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REQUESTED BY
DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA
2003 JUL 23 AM 11:24
WERNER CHRISTEN
RECORDER
\$0 PAID. *KJ* DEPUTY

Assessor's Parcel Number: N/A

Date: JULY 22, 2003

Recording Requested By:

Name: MINDEN-TAHOE AIRPORT

Address: _____

City/State/Zip: _____

LEASE #2003.137

(Title of Document)

This page added to provide additional information required by NRS 111.312 Sections 1-2. (Additional recording fee applies)
This cover page must be typed or legibly hand printed.

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ASSIGNMENT OF LEASE

This assignment of lease is made this 1st day of August, 2003 between Douglas County, by **BARBARA BEED** the Douglas County Board of Commissioners (Landlord), whose address is Post Office Box 218, DEPUTY Minden, Nevada 89423, and Richard and Jeany Weis, JPR and Associates, LLC (Assignor), whose address is 839 California St., El Segundo, California 90245, and Duncan M. Getty, The Tail Dragger Café, LLC (Assignee), whose address is 2181 Hwy 395, Minden, NV 89423.

RECITALS

This assignment is made with reference to the following facts and objectives:

1. Douglas County, as Landlord, and First Team, as Tenant, entered into a lease on April 7, 1994, in which Tenant leased premises on the airport. The lease was recorded as document 334985, book 0494, and pages 2293-2310.
2. On December 5, 1995, the Airport Operations Manager approved the purchase by Catherine A. Mead and Glen L. Mead of the others partners' interest in the First Team Partnership.
3. On November 5, 1998, First Team assigned their interest in the lease to JPR Associates LLC. The assignment of lease was recorded as document 0453464, book 1198, and pages 1361 to 1363.
4. On March 4, 1999, the assignment from First Team to JPR Associates LLC. (Assignee) was amended to change the effective date of the assignment to February 1, 1999. The amendment was recorded as document 0465378, book 0499, and pages 1859 to 1860.
5. Assignor desires to assign and Assignees desire to assume all the right, title and interest to the lease.
6. Douglas County will consent to the proposed assignment on the conditions listed in this assignment.

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The parties agree as follows:

7. Effective date of assignment. The assignment in this agreement will take effect on August 1, 2003, and Assignor will give possession of the premises to Assignee on that date.

8. Premises. The assignment is for the rental property at 1150 Airport Road, at Minden-Tahoe Airport, commonly known as the restaurant, owned by Douglas County.

9. Assignment and assumption. Assignor assigns and transfers to Assignee all its right, title, and interest in the lease and Assignee agrees to enter into a rental agreement with Douglas County.

10. Release. Landlord agrees to release Assignor from any obligation under this lease on assignment to Assignee.

11. Landlord's consent. Landlord consents to this assignment without waiver of the restriction concerning further assignment.

Dated this 17th day of July, 2003.

DOUGLAS COUNTY,
a political subdivision of the
State of Nevada

ASSIGNOR

By: Stephen R. Weissinger
Stephen R. Weissinger, Chairman
Douglas County Commissioners

By: Richard Weis
Richard Weis

ASSIGNEE

By: Duncan M. Getty
Duncan M. Getty

Attest:

By: Barbara Reed Date: 7-21-03
Barbara Reed, Clerk

BY: Lynne H.
CLERK TO THE BOARD

0584104

Approved as to Form:

By: Robert J. Morris
Robert Morris
Chief Deputy District Attorney

Recommended for approval
And approved as to content:

By: Jim Braswell
Jim Braswell
Operational Services Director

COPY

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Minden-Tahoe Airport

Rental Agreement

This agreement is made this 1st day of August, 2003, by and between the Minden-Tahoe Airport ("Landlord") and The Tail Dragger Café, LLC. ("Tenant").

The parties agree as follows:

1. **TERM AND PREMISES:** In consideration of the payment of rent and faithful performance of the Tenant of the terms, conditions and the mutual covenants of this agreement, Landlord rents to Tenant the real property located at 1150 Airport Road, situated on the Minden-Tahoe Airport, The term of this rental agreement is for five years and starts on August 1, 2003.

