic extension of the term of this lease. The rent is to be made payable to the Kentucky State Treasurer and mailed to the Department of Aviation, Capital City Airport, 88 Airport Road, Frankfort, Kentucky 40601-6198. Rental rates are based on the cost to acquire property and construct, operate, and maintain the premises. The Lessor reserves the right to adjust rental as required to recover costs incurred to construct, operate, and maintain the premises and to maximize operating revenues. Current rental rates include electricity, but the Lessor reserves the right to require the Lessee to pay electricity separately or to increase rental rates to recover the cost of providing said utilities.

The premise herein leased is described as Bay No \_xx\_ of said hangar building. The rent for the first month of any initial term not commencing on the first day of any month shall be prorated for such month at the set rate divided by the number of days in that month. All rents or charges that are not paid within fifteen (15) days of the due date shall have added a delinquency charge of 5 percent per month from the date due. This process shall continue on the fifteenth (15<sup>th</sup>) and twenty-fifth (25<sup>th</sup>) of each month until the total rent balance is paid as required.

2. **Compliance with Rules:** The Lessee shall abide by all rules and regulations of the Federal Aviation Administration and agencies of the Commonwealth of Kentucky having jurisdiction over air-related activities and over the operation and use of the Capital City Airport.

1. It is specifically agreed that the assigned hangar space shall be maintained in a clean and orderly condition and all repairs to the space assigned shall be made by the Lessee with the exception of ordinary wear and tear and damage not occurring through the negligence of the Lessee.
2. The space assigned shall not be sublet either partially or wholly without written approval of the Lessor.
3. There shall be no liability for loss or damage by windstorm, fire, theft, vandalism, or any other cause to the property of the Lessee maintained in the hangar.
4. No unattended aircraft or any other vehicle shall be parked on the taxiway.
5. All hangar doors shall be closed when the hangar is unattended.
6. All of the rules and regulations of the Capital City Airport shall apply to all lessees of the hangar.
7. No aircraft engine shall be operated within the hangar assigned by this agreement.
8. FAR Part 43 permits the holder of a pilot certificate to perform specific types of preventative maintenance on any aircraft owned or operated by the pilot. All other maintenance must be performed by or under the

direct supervision of a FAA certified aircraft mechanic having authorization and approval from the Capital City Airport, including properly executed agreements and insurance that is in force.

9. It is a specific term of this agreement that any person designated by the Lessor may enter the premises leased at any reasonable time for the purpose of inspection.
10. This lease may be terminated at any time by the Lessor for the violation of any of its term after a fifteen (15) day written notice is sent to the Lessee's address as given, and Lessee fails to correct or comply with the requirements of the lease or regulations, and with such failure to comply after notice as aforesaid, Lessor may then take possession of the premises and have the contents thereof removed and stored at the sole expense of the Lessee.
11. This lease may be terminated by either party upon thirty (30) days written notice.
12. It is specifically agreed that all reasonable directions of the Lessor or agents of the Capital City Airport shall be complied with in the use of the hangar premises.
13. The Lessee accepts the space hereinafter described in its present condition and agrees to make no modifications, improvements, additions, and/or alterations without the written permission of the Lessor and further accepts full and complete responsibility for all cost thereof.
14. Lessee agrees to carry and keep in force combined aircraft liability, passenger liability, and property damage in an amount not less than \$1,000,000 combined single limit insurance, and to provide the Lessor with a Certificate of Insurance certifying that such coverage is in force and that the Lessor will be notified thirty (30) days before cancellation of said insurance policy or policies.
15. The Lessee agrees to indemnify, defend, and hold the Lessor, its agents, officers, representatives and employees harmless from any and all claims of whatsoever nature resulting from Lessee's use, or its agents, servants, guests, or business visitor's use of the airport premises.
16. The leased hangar bay is to be used to house only that aircraft that is owned or leased by said Lessee. Private automobiles may be parked in the hangar when the aircraft has been removed. Storage of hazardous material, including but not limited to corrosives, toxins, explosives, combustibles, flammables except as authorized by the Lessor, and contained in NFPA and EPA approved containers, is not permitted.
17. Any hoist, hoisting device, or winch, which attaches to the structure of the hangar or passes over braces, shall not be permitted.
18. No aircraft shall be fueled or drained except in designated areas.

