

Contract No. _____

Property: Lunken Airport – Lease Area 24, Hangar #6
(4760 Airport Road)

LEASE AGREEMENT

THIS LEASE AGREEMENT (“**Lease**”) is made and entered into on the Effective Date (as defined on the signature page hereof) by and between the **CITY OF CINCINNATI**, an Ohio municipal corporation, the address of which is 801 Plum Street, Cincinnati, OH 45202 (the “**City**”), and **SIGNATURE ENGINES, INC.**, an Ohio corporation, the address of which for purposes of this Lease is 4760 Airport Road, Cincinnati, OH 45226 (“**Lessee**”).

Recitals:

A. The City owns Lunken Airport, which is under the management and control of the City’s Department of Transportation and Engineering (“**DOT**”).

B. Pursuant to a *Lunken Airport Lease Agreement* dated June 6, 2007, by and between the City and Lessee (the “**Existing Lease**”), Lessee currently leases the portion of the Airport known as Lease Area 24 (containing approximately 34,781 square feet, including Hangar 6, containing approximately 10,875 square feet), as depicted on Exhibit A (Site Map) and described on Exhibit B (Description of Leased Premises) hereto (the “**Leased Premises**”), for the non-exclusive right for parking, storage, maintenance, servicing, repair, and sale of aircraft, aircraft assemblies, aircraft accessories, aircraft radio and electronic equipment and component part thereof, and for other general aeronautical purposes (the “**Permitted Use**”).

C. The term of the Existing Lease expired on May 31, 2022, Lessee has continued to occupy the Leased Premises on a month-to-month basis since then, and the parties now desire to enter into a new lease pursuant to which the City will lease the Leased Premises to Lessee for an additional term of up to twenty years (namely, an initial term of 5 years with three 5-year renewal options).

D. The City has determined that the Leased Premises are not needed for any municipal purpose during the term of this Lease.

E. The City has determined that competitive bidding in connection with the lease of the Leased Premises is impractical and that eliminating competitive bidding is in the best interest of the City because the City has determined that Lessee’s proposed business is aviation-related as required by the FAA and will be suitable and advantageous given the other mix of tenants at the Airport.

F. The rent set forth in this Lease reflects the current fair market rental value of the Leased Premises, as determined by appraisal by the City’s Real Estate Services Division and the Airport Manager taking into consideration airport industry standards and FAA requirements.

G. Because Lessee currently occupies the Leased Premises for the Permitted Use, the City’s execution of this Lease will not result in a change in use of the Leased Premises, therefore approval by City Planning Commission is not required.

H. Execution of this Lease was authorized by Ordinance No. [____], passed by Cincinnati City Council on [_____].

NOW, THEREFORE, the parties hereby agree as follows:

1. Leased Premises.

(A) Grant. The City hereby leases the Leased Premises to Lessee, and Lessee hereby leases the Leased Premises from the City, on the terms and conditions set forth herein. The City makes no representations or warranties to Lessee regarding the physical condition of the Airport or Leased Premises and Lessee accepts the Leased Premises in “as is” condition. The rights herein granted to Lessee are subject and subordinate to any and all existing covenants, easements, restrictions and other matters of record affecting the Leased Premises, and to any and all existing agreements between the City and the federal government pertaining to the Airport.

(B) City’s Right to Enter. The City’s employees, agents and contractors shall have the right to enter upon the Leased Premises, at any reasonable time and from time to time, for the purpose of examining the condition of the Leased Premises, determining Lessee’s compliance with the provisions of this Lease, accessing any public utility installations as shown on drawings at the office of the Airport Manager, and for any other proper purpose. The City shall use reasonable efforts to avoid disrupting Lessee’s business operations and shall promptly repair any damage to the Leased Premises caused by the City’s entry. The City shall use reasonable efforts to notify Lessee prior to entering upon the Leased Premises except that no notice shall be required in the event of an emergency.

2. Term; Renewal Periods.

(A) Initial Term (5 years). The initial term of this Lease (“**Initial Term**”) shall commence effective as of the first day of the calendar month following the Effective Date (as defined on the signature page hereof) (the “**Commencement Date**”), and, unless extended or sooner terminated as herein provided, shall expire at 11:59 p.m. on the day prior to the fifth anniversary of the Commencement Date. As used herein, the first “**Lease Year**” shall mean 12 full calendar months from the Commencement Date to 11:59 p.m. on the day prior to the first anniversary of the Commencement Date. Each subsequent Lease Year shall be 12 full calendar months.

(B) Renewal Periods (three 5-year renewal periods). Provided Lessee is not in default under this Lease beyond any applicable cure period at the time it exercises a renewal option, Lessee shall have the option to extend the Term of this Lease, for three renewal periods of five years each (for a total Term, including the initial Term, of 20 Lease Years), exercisable by giving written notice thereof to the City at least ninety (90) days (but no earlier than 9 months) prior to the expiration of the Initial Term or the then-existing renewal period, as applicable (the “**Written Notice of Renewal**”). Each renewal period shall be on the same terms and conditions as set forth herein (except that, after the third renewal period, there shall be no additional renewal options unless agreed to by the parties in a written amendment to this Lease). As used herein, the “**Term**” of this Lease means the Initial Term and, if applicable, the renewal periods. (The foregoing shall not be construed as preventing Lessee from negotiating with the City to further the extend the Term or negotiating the terms of a new lease with the City, upon the expiration of the renewal periods, any such further extension of the Term or new lease being subject to approval by City Council and, if applicable, the FAA.)