2. **OPTION TO RENEW:** Tenant will have the option to renew this lease for five periods of one year on the expiration of the initial term, provided that all terms, covenants and conditions of the initial lease term have been met and fulfilled. All provisions of this lease will carry over with the exception of the rent amount. Written notice of Tenant's intention to renew this lease must be given to the Landlord in writing at least 180 calendar days prior to the expiration of the initial term or the each option of this Lease. The Airport Manager is authorized to approve the one year extensions.

3. **RENT, CHARGES, AND FEES:** Tenant shall pay Landlord as monthly rent, without deduction, set-off, prior notice or demand, the amount of \$ 1,102.87. Tenant will receive a rent credit of \$ 6,000.00 for building improvements outlined in Exhibit A. Tenants first rent is due January 1, 2004 in the amount of \$ 617.22. February 1, 2004 rent will resume the agreed amount of \$ 1,102.87 monthly. All rent is due to the Minden-Tahoe Airport in advance on the first day of each month. The first and last month's rent will be prorated to make the rent due on the first day of the month. If the entire rental payment is not received by the Landlord within five days of the due date or if any check is dishonored, Tenant agrees to pay additional late or penalty fees, as set by the fee resolution.

All checks must be made payable to the Minden-Tahoe Airport and be delivered to Post Office Box 218, Minden, Nevada, 89423.

4. **INCREASE IN RENT, CHARGES, AND FEES:** On an annual basis for the rent due after each anniversary of the commencement date, the rent amount will be adjusted. The base for computing the adjustment is the Consumer Price Index, published by the United States Department of Labor, Bureau of Labor Statistics (index), San Francisco - Oakland - San Jose, which is in effect on the date of the commencement of the term (beginning index). The index published immediately preceding the adjustment date in question (extension index) is to be used in determining the amount of adjustment. If the extension index has increased from the beginning index, the minimum monthly rent for the following period until the next readjustment shall be set

by multiplying the minimum monthly rent by a fraction, the numerator of which is the extension index, and the denominator of which is the beginning index. In no case shall the minimum monthly rent be less than the rent in effect immediately prior to the adjustment date then occurring.

5. **USE OF PREMISES:** Tenant agrees to provide food services to the flying public, airport tenants, and patrons of the airport, seven days a week and agrees to be open, as minimum hours, from 7:00 a.m. to 2:00 p.m. A breakfast meal is to be served between 7:00 a.m. and 11:00 a.m. and lunch is to be served between 11:00 a.m. and 2:00 p.m. daily. A menu is to be provided to Landlord by August 10, 2003 and each year prior to anniversary of rental agreement. The menu must contain enough items to provide at least three options for breakfast and five for lunch. The restaurant must obtain a passing rating on all environmental inspections food service inspectors. All uses of the premises must comply with the Airport minimum standards, the Airport rules and regulations, with Douglas County Code, and the Nevada Division of Health and any state regulations for restaurant facilities.

Tenant, as well as Tenant's assignees and sublessors, agents, employees, and customers, have non-exclusive appurtenant rights of access to and use of all areas and facilities of the Airport which are intended for the common use of all Tenants and occupants of the Airport, including, but not limited to, the takeoff and landing areas, taxi areas, reasonable access from the premises, and air control facilities.

This lease confers no rights to the subsurface of the land more than 5 feet below the ground level or to the airspace more than 10 feet above the top of the roof of the building or buildings that is a part of the premises.

6. **TRADE FIXTURES:** Tenant shall have the right, at any time and from time to time during the term and any renewal or extension, at Tenant's sole cost and expense, to install and affix in, to, or on the premises items for use in Tenant's trade or business that Tenant, in Tenant's sole discretion, deems advisable (collectively, trade fixtures). Trade fixtures or any other equipment installed in the premises by Tenant will remain the property of Tenant and may be removed at the expiration of the Term or any extension, provided that any damage to the premises caused by the removal of trade fixtures or equipment shall be repaired by Tenant. and further provided that Landlord shall have the right to keep any trade fixtures or equipment that Tenant otherwise elects to abandon. Any trade fixtures that are abandoned or not removed from the premises by Tenant within thirty days after the Termination of this agreement shall be deemed abandoned by Tenant and shall automatically become the property of Landlord as the owner of the real property to which they are affixed.

