

OFFICIAL RECORD

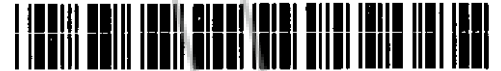
Requested By:
DC/MINDEN TAHOE AIRPORT

Assessor's Parcel Number: N/A

Date: AUGUST 7, 2009

Recording Requested By:

Douglas County - NV
Karen Ellison - Recorder
Page: 1 Of 7 Fee: 0.00
BK-0809 PG- 1831 RPTT: 0.00



Name: KEITH KALLMAN, MINDEN-TAHOE AIRPORT

Address: _____

City/State/Zip: _____

Real Property Transfer Tax: \$ N/A

AGREEMENT #2009.222

(Title of Document)

FILED

NO. 2009.222

2009 AUG -7 AM 10: 18

Minden-Tahoe Airport Building Rental Agreement

This Rental Agreement is made by and between The Minden-Tahoe Airport ("Landlord") and Civil Air Patrol, Nevada Wing ("Tenant").

TED THUAN
CLERK

BY [Signature] DEPUTY

Landlord and Tenant agree as follows:

1. **TERM AND PREMISES:** Landlord rents to Tenants a building located on the Minden-Tahoe Airport at 1144 Airport Road. The term of this Rental Agreement shall be from September 1, 2009 to December 31, 2012, unless terminated earlier by either party. Upon expiration, this Agreement may be extended for successive two-year periods, unless terminated by either party.

2. **RENT, CHARGES, AND FEES:** The Landlord is waiving rental payments to the Tenant through December 31, 2010, based on the fact that Tenant provides a valuable and significant community service by assisting in search and rescue missions as well as emergency training. On January 1, 2011, the Airport Manager is given the discretion to waive the rental fee or to assess rent against the Tenant. All rent checks are due on the first of each month and shall be made payable to the Minden-Tahoe Airport and shall be delivered to Post Office Box 218, Minden, Nevada 89423.

3. **INCREASE IN RENT, CHARGES AND FEES:** If rent is being levied against Tenant, then on January 1 of each year, 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.

4. **APPURTENANT RIGHTS AND RESTRICTION:**

A. Tenant may only use the building as a base of operations for the Civil Air Patrol and is expressly prohibited from conducting any activity other than that which is provided for in this Agreement. The following uses are prohibited and shall be cause for termination of this Agreement:

1. Use of the building for any commercial purpose, including, but not limited to, a charter service as defined in FAA Part 135, or aircraft rental, servicing, or flight instruction.
2. Use of the building as a place of residence.
3. Use of the building for painting of any kind.
4. Fueling or de-fueling of aircraft inside of the building.
5. Use of the building for the storage of gasoline, oil, paint thinner, solvents, explosive or flammable products or materials, or any other hazardous products or materials as defined in NRS 459.7024, except in amounts and in containers as approved by the Airport Manager and East Fork Fire and Paramedic Districts.

6. Use of the building for any purpose that violates any part of the Minden-Tahoe Airport Rules and Regulations, or other resolutions, order, policies or applicable laws, ordinances, or regulations.

B. Tenant shall become familiar with and shall at all times abide by all Airport Rules and Regulations relating to use of the building and the use of any of Landlord's other facilities, whether promulgated before or after the execution of this Agreement, and in particular Tenant shall abide by the following regulations:

1. All power tools used by Tenant shall be grounded.
2. Tenant to provide and maintain a fire extinguisher, as approved by the East Fork Fire and Paramedic District, within the building at all times.
3. There shall be no open flames in the building at any time.
4. There shall be no smoking in the building at any time.
5. Tenant shall supply to Landlord means of unlocking any locking devices utilized at the building for emergency access.

5. **ASSIGNMENTS, TRANSFERS AND SUBLEASES:** This Rental Agreement shall not be assigned, transferred or subleased by the Tenant.

6. **MAINTENANCE AND REPAIR OF BUILDING:** Tenant agrees to maintain the building in a clean and orderly condition at all times, and in accordance with safety and fire codes which may apply to aircraft building storage and other applicable Federal, state, and local laws and ordinances. Tenant agrees to provide and maintain all required fire extinguishers, as determined by the Airport Manager and the East Fork Fire and Paramedic Districts. 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.

7. **INSURANCE:** Tenant shall certify that the following insurance coverages are in effect prior to the commencement of this Rental Agreement and shall maintain coverage in full force and in effect until the termination of this rental Agreement.

A. **Liability Coverage.** Tenant must acquire liability insurance in an amount of not less than \$1,000,000.00 for each occurrence or accident with \$1,000,000.00 aggregate. Douglas County shall be named as an additional insured under the liability insurance policy.

B. **Form of Policy.** All policies of insurance required above shall be written by a qualified insurance company rated 'A' or better by the Best's Insurance Rating Guide and be authorized to do business by the State of Nevada and shall be in a form approved by Landlord. Tenant is required to mail a certificate of insurance, signed by an authorized representative of the issuing company, annually. The following information must be included on each certificate of insurance or the coverage shall be considered incomplete:

- 1) A statement that Douglas County is endorsed as a named insured under each policy or policies;
- 2) All required dollar limits of insurance coverages shall be correctly stated:



3) A provision that written notice of cancellation or any material change in coverage shall be delivered to Landlord at least 30 days in advance of the effective date of the material change or cancellation, and that no cancellation, alteration or change of beneficiary or beneficiaries shall be made without written notice to Landlord;

4) An original signature and the printed name of the insurance agent or authorized representative of the insurance company issuing the policy, including the insurance underwriter's or broker's telephone number.

