

PICKENS COUNTY AIRPORT

LAND LEASE AGREEMENT

**Aviation Business Hangar Land Lease
Thirty (30) Year Term**

This agreement is entered into by and between the parties, PICKENS COUNTY AIRPORT AUTHORITY, referred to as "Lessor" and Flaps UP, LLC herein referred to as "Tenant."

That Tenant has leased from Lessor the following described property:

SEE EXHIBIT A

1.

The rental rate for the Property shall be \$.22 per square foot per year for the square footage shown on Exhibit A for an annual rental of \$9,518.30. Said rent shall be due on or before January 5th of each year during this lease, with an amount prorated as to the beginning date due when this lease is signed. This rental rate shall be adjusted each year on January 5th by multiplying the current rental rate by the most current Consumer Price Index that was published prior to January 5th of the current year and adding that to last year's rental rate. Tenant shall pay the higher of either this changed rental rate or last year's rental rate.

2.

The term of this lease shall be from April 1, 2023 to March 31, 2053 for a Thirty (30) year term. At the end of the thirty-year lease term, the buildings and improvements will revert back to the Pickens County Airport Authority. Tenant shall have first right of refusal to lease the Hangar from the Lessor upon termination of this land lease.

3.

In addition to the Property subject to this Lease, Lessor during the term of this Lease, grants and conveys to Tenant, an easement for ingress, egress, placement and maintenance of utilities, and other reasonable and necessary purposes over and across, the portion of the Airport, as is reasonably necessary to provide access to the Property and Hangar, and a construction easement over and across that portion of the Airport reasonably necessary to construct the Hangar on the Property.

4.

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The terms, conditions, warranties and representations made by Tenant in its application to Lessor are incorporated herein and made a part hereof. Without any limitation to the foregoing, Tenant specifically agrees to construct the hanger referenced in said application according to the design, plans, and specifications contained therein.

5.

All Hangar Construction activities by Tenant shall be completed in a manner so as to cause minimal conflict with Airport activities and in any event shall be completed within 18 months from the execution of the lease. Tenant shall allow no materialman's or other lien to attach to the Premises or improvements except as specifically approved in advance in writing by Lessor. Tenant indemnifies and holds Lessor harmless from any and all claims arising due to the construction of any improvements on the Premises whether in contract or due to injury or damage to persons or personal property on the Premises due to said construction.

6.

Tenant shall not assign this lease without prior written approval from Lessor. Tenant agrees and consents to an assignment of this lease by Lessor to the Pickens County Airport Authority, and upon written notice from the Pickens County Airport Authority of said assignment, agrees to be bound by its terms.

7.

Tenant shall be permitted to sublet any or all of the premises without the prior approval of Lessor, subject to the terms of this lease.

8.

It is agreed that the property is accepted as is and that Tenant shall be responsible for any damage or contamination to said property, for the term of this lease. Tenant agrees that use of said property is to be restricted to aeronautical uses, to include aircraft storage and any other aviation related activity that is approved by Lessor.

9.

The Rules and Regulations of the Pickens County Airport together with any subsequent amendments are hereby incorporated into this lease and made a part hereof. This lease shall be subordinate to said Rules and Regulations together with any and all amendments thereto.

10.

Tenant is responsible for all utilities. Tenant shall be responsible for property tax on said building and contents. Tenant agrees to maintain in good condition all buildings on leased property for the duration of lease. Tenant hereby releases Lessor from liability for any damage or loss to either person or property of Tenant, and all other persons, occasioned by fire, theft, vandalism, rain, windstorm, hail or any other Act of God, whether said cause the direct, indirect, or merely a contributing factor in producing the loss of any property included, but not limited to any airplane, automobile, personal property, parts or surplus that may be located or stored on said property, offices, aprons, field or any other location at Airport; and Tenant agrees that the aircraft, and their contents are to be stored, whether on the field or in the hangars, at Tenant's risk. Lessor shall have the right to enter the premises for safety and fire inspections.

11.

Tenant shall be required to return at least all aircraft for ad valorem taxes in Pickens County, Georgia; Tenant agrees to house in said hangar aircraft based in Pickens County, Georgia Airport, for the term of lease.

12.