7. **ASSIGNMENTS OR SUBLETTING:**

A. Tenant must not sublease, voluntarily assign, or encumber its interest in this agreement, the leased premises, or in any improvements or allow any other person or entity (except Tenant's authorized representatives) to occupy or use all or any part of the premises, without first obtaining the director's written consent. Any assignment, encumbrance, or sub-lease by Tenant is void ab initio and, at the director's election, constitutes a default of the agreement. The consent to any

assignment, encumbrance, or sub-lease does not constitute a further waiver of the provisions of this section.

The parties each agree that Tenant's request to the director for his consent to any proposed sublease or assignment, must include the following information and documents:

1. The name of the proposed subtenant, assignee, or other transferee;
2. The nature of the proposed subtenant's, assignee's, or other transferee's business to be carried on the premises:

3. Each of the terms and provisions of the proposed sublease, assignment, or other transfer, including without limitation, the full consideration for the sublease, assignment, or transfer;

B. Tenant has the right to sublease portions of premise subject to conditions and to collect rent. If Tenant is in default of rent to the County pursuant to this agreement and fails to cure promptly after receiving notice from the director, Tenant immediately and irrevocably assigns to County, as security for Tenant's rent under this agreement, all rent from any subletting of all or part of the premises, or the improvements, and County as assignee for Tenant, or a receiver for Tenant appointed on County's application, may collect the rent and apply it toward Tenant's obligations under this agreement.

C. The director must respond to requests for permission to sublease or assign within 10 business days of receipt of any formal request. Requests under this section shall not be unreasonably denied.

8. **MAINTENANCE AND REPAIR OF BUILDING:** Tenant agrees to maintain the premises in a clean and orderly condition at all times, and in accordance with safety and fire codes which may apply to buildings on the airport and other applicable Federal, state, and local laws and ordinances. Tenant agrees to provide and maintain all required fire extinguishers, as determined by the operational services director and the East Fork Fire and Paramedic District. Tenant agrees that no credit will be allowed Tenant by Landlord for the cost of any maintenance or repairs completed by Tenant. Tenant agrees to report any damages to the premises and not to repair the premises without written permission of the Landlord.

9. **UTILITIES:** Tenant shall pay, on Tenant's own account, for all utilities used or consumed on the premises, including but not limited to, gas, water, electricity, garbage disposal, storm and sanitary sewer services, janitorial services, and telephone services.

10. **WASTE, QUIET CONDUCT, HAZARDOUS SUBSTANCES AND PROPERTY INSPECTION:** Tenant shall not commit, or suffer to be committed, any waste on the premises, or any nuisance or other act or thing which may disturb the quiet enjoyment of the use of the Airport or surrounding property. Tenant shall provide, as necessary, a separate drainage, collection or separation system to ensure that no untreated liquid waste from restaurant grease traps and holding tank any type of operation be discharged directly into the Airport storm drainage or sanitary system, including aircraft cleaning and oil change operations. Tenant shall not permit any activity on the premises which directly or indirectly produces unlawful amounts or levels of air pollution (gases, particulate matter, odors, fumes, smoke, or dust), water pollution, noise, glare,

heat emissions, radioactivity, electronic or radio interference with navigation and communication facilities for the operation of the Airport and its use by aircraft, trash or refuse accumulation, vibration, prop-wash, or jet blast, or which is hazardous or dangerous by reason or risk of explosion, fire, or harmful emissions.