19. Lessee shall maintain leased premises and any items stored herein in complete compliance with all federal, state, and local environmental regulations. Upon termination of this lease, the Lessee will return the premises to the Lessor in the same condition as prior to occupying the premise, and will be solely responsible and financially liable to the airport for the repair or replacement of damage to the premises, except for normal wear and tear, including but not limited to recovery of hazardous material and restoration of the environment caused by the Lessee or the acts and/or omissions of the Lessee.
20. Lessee shall be permitted to use UL approved kerosene heaters to heat the hangar during cold weather but only when physically in the hangar. When the Lessee is not physically in the hangar, electric engine block heaters of wattage not exceeding 300 watts may be used to heat the aircraft stored therein.
21. Lessee will be responsible for moving aforesaid aircraft in and out of the hangar.
3. **Conditions of Premises:** The Lessee accepts the premises in their present condition on an "as is" basis without any liability or obligation on the part of the Lessor to make any alterations, improvements, or repairs of any kind on or about said premises. In addition, the Lessor hereby disclaims, and the Lessee hereby releases and discharges the Lessor from any liability or warranty, express or implied, of the condition or fitness for use of any tie-down rings, ropes, or chains used to secure the subject aircraft.
4. **Alterations and Repairs to Premises:** The Lessee covenants and agrees not to install any fixtures or make any alterations, additions or improvements in the premises except with the Lessor's prior written approval. Any additions or alterations made in the premises with the Lessor's approval, or any personal property left in the premises and not removed by the Lessee within 60 calendar days after termination of this lease, shall become the Lessor's property and may be disposed of in any way the Lessor determines proper, including sale by any method authorized by Kentucky Revised Statutes. The Lessee covenants and agrees to repair, at Lessee's own expense, any damage caused to the premises as a result of Lessee's operations or from the removal of any additions to or alterations made in the premises by Lessee.
5. **Assignment and Subletting:** The Lessee shall not assign, sublet to or allow any person use of said premises or any part thereof for any purpose without the prior written consent of the Lessor.
6. **Casualty and Other Losses:** The Lessee covenants and agrees that he will not seek to hold the Lessor, or any of Lessor's officers, agents, or employees, liable or responsible for any personal injury to, or death of Lessee, or any of Lessee's invitees or licensees, or for loss or damage to Lessee's property located at or stored in the premises caused by fire, theft, rain, hail, windstorm, or from any other cause whatsoever, unless such injury or

death or loss of or damage to property is directly and proximately caused by specific acts of negligence of Lessor or of Lessor's officers, agents or employees, and then only in the manner and to the extent authorized by the Board of Claims (KRS 44.070, et seq.). Except as provided herein, the Lessor shall have no liability to Lessee or to Lessee's invitees and licensees for any such injury or death, or loss of or damage to property, and Lessee hereby releases and discharges Lessor and Lessor's officers, agents, and employees from any and all costs, claims, damages, and causes of action which Lessee may have now or may arise in future out of or occurring as a result of the Lessee's use or intended use of the premises of any part thereof.

