

Ashe County

Staff Report

1/12/2021

RE: Braun Airport Lease

Summary:

The attached lease includes the following corrections from the last meeting: paragraph #4 in its entirety, and in paragraph #12, Lease was changed to Lessee.

After the discussion from the last meeting, no changes were made to paragraph #4. The property owner has requested this inclusion and John Kilby has reviewed the paragraph and agrees it should remain. This paragraph ensures that the tenant will be paid in full if the term of the lease ends at the scheduled 5 years or in between. It is entirely possible that the full amount of the hangar door (\$30,000) will not be paid during the full term of the lease, so a provision needs to be included for this contingency. The term could end at 5 years or in between by the tenant or landlord for the reasons prescribed in the lease.

Attachments:

1. Braun Airport Lease



Ashe County Administration
150 Government Cir, Suite 2500
Jefferson, NC 28640

NORTH CAROLINA
COUNTY OF ASHE

This Contract of Lease, made and entered into this the ____ day of December, 2020, by and between the COUNTY OF ASHE, Jefferson, NC, a municipal corporation, hereinafter called "Lessor" and David Braun hereinafter called "Lessee."

WITNESSETH

The terms and conditions of this Contract of Lease are as follows:

1. The lease shall begin as of the 1st day of July, 2020, and shall continue and exist for a period of Five Years (5 Years). The Lessee shall have the option to renew the lease for an additional Five Years (5 Year) provided he gives 30 days' written notice prior to the end of the current lease; the terms of the extension shall be determined by mutual agreement at the time of renewal. If Lessee does not provide a written notice as stipulated of intention to renew, Lessor may lease to another party.
2. It is agreed that the lease shall provide for the Tenant to sublease, but only with Airport Managers approval. Said approval shall not be unreasonably withheld.
3. In the event the Lessee does not extend the terms of this lease, he shall vacate the premises and remove all personal property by the end of the current lease period. In the event the Lessee fails to remove all personal property, with the exception of any airplane, within 15 days of the termination of the lease, it shall be deemed as abandoned and the county may dispose of it in the manner it sees fit.
4. The rental for said demised premises shall be in the amount of \$2,800.00 to be deducted annually from the material and installation charge of said hangar door until the total cost of the hangar door and installation is satisfied. The Lessor may at any time pay the Lessee the remaining balance for said hangar door and installation, at which time the Lease will revert to the standard Contract of Lease. At the end of the term Landlord agrees to pay the balance of Door Loan to Tenant, should the term end prior to full payment of Door Loan. The rent for the 2 five year terms shall be \$2,800 annually. In the event the term is extended for additional terms, the rent shall not increase more than the percentage of increase for other hangars.
5. It is agreed by and between the parties hereto that the Lessee may not construct any other building or improvements on said demised premises without first obtaining the written approval and consent of the Lessor, and that all Lessee constructed building or improvements on said demised premises be in compliance with all Ashe County building codes. Said improvements remaining at completion of lease period revert to the Lessor.
6. In the event that the hangar or said improvements upon the demised premises be destroyed or rendered unfit for use or occupancy by fire or other casualty, this lease shall, at the option of the Lessee, terminate. The County shall be responsible for Fire and Casualty insurance on the structure; the Lessee shall be responsible to carry insurance on all personal property located on premises.

7. The Lessee agrees to abide by all the terms and conditions listed in the Ashe County Airport Rules and Regulations manual, and will recognize in writing the receipt of the manual before signing this Contract of Lease. It is further agreed by and between the parties hereto that should the Lessee fail in any way to comply with the safety, security, maintenance and operations policies contained within the Ashe County Airport Rules and Regulations manual that the Lessor may take any corrective action it deems necessary and bill the Lessee for any costs incurred, and in addition thereto agreed that it will hold the Lessor harmless for any liability it may incur by reason of use of occupancy of the subject property by the Lessee.
8. The Lessee agrees that during the term of this lease he will pay for all utility usage for the demised premises including, but not limited to, electric service, heat, water and telephone service. Lessor will provide electric service installation during the term of this lease, but Lessee will be responsible for the payment of all charges for installation of any utilities aside from said already existing electric service and all ongoing charges for said utility services. The said utility systems required for improvements on said demised premises shall be placed underground, and the Lessor agrees to execute any required document or documents for that purpose (e.g. utility easements).
9. During the term of this lease, the Lessor will provide and maintain full-time ingress and egress to the hangar unit, said ingress and egress to include aircraft ingress and egress from the runway and private automotive ingress and egress from the public road.
10. The Lessee agrees that when it shall become necessary to unlock an airport gate for ingress and egress that the gate shall be relocked immediately.
11. It is agreed by and between the parties hereto that the Lease shall not assign this lease or sublet any portion of the demised premises without the written consent of the Lessor. It is expressly agreed and understood that if the lease is assigned by consent of the Lessor that it shall only be for the remainder of the unexpired term of the Lease.
12. The terms and provisions of this Contract of Lease shall be binding upon the parties hereto, their successors or heirs and assigns, and legal representatives.
13. Any hangar located and leased at the Ashe County Airport shall be utilized for the primary purpose of aircraft storage as outlined in the Ashe County Airport Rules and Regulations manual. The stored aircraft must be either owned or leased by the Lessee and if leased the Lessee must, on request, provide a copy of the lease to the Lessor. Hangar buildings shall not be used primarily for the purpose of storing automobiles, merchandise, farm implements, or other types of storage.

Enclosures:

- Exhibit One: Garage Door Order Form
- Exhibit Two: Amortization Schedule, Monthly, Quarterly, and Annually

IN WITNESS WHEREOF, the County of Ashe has caused these presents to be executed by the County Manager and attested by its Clerk, and its corporate seal affixed, all by the authority of the said Board of Commissioners duly given, and _____ has personally executed these presents the day and year first written above.

COUNTY OF ASHE

By: _____

Adam Stumb
County Manager
Lessor

Attest:

Clerk

David Braun

Lessee

ADAM STUMB (SEAL)

SEAL – STAMP

State of North Carolina, County of Ashe

I, a Notary Public of the County and State aforesaid, certify that ADAM STUMB personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of December, 2020.

My commission expires: _____

Notary Public