A. Hazardous Substances. The term "hazardous materials" means any toxic substance, hazardous substance, hazardous or radioactive material, as defined by NRS 459 as a regulated substance. Tenant must not cause or permit the presence, use, handling, generation, emission, release, discharge, storage, or disposal of any hazardous materials on, under, in, or about the premises, excepting the presence of any hazardous materials on, under, in, or about the premises as of the date of this lease or the migration to or seepage of hazardous materials from surrounding or adjacent property. Tenant must not cause or permit the transportation of any hazardous materials to or from the premises except for the proper disposal of any hazardous material according to law. Tenant shall indemnify, protect, defend, and hold harmless Landlord from and against all liability, and consequential damages, penalties, expenses, and costs of any required or necessary testing, remediation, repair, removal, cleanup, or detoxification, of the premises and if affected surrounding properties, and from and against the preparation of any cleanup, remediation, closure or other required plans, whether the action is required or necessary prior to or following the termination of this lease, to the full extent attributable to the use, handling, generation, emission, release, discharge, storage, or disposal of hazardous materials by Tenant, its agent, employees, subtenants, or contractors during the term of this lease. Tenant must at all times notify the director of any hazardous materials present, used, generated, handled, emitted, released, discharged, stored, or disposed of on or from the premises. Notice is not required for hazardous materials present on the premises in reasonable quantities which are commonly used in aircraft storage and aviation related business facilities approved for this premises. These hazardous materials include, but are not limited to, cleaning materials, motor oils and hydraulic fluids, provided these hazardous materials are used and disposed of in accordance with applicable laws. Tenant must institute operating procedures designed to handle hazardous materials consistent with prudent industry practice. The director has the right to inspect the premises at any time after reasonable notice, except in emergencies, to verify compliance with this section.

The Landlord and Tenant agree the indemnification provision of this section will survive termination of this Lease.

B. Condition of the Premises. The premises are rented in an "as is" physical condition with no warranty, expressed or implied, on the part of Landlord as to the condition of the existing improvements, the condition of the soil or the geology of the soil. The Tenant is not liable for any preexisting hazardous materials on the premises and has no obligation to remediate the site of preexisting hazardous materials.

C. Initial Remediation. Nothing in this agreement imposes any responsibility or obligation on the Landlord to prepare or implement any remediation plan or to attain remediation of the premises to a level or standard required for Tenant's use or any other purpose, except as provided in this section, the Landlord makes no warranties, representations, covenants, or agreements concerning remediation for the purposed of Tenant's use or any changes in environmental laws affecting such uses. If environmental conditions exist on the premises that require remediation of the site the lease may be terminated by either party.

11. STORM WATER DISCHARGE: The Federal Clean Water Act provides that the discharge of pollutants to waters of the United States from any industrial or commercial properties must be in compliance with a National Pollutant Discharge Elimination Permit (NPDEP). Under this Act, airports are considered "industrial activities". Therefore, the Minden Tahoe Airport and all tenants located on the Minden Tahoe Airport, are required to be in compliance under the Act and the NPDEP.

Tenant assures that no pollution or hazardous material of any type will be discharged into the storm water system at the Airport, and agrees to be held responsible for any discharge either by Tenant or by any of Tenant's subtenants, agents, or employees, during the entire term of this agreement. Any fine or cost of remedial action required of the Landlord, by any agency or agencies having jurisdiction, as a result of actions on or discharges from the premises, will be charged to Tenant, and Tenant shall immediately reimburse Landlord for these costs upon demand.

12. INSURANCE: Tenant must procure and maintain, at its own cost and expense, at all times during the term of this agreement, the following policies issued by insurance companies authorized to do business in Nevada, with a financial rating of at least an A+ status as rated in the most recent edition of Best's Insurance Reports:

A. Tenant shall obtain and maintain insurance required for Tenant's use of the property set by the Minimum Standards or, if greater, liability insurance in the following categories and amounts:

1) General liability insurance:

Premises and operation (including restaurant food service)
\$1,000,000 per occurrence/\$2,000,000 general aggregate

Douglas County shall be named as additional insured under the liability insurance policy.

B. Form of Policies. All policies of insurance required by this section must be in a standard form and written by qualified insurance companies satisfactory to the director. Evidence of all insurance required must be provided by Tenant by filing with the director a copy of the policy and policies, together with a duly executed original certificate of insurance to the effect that the insurance required by this agreement is extended. All certificates of insurance must specifically state that Douglas County, its officers, agents, and employees" are named as additional insureds under the policy or policies. All policies and certificates must contain a provision that written notice of policy lapses, cancellation, or any changes shall be delivered to the director no fewer than 30 days in advance of the effective date.