Tenant shall provide Lessor with such information as Lessor determines to be necessary and proper in order to protect the operational interest of Airport. Such information shall include, but not be limited to, name, address and telephone numbers for contact. Tenant warrants the accuracy and agrees to update information within seven (7) days of any changes.

13.

Tenant and every person entering the Lease Premises or Airport as a member, guest, employee or invitee of Tenant shall abide by all rules, regulations, FAR's and ordinances of the Federal Aviation Administration, the State of Georgia, Pickens County, Georgia, and the rules and regulations of the Pickens County Airport Authority, together with all other duly constituted public authorities having jurisdiction. Tenant shall be responsible for ensuring that any person entering the Airport or Leased Premises as a guest, member, employee or invitee of Tenant abides by all such rules. Failure to do so may result in termination of this lease.

14.

Tenant is obligated to maintain liability insurance on all aircraft with current airworthiness certificates. Tenant shall be responsible for obtaining said insurance and will provide Lessor with a certificate of insurance naming Lessor as an additional insured which will be kept in the Airport Manager's office. Said policy shall also contain a waiver of subrogation in favor of Lessor, a minimum of three hundred thousand dollars (\$300,000.00) coverage for fire legal liability, and hangar keepers

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liability coverage (including aircraft hull liability coverage) in the amount of the highest valued airplane maintained on the premises.

15.

Tenant shall also maintain adequate premises liability coverage on the building and its contents at a minimum of one million dollars (\$1,000,000) per occurrence, and hereby holds Lessor, its agents and employees harmless as to claims made by third parties as a result of Tenant having use of the Leased Premises. Tenant shall be responsible for obtaining such insurance and will provide Lessor with a certificate of insurance naming Lessor as additional insured which will be kept in the Airport Manager's office. Said policy shall also contain a waiver of subrogation in favor of Lessor and a minimum of three hundred thousand dollars (\$300,000.00) coverage for fire legal liability.

16.

Tenant is obligated to maintain fire and extended coverage insurance on all buildings in an amount equal to replacement cost of said buildings. Tenant will furnish proof of such insurance which will be kept at the Airport Manager's office. Said policy shall name Lessor ISAOA as their interests may appear as an additional insured. Said policy shall also contain a waiver of subrogation in favor of Lessor and a minimum of three hundred thousand dollars (\$300,000.00) coverage for fire legal liability.

17.

It is understood and agreed that all buildings, persons, bags and vehicles on or entering the Airport are subject to security searches and that persons may be denied entry at the discretion of the owner, Lessor, and the Airport Manager. Tenant expressly consents to said search.

18.

Tenant shall not release, nor shall tenant permit any employee, contractor, agent, or invitee to release, any Hazardous Material on the Premises, into the air or the surrounding land, surface water, or ground water. Tenant shall obtain and maintain all necessary permits, approvals, registrations, certificates, and authorizations ("Permits") required under applicable Environmental Laws for the Premises and petroleum equipment, and Tenant shall be responsible for all related costs, fees, and charges. Where cooperation of Lessor is necessary to obtain any such Permits, Lessor shall provide such cooperation but shall not be compelled to become a permittee or co-permittee, and all costs, fees, and charges shall be reimbursed by Tenant within thirty (30) days of presentation of Lessor's statement of same. Upon request by Lessor, Tenant shall provide Lessor with copies of all reports, studies, complaints, claims, directives, citations, demands, inquiries, notices of violation, or orders relating to Hazardous Material at or emanating from or to the Premises, at any time, or any alleged non-compliance with Environmental Laws at the Premises, reasonably promptly (and in no event later than thirty (30) days after such documents are provided to or generated by Tenant). To the extent tenant is required under applicable Environmental laws or by governmental authorities having jurisdiction to report a release of Hazardous Material at, on, under, or from the Premises, Tenant also shall promptly notify Lessor of any release of Hazardous Material at, on, under, or from the Premises and promptly shall abate and remove any such releases as required by applicable Environmental Laws and governmental authorities having jurisdiction. Tenant agrees to indemnify and hold Lessor harmless from any and all

claims, damages or actions of any nature arising from or related to any release of a Hazardous Substance on, under or upon the Premises by Tenant or its agents, employees or invitees.

19.