(C) Lessee’s Right to Abate Rent and Terminate the Lease if Unable to Use the Leased Premises for Permitted Use. If, during the Term, Lessee, through no fault of its own, is permanently prevented from using the Leased Premises for the Permitted Use, and/or from safely accessing and using the Airport runways for take-offs and landings, the same shall not be a default by the City, however (i) if Lessee is prevented from using the Leased Premises for the Permitted Use for longer than 30 consecutive days, Lessee shall not be required to pay base rent for the remainder of the time during which Lessee is prevented from using the Leased Premises for the Permitted Use, and (ii) from and after such 30-day period during which Lessee is prevented from using the Leased Premises for the Permitted Use, Lessee shall have the right to terminate this Lease by notifying the City thereof in writing no less than 60 days prior to the effective date of such termination. (For clarity, occasional and temporary interruptions in Lessee’s use of the Airport runways for maintenance and repairs shall not give rise to a temporary rent abatement or termination right under this paragraph.)

3. Rent.

(A) Base Rent. Beginning on the Commencement Date, Lessee shall pay annual base rent in equal monthly installments, in advance, on the first business day of each month, in the amounts calculated in this paragraph (namely, fixed for the Initial Term, with CPI adjustments for the renewal period). The monthly installment of rent for any partial calendar month at the beginning or end of the Term shall be prorated on a per diem basis. Notwithstanding the rent adjustments provided for herein, in no event shall annual base rent decrease.

(i) Initial Term (Lease Years 1-5 (fixed)). For Lease Years 1-5, annual base rent shall be equal to the following amount: **\$21,301.00/year.**

(ii) Renewal Period (Lease Years 6-20) (CPI adjustment). Effective as of the first day of Lease Year 6, annual base rent shall increase to an amount that is equal to the product of multiplying the annual base rent payable during the Initial Term by a fraction, the numerator of which is the CPI most recently published 60 days prior to the rent adjustment date, and the denominator of which is the CPI most recently published 60 days prior to the Commencement Date. As used herein, "CPI" means the Consumer Price Index, All Urban Consumers, U. S. City Average (1982-1984=100) published from time to time by the United States Bureau of Labor Statistics. Lessee shall make all CPI rent adjustment computations under this section 3(A) and shall send written notice of each CPI-based rent adjustment, together with Lessee's computations ("**Lessee's Rent Adjustment Notice**"), to DOTE (to the two addresses set forth in section 11 below) and to the City's Real Estate Services Division (801 Plum Street, Room 122, Cincinnati, OH 45202) no less than 30 days prior to the rent adjustment date.

(B) Place of Payment. As used herein, "rent" shall mean base rent and all other amounts payable by Lessee to the City under this Lease. Rent shall be payable to "Treasurer – City of Cincinnati" and mailed or delivered to: City of Cincinnati, 465 Wilmer Avenue, Cincinnati, OH 45226, Attn: Lunken Airport Manager, or to such other address as the City may from time to time specify in writing.

(C) Late Payments. If any payment of rent is not paid when due, a late charge of 5% of the amount past due shall automatically become due and payable. If rent is outstanding for longer than 30 days, such past due amount shall bear interest at the rate of 10% per annum until paid.

4. Permitted Use; Hours of Operation.

(A) Permitted Use.

(i) Provided Lessee has obtained all valid permits from the City and any and all other required permits, Lessee shall use the Leased Premises for the Permitted Use and for no other activities whatsoever without the City's prior written consent. (For clarity, Lessee's right to use the Leased Premises is exclusive as to other users of the Airport, however nothing herein shall limit or prevent the City from granting third parties the right to use other space at the Airport for the Permitted Use or from using the Airport runways.) Lessee shall not deviate from the Permitted Use without the City's prior written approval (and if required, as determined by the City, without the prior written approval of the FAA).

(ii) Notwithstanding the provisions of this Lease prohibiting Lessee from subleasing space in the Leased Premises to third parties without the City's consent, the City hereby agrees that Lessee may permit third parties to use portions of the hangar to store their planes, including charging them a rental fee, provided such use is in compliance with all other provisions of this Lease.

(iii) The City agrees that it shall not prohibit Lessee or such parties from using their own fuel at the Leased Premises (i.e., the City shall not, for example, promulgate a new rule that requires them to purchase fuel from the City or someone else at the Airport).

(B) Required Hours of Operation. Throughout the Term, Lessee shall continuously operate its business at the Leased Premises on such days and during such hours as Lessee determines from time to time to be commercially reasonable (except that temporary closures in the event of an emergency, damage by casualty, or periodic remodeling shall not be deemed a default under this Lease).

5. Utilities; Real Estate Taxes; Other Expenses. This is a “triple net” lease for the City, and during the Term of this Lease, Lessee shall pay (i) any and all utility charges associated with the Leased Premises, (ii) all real estate taxes and assessments levied against the Leased Premises (including the two semi-annual tax bills issued by the Hamilton County Treasurer following the expiration or termination of the Term, payable in arrears), and (iii) any and all other expenses associated with the Leased Premises, including without limitation any and all other fees required to be paid under Chapter 402 