C. Notice. Tenant must give the director prompt and timely notice of any claim made or suit instituted of which it is aware of that in any way directly, contingently, or otherwise affects or might affect either, and both have the right to participate in the defense of the claim to the extent of its own interest.

13. **TAXES:** Tenant agrees to pay before delinquency all taxes and assessments which are levied and assessed upon Tenant's interest in the premises, or upon Tenant's personal property installed or located in or on the premises by the County, or other legally authorized governmental authority.

Tenant shall certify that the following insurance coverage's are in effect prior to the commencement of this rental agreement and must maintain coverage in full force and in effect until the termination of this rental agreement.

14. **ALTERATIONS:** Tenant shall not alter any existing fixtures or improvements or alter the building walls, floor, doors or ceiling in any manner; nor shall Tenant add fixtures or improvements or in any other way modify the building without prior written approval of the Landlord. Tenant agrees to construct all the improvement listed in Exhibit A before August 15, 2003, opening date. Any and all work approved by Landlord shall be conducted at Tenant's sole cost and expense. All fixtures, improvements, and additions made in or upon the property shall remain with the building at the termination of this agreement, however terminated, without any compensation being paid by Landlord to Tenant.

15. **DEFAULT, DELINQUENCY IN RENT, AND RIGHTS OF OWNER:** When any part of the rent or other charges due from Tenant remain unpaid for 30 consecutive days, Landlord shall be entitled to terminate the right of Tenant to use the premises by sending to Tenant a delinquency notice, at Tenant's notice address, and to the alternative address, if any, provided by Tenant, by certified mail, postage prepaid, containing the following:

A. An itemized statement of the Landlord's claim showing the sums due at the time of the notice and the date when the sums became due;

B. A statement that the Tenant's right to use the premises will terminate on a specified date (not less than 14 days after the mailing of the notice) unless all sums and penalty fees due are paid by the Tenant prior to the specified date;

C. A notice that the Tenant will be denied access to the building after the termination date if the sums and penalty fees are not paid; and

D. The name, street address and telephone number of the Landlord whom the Tenant may contact to respond to the notice.

Once notice has been sent, and the total sum due has not been paid as of the date specified in the notice, the Landlord may deny Tenant access to the premises, enter the premises, and remove any property found to a place of safe-keeping. The Landlord shall be entitled to exercise all rights, including, when appropriate, default and the right to sell the property in order to satisfy any amount due. The rights provided by this agreement shall be in addition to and shall not limit all other rights provided by law to a creditor. Should Tenant wish to continue this agreement after a delinquency of 30 days or more, Tenant will be required to pay all sums due plus a reinstatement fee equal to one months rent.

16. **OTHER DEFAULT:** The occurrence of any of the following is a default by Tenant:

A. Failure to provide continuous food service on the days and hours noted in section 5. Use of Premises.

B. Failure to undertake maintenance requested by the director, if the failure continues for 90 days after notice has been given to Tenant, unless a serious safety matter exists, in which case Tenant shall have 10 days from receipt of the notice to cure the default.

C. Any discharge by Tenant of pollutants or hazardous materials on or from the premises.

D. Assignment for the benefit of creditors except as provided for in section 5.

E. Failure to comply with any of the provisions of section on Non-Discrimination, after receiving written notice and failure to cure.

F. Any act, condition, event, or failure of performance constituting a default under any other provision in this Lease.

G. Failure to perform any other provision of this Lease if the failure to perform is not cured within 30 days after notice has been given to Tenant.

H. If a default cannot reasonably be cured within the period provided for, Tenant will not be in default of this agreement if Tenant commences to cure the default within the period provided for and diligently and in good faith continues to cure the default. Tenant must commence and diligently and in good faith cure any safety hazard immediately on Tenant's becoming aware of the existence of the safety hazard.

I. Notices given under this section must specify the alleged default and the applicable lease provisions, and must demand that Tenant perform the provisions of the Lease to cure the default within the applicable period of time, or quit the Premises. No notice is a termination of this lease unless specifically stated in the notice.

17. **TERMINATION:** After the initial term or any option term, this rental agreement may be terminated by either party at the end of any annual term, without cause, upon 180 days prior written notice. Upon termination of this agreement initiated by either party, Tenant agrees to return the building keys to Landlord and to remove all of the Tenant's personal property. Tenant shall leave the premises in a neat, clean and orderly condition, allowing for ordinary and normal usage during occupancy. Tenant shall reimburse Landlord for the repair of any damage to the premises including, but not limited to, bent, broken or cut interior or exterior walls, damage to floors, or damage to doors due to Tenant's operation or neglect.

18. **HOLD HARMLESS:** The Tenant, in consideration of the Landlord's agreement to rent certain real property to Tenant pursuant to the agreement, agrees that at all times during the term of this agreement Tenant shall indemnify and defend, saving harmless Landlord, its officers, boards, commissions, agents and employees, from any and all claims by any person whatsoever on account of property damage, injury or death of a person or person acting on behalf of or upon the request of the Tenant during the term of this agreement.

Landlord, its officers, boards, commissions, agents and employees shall be held harmless in all respects for any cost, expense or liability of any nature which may be incurred by the Tenant during the term of this agreement. Landlord shall have no liability of any loss or damage to goods, property or equipment of Tenant or third parties located upon or used in connection with said premises irrespective of the source or such loss or damage.

19. **NON-DISCRIMINATION:** The Tenant agrees that the following federal requirements apply to the Tenant's use of the premises.

A. The Tenant for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration, does covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the premises described in the lease 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 Tenant must maintain and operate the facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as the Regulation may be amended.

B. The Tenant for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration covenants and agrees as a covenant running with the land that: (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 subject to discrimination in the use of the facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the Tenant shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as Regulation may be amended.

C. That in the event of breach of any of the above nondiscrimination covenants, Landlord shall have the right to terminate the lease and to re-enter and repossess the premises and hold the premises as if the lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

D. Tenant shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users (and it must charge fair, equal and no unjustly discriminatory basis to all users) and it must charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

E. Non-compliance with subsection D above shall constitute a material breach of this agreement and in the event of such non-compliance the Landlord shall have the right to terminate this lease agreement without liability or at the election of the Landlord or the United States either or both Governments shall have the right to judicially enforce these provisions.

F. Tenant agrees that it shall insert the above five provisions in any lease agreement by which the Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the leased premises.

G. The Tenant assures that it 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 Part 152, Subpart E. The Tenant 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

this subpart. The Tenant assures that it will require that its covered sub-organizations provide assurance to the Tenant that they will require assurance from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effort.

H. 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 view of the Tenant and without interference or hindrance.

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

J. This lease shall be subordinate to the provisions and requirements of any existing or future agreement between the Landlord and the United States, relative to the, development, operation or maintenance of the airport.

K. There is 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. This public right of flight shall include the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through the airspace or landing at, taking off from or operation of the Minden Tahoe Airport.

L. Tenant agrees to comply with the notification and review requirements covered in part 77 of the Federal Aviation Regulations in the event future construction of a 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 situated on the leased premises.

M. The Tenant by accepting this 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 the mean sea level elevation 4778 feet. In the event this covenant is breached, the Landlord reserves the right to enter upon the premises to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Tenant.

N. The Tenant by accepting this lease 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 Minden Tahoe Airport or otherwise constitutes a hazard. In the event this covenant is breached, the Landlord reserves the right to enter upon the premises and to abate the interference at the expense of the Tenant.

O. It is understood and agreed that nothing contained in this lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349A).

P. This lease and all the provisions hereof shall be subject to whatever right of the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation, and taking over of the Minden Tahoe Airport by the United States during the time of war or national emergency.

20. **SUCCESSORS IN INTEREST:** Subject to the restrictions upon assignment in Section 5, this agreement shall be in favor of and bind the heirs, executors, administrators, successors and assigns of the parties.

21. **SECURITY:** Tenant shall be solely responsible for all on-site security. Landlord shall have no obligation to provide security for the premises, and shall not be liable for any loss of property by theft or otherwise. Landlord shall not be responsible for the safety and security of Tenant's personal property.

22. **NOTICES:** Any notice required or permitted to be given or served whether pursuant to the terms of this agreement or any provision of law shall be served by certified mail, postage prepaid to the respective addresses, and, in the case of the Tenant, to the alternative address, or at any other address as the party to be notified may from time to time designate in writing.

For the purposes of this agreement, Landlord's address to which notices may be sent, is as follows:

Minden-Tahoe Airport
1146 Airport Road
Minden, NV 89423

For purposes of this agreement, Tenant's address to which notices may be sent, is as follows:

Tail Dragger Café, LLC.
11502A Airport Road
Minden, NV 89423

23. **ENTRY OF PREMISES:** Tenant consents to Landlord's entry and inspection of the premises during the term of this agreement and any extension, with reasonable notice to Tenant, to determine compliance with the terms of this agreement or for any other reasonable purpose.


24. **SEVERABILITY:** It is the intent of the parties that the sections, paragraphs, sentences, clauses, and phrases of this agreement are severable and if any phrase, clause, sentence, paragraph, or section of this agreement is declared invalid by the final judgment or decree of a court or competent jurisdiction the invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this agreement.

25. **LAW AND FORUM:** The laws of Nevada shall govern the interpretation and enforcement of this agreement. The parties agree that the Ninth Judicial District Court of the State of Nevada will be the forum of any litigation arising from this agreement.

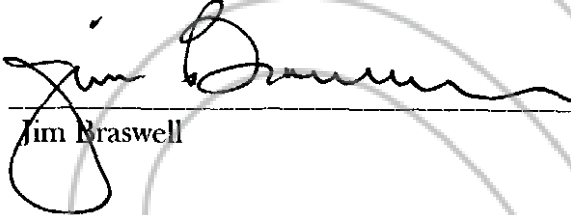
26. **DESTRUCTION:** If the premises are rendered untenable by the elements, or by any other cause not resulting from lessee's neglect or fault, the obligation to pay rent shall cease until the premises are repaired. When the premises are tenantable the obligation to pay rent will resume.

27. MECHANIC'S AND MATERIAL MAN'S LIENS: Neither Tenant nor the director shall permit any mechanic's, material man's, or other lien against the premises or the property of which the premises forms a part in connection with any labor, materials, or services furnished or claimed to have been furnished. If any lien is filed against the premises or property of which the premises forms a part, the party charged with causing the lien will cause the same to be discharged. Either party may contest any lien, so long as its enforcement is stayed.

TENANT

By: 
Duncan M. Getty

LANDLORD
MINDEN-TAHOE AIRPORT

By: 
Jim Braswell

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EXHIBIT A
Minden-Tahoe Airport
Rental Agreement

Tenant agrees to:

1. Upgrade the building electrical outlets to County Code with Whipple Electric, Inc. in the sum of \$775.00 (Invoice attached).
2. Remodel men's restroom by installing a quick recovery water heater, lavatory, remove the utility sink, remove one urinal and commode and replace with a urinal, and bring all plumbing up to County Code by Sierra Plumbing Service in the amount of \$3,101.77(Invoice attached). Ensure that both men's and women's restrooms are up to County Code.
3. Repair leaking roof in the amount of \$2,000.00 by _____ (Invoice attached).
4. Provide an adequate trash collection container at own expense. The trash container is currently off taxiway on aviation side of Civil Air Patrol. The trash container must be moved to front of restaurant building within six months of the beginning date of the lease and the enclosure must be installed according to Douglas County Code.
5. Tenant may use area between Airport Administration building and restaurant for the restaurant business upon submittal of plans. Tenant agrees to remove the Airport flag pole from this area in order for Airport to reinstall in a new location at tenant's expense. Tenant agrees if this area is used for a restaurant area, tenant will allow public to use this area to view aviation and allow the public to use the restaurant restrooms.
6. Tenant acknowledges that the grease trap and holding tank are a vital part of the restaurant business and will maintain the system at own expense.

I: Airport/leases/2003/Rental Agreement Tail Dragger Café Exhibit A 7-17-03

SEAL

CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

DATE: July 22 2003
B. REED Clerk of the 9th Judicial District Court
of the State of Nevada, in and for the County of Douglas.

By [Signature] Deputy

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