7. **Indemnification and Insurance:** Lessee covenants and agrees to indemnify, defend and save the Lessor, its officers, agents, and employees harmless from and against any and all costs, claims, demands, expenses and liability whatsoever asserted against them, whether in their official or personal capacities, by any third party or parties to the extent that such costs, claims, demands, expenses or liability directly or indirectly resulting from any act or omission by the negligence or willful misconduct by the Lessee or of Lessee's agents, invitees or licensees and arising out of or occurring as a result of or related to Lessee's use or intended use of the premises. Lessee agrees to obtain and keep in force at Lessee's own expense, policies of insurance through an insurance company or companies authorized to do business in the Commonwealth of Kentucky, of which provide liability coverage in such amounts which will insure against loss or damage to property located on or stored on the premises arising from acts or omissions of Lessee, its agents, invitees and licensees occurring on the premises or as resulting from any such occurrences or in any way related to Lessee's use or intended use of the premises.
8. **Lien for Rent:** It is understood and agreed by the Lessee that should any monthly installment in the rent specified in Paragraph 2 hereof be more than thirty (30) days in arrears, Lessor shall be entitled to and shall have a lien upon the subject aircraft and any other of Lessee's property located at or stored at the premises in an amount equal to the amount by which the rent is in arrears, whether Lessor has made any demand upon Lessee for payment of the arrearages in the rent or given Lessee notice of Lessor's intention to claim a lien against said aircraft and/or other property, which demand for payment or notice of lien the Lessee hereby expressly waives. Lessee further covenants and agrees that if Lessor files suit to collect any arrearages in the rent or take other action to satisfy its claim against the Lessee, that Lessee shall be liable for the costs of any such action including reasonable attorney's fees and all other costs reasonably incurred by Lessor in connection therewith.
9. **Termination:** It is covenanted and agreed between the Lessor and the Lessee that this lease may be terminated by either party hereto during the initial lease term or during any subsequent automatic extension term upon 30

days written notice to the other party, such termination be effective as of the end of the next month following the date such notice is given, except when notice is given as provided in Paragraph 1 hereinabove, in which event termination shall be effective as of the last day of the current lease term. Notice of termination by either party shall not affect or displace the obligation of the Lessee to pay the rent specified in Paragraph 2 hereof through the effective date of termination nor shall termination of this lease.

10. **Maintenance and Services Charges**: Lessee covenants that he shall pay to Lessor the sums charged for any purchases of fuel and other supplies from Lessor at the time such services are performed or such supplies are purchased.
11. **Audits**: All state contracts, as defined in KRS 45A.030(7), shall contain the following language: "The contractor, as defined in KRS 45A.030(9) agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Furthermore, any books, documents, papers, records, or other evidence provided to the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, or the Legislative Research Commission which are directly pertinent to the contract shall be subject to public disclosure regardless of the proprietary nature of the information, unless specific information is identified and exempted and agreed to by the Secretary of the Finance and Administration Cabinet as meeting the provisions of KRS 61.878(1)(c) prior to the execution of the contract. The Secretary of the Finance and Administration Cabinet shall not restrict the public release of any information that would otherwise be subject to public release if a state government agency were providing the service". (22 Ky.R. 1510; eff. 5-16-96; 30 Ky.R. 682; 1468; eff. 1-5-2004.)
12. **Whole Agreement**: It is understood and agreed by and between the Lessor and the Lessee that this agreement constitutes the entire agreement between the parties related to the subject matter and no amendments or modifications to this agreement shall be effective as against either party unless made in writing and signed by the parties hereto.

T-Hangar Lease Agreement

WITNESS our signatures, this the day and year first above written.

**LESSOR:**

Capital City Airport  
88 Airport Road  
Frankfort, KY 40601-6198  
(502) 564-3714

By: \_\_\_\_\_  
Airport Manager  
Capital City Airport  
Frankfort KY 40601  
(502) 564-0339

Date: \_\_\_\_\_

**LESSEE: (Please Print)**

Name: \_ xxxxxxxxxxxx \_\_\_\_\_

Address: \_\_ xxxxxxxxxxxxxxxxxxxxxx \_\_\_\_\_

\_\_ xxxxxxxxxxxxxxxxxxxxxx \_\_\_\_\_

Cellphone: \_\_ xxxxxxxxxxxxxx \_\_\_\_\_

Email: \_\_ xxxxxxxxxxxxxxxxxxxxxx \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_