Tenant shall be in default hereunder if (a) Tenant fails to pay when due Rent and any other sums due under this lease; or (b) Tenant fails to observe and perform any of the other terms, covenants and/or conditions of this lease, including but not limited to its failure to comply with the Rules and Regulations of the Pickens County Airport. Lessor may terminate the lease and take such other actions as are provided for herein upon lease termination or such other measures as are allowed by law if such default shall continue for more than ten (10) days after written notice from Lessor to Tenant. If the nature of a default under (b) above is such that it cannot reasonably be cured within the aforesaid cure period, and work thereon shall be commenced within said period and diligently prosecuted to completion, then Lessor's rights under this Paragraph shall be inapplicable.

20.

If at any time during the Term there shall be filed by or against Tenant or any successor tenant then in possession in any court pursuant to any statute either of the United States or of any state, a petition (i) in bankruptcy, (ii) alleging insolvency, (iii) for reorganization, (iv) for appointment of a receiver, or (v) for any relief under the Bankruptcy Code, or if a similar type of proceeding shall be filed, Lessor may terminate Tenant's rights under this lease by notice in writing to Tenant, and thereupon Tenant shall immediately quit and surrender the Premises to Lessor, but Tenant shall continue liable for the payment of rent and all other sums due hereunder.

21.

In the event of a breach by Tenant of any of the covenants or provisions hereof, Lessor shall have, in addition to any other remedies which it may have, the right to invoke any other remedy allowed at law or in equity to enforce Lessor's rights or any of them. Tenant hereby waives its right to redeem in the event that it shall be dispossessed or this lease terminated by reason of any default on its part.

22.

If Tenant shall at any time be in default hereunder, and if Lessor shall deem it necessary to engage attorneys to enforce Lessor's rights hereunder, the determination of such necessity to be in sole discretion of Lessor, Tenant will reimburse Lessor for the reasonable expenses incurred thereby, including but not limited to court costs and reasonable attorney's fees.

23.

The failure of Lessor to insist upon a strict performance of any of the terms, conditions and covenants herein shall not be deemed to be a waiver of any rights or remedies that Lessor

may have and shall not be deemed a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained except as any be expressly waived in writing.

24.

MISCELLANEOUS:

- (a) Time is of the essence in performance of Tenant's obligations hereunder;
- (b) This Agreement is to be construed in accordance with the laws of the State of Georgia; Tenant consents to jurisdiction in Pickens County Superior Court;
- (c) Notices shall be complete upon mailing to the parties at the following address certified mail return receipt requested or to such other address as the parties may substitute in writing:

Lessor: Pickens County Airport Authority
1266 East Church Street
Suite 188
Jasper, GA 30143

Tenant: Flaps Up, LLC
XXXXXXXX 110 Bruner Way
XXXXXXXX Bull Ground, GA 30107
XXXXXXXX

- (d) It is understood and agreed the terms Lessor and Tenant shall include the executors, administrators, successors or heirs of the parties hereto, and the term Lessor shall include managers and other agents for Lessor.
- (e) This document represents the full agreement between the parties and may not be modified except in writing and signed by both parties. No oral or other representations or agreements have been relied upon by the parties and any prior written or oral agreements between the parties are terminated.

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In witness whereof, Lessor and Tenant hereunto have set their hands and affixed their seals.

LESSOR:

PICKENS COUNTY AIRPORT AUTHORITY

By: _____

Don Boggus
Chairman

Its: _____

SEAL

Attest:

By: _____

Ed Wood

Ed Wood

Its: _____

Treasurer

TENANT:

Flaps UP, LLC

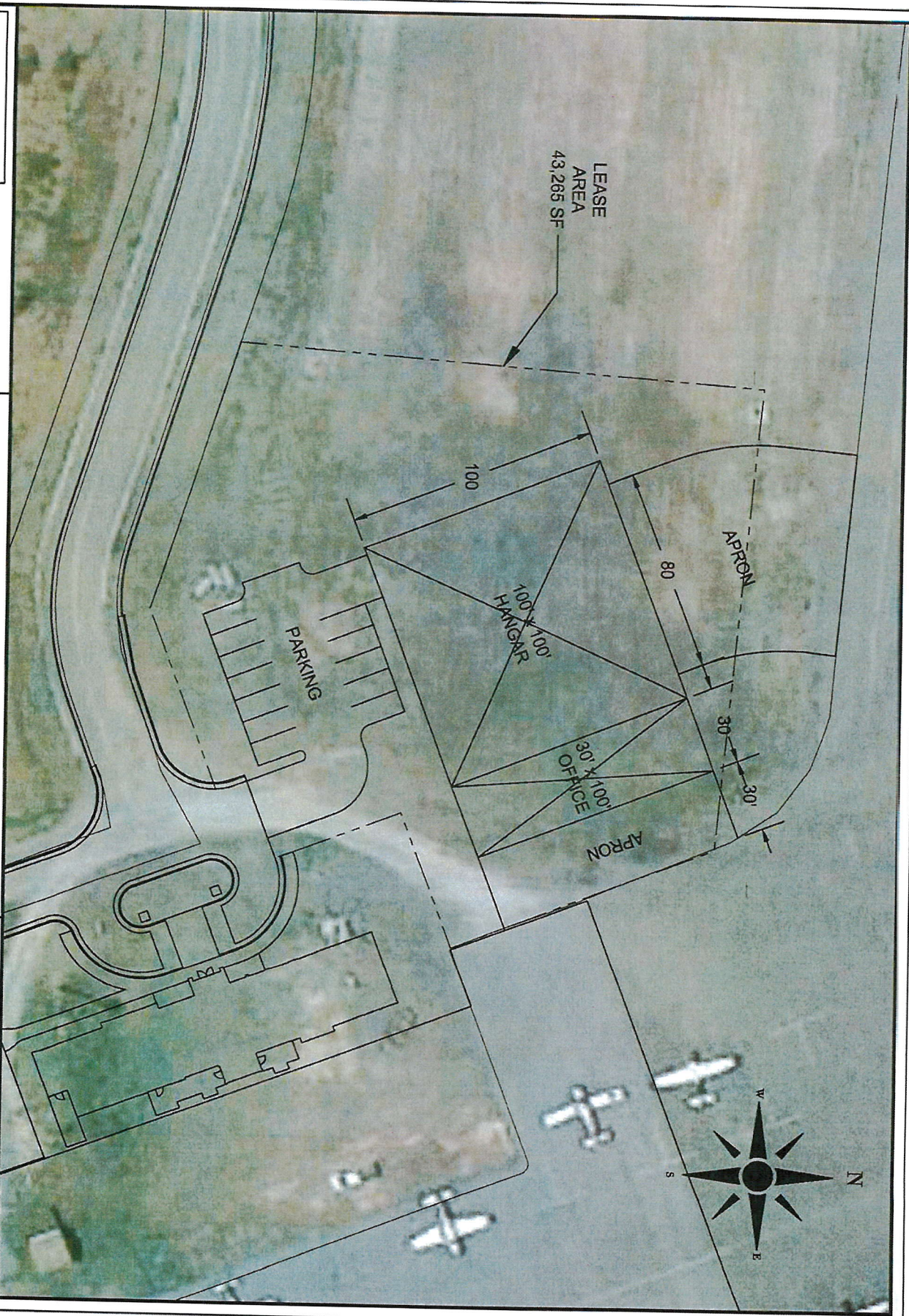
By _____

Flaps Up, LLC

Its: _____

XXXXXXX

Member



300 Parkbrooke Place
Suite 100
Woodstock, Georgia 30189
www.leadEdgeDesign.com

PICKENS COUNTY AIRPORT

JASPER, GEORGIA

HANGAR LEASE AREA EXHIBIT

Scale: 1" = 50'

Date: MARCH 2023

Stacy McClure

From: Don Boggus <dboggus@frontlinecapitalpartners.com>
Sent: Friday, April 21, 2023 11:48 AM
To: Stacy McClure
Subject: executed lease
Attachments: Flaps Up executed lease.pdf

He is supposed to drop check off to me today. Thanks.

Don Boggus, CEO
Frontline Capital Partners
91 Sammy McGhee Blvd., Suite 110
Jasper, GA 30143
404-312-3507 Cell
678-454-5600 Office
www.frontlinecapitalpartners.com