8. 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 will not attach any hoisting or holding mechanism to any part of the building, or pass any such mechanism through any part of the struts or braces of the building. 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 to Tenant.

9. DEFAULT, DELINQUENCY IN RENT, AND RIGHTS OF OWNERS: When any part of the rent or other charges due from Tenant remains unpaid for twenty (20) consecutive days, Landlord shall be entitled to terminate the right of Tenant to use the building 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 building will terminate on a specified date (not less than 10 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 shall 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 shall deny Tenant access to the building, enter the building, 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. However, the Landlord retains the sole discretion as to whether to allow Tenant to continue renting the building.

10. OTHER DEFAULT: In the event that Tenant violates any of these terms (other than the obligation to pay rent or other charges) then Landlord may, at its option, provide Tenant with a notice stating that if the violation is not cured within 10 days of the date of the notice, then this Agreement will automatically terminate. Tenant agrees that in the event of termination, Tenant shall immediately surrender possession of the building to

Landlord and remove all of Tenant's property and if Tenant does not immediately notify Landlord of surrender of the building and notify Landlord that Tenant's property has been removed, Landlord may immediately re-enter the building. So long as Landlord reasonably believes that no individual is present in the building at the time, and a reasonable belief of imminent danger to Landlord's interests or property exists, Landlord shall be free to forcibly enter the building by removal of or alteration of any locks, and the parties agree that any forcible entry shall not constitute a trespass, breach of the peace, or forcible entry and detainer. In the event that, as a result of the actions on the part of Tenant, any expenses or costs are incurred by Landlord, then Landlord may treat the costs or expense as rent, for all purposes, and may recover from Tenant the costs or expenses.

11. TERMINATION: Either party may revoke this contract without cause, provided that a revocation shall not be effective until 30 days after the party has served written notice upon the other party. All monies due and owing up to the point of termination shall be paid by Tenant. Upon termination of this Agreement by either party, Tenant agrees to return 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 or 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.

12. 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.

13. SUCCESSORS IN INTEREST: Subject to the restrictions upon assignment in Section Five of this Agreement, this Agreement shall be in favor of and bind the heirs, executors, administrators, successors and assigns of the parties.

14. 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, vehicles or aircraft.

15. 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, or at any other address as the party to be notified may from time to time designate in writing. Landlord's address, to which notices shall be sent, is as follows:

Minden-Tahoe Airport
P.O. Box 218
Minden, NV 89423

Tenant's address to which notices shall be sent is as follows:

Civil Air Patrol
Nevada Wing
P.O. Box 339
Sparks, NV 89432

16. ENTRY OF BUILDING: Tenant consents to Landlord's entry and inspection of the building during the term of this Agreement and any extension, without notice to Tenant, to determine compliance with the terms of this Agreement, for maintenance or repairs which may be required or for any other reasonable purpose. Additionally, representatives of East Fork Fire and Paramedic Districts as well as the Douglas County Sheriff's Office may, without notice to Tenant, enter the building to conduct safety inspections or investigate a reported crime. Tenant agrees to allow Landlord reasonable use of the meeting room in the building as long as it does not conflict with Tenant's operations.

17. 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 of competent jurisdiction the invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Agreement.

18. LAW AND FORUM: This contract shall be construed and interpreted according to the laws of the State of Nevada. Any dispute regarding this Contract shall be resolved by binding arbitration, with an arbiter to be selected from a list maintained by the Nevada Supreme Court of senior/retired judges, with both parties to pay their own attorney fees. There shall be no presumption for or against the drafter in interpreting or enforcing this Rental Agreement.

19. 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 tentable the obligation to pay rent will resume.

20. ILLEGAL ACTIVITY: Tenant agrees not to engage in or allow criminal activity to occur within the building. Any violation of this is grounds for immediate termination of this Rental Agreement.

21. MODIFICATION OF CONTRACT. This Rental Agreement constitutes the entire agreement between the parties and may only be modified by a written amendment signed by the Tenant and approved by the Douglas County Board of Commissioners.

22. ENTIRE AGREEMENT: This Rental Agreement constitutes the full and final agreement between the parties and will not be modified except in writing and signed by both parties.

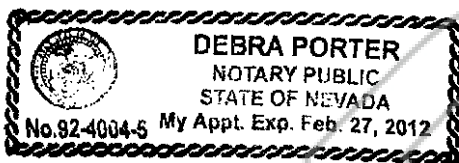
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In Witness Whereof, the parties hereto have caused this Building Rental Agreement to be signed and intend to be legally bound thereby.

TENANT
CIVIL AIR PATROL, NEVADA WING

BY: [Signature]
On behalf of the Tenant and with authority to sign.

NOTARY: [Signature]



LANDLORD
MINDEN-TAHOE AIRPORT

BY: [Signature]
Nancy McDermid, Chair
Douglas County Board of Commissioners

Attest: [Signature]
Ted Thran, Douglas County Clerk

BY: [Signature]
Clerk to the Board

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: Aug 7 2009
[Signature] Clerk of the 19th Judicial District Court
of the State of Nevada, in and for the County of Douglas.

By [Signature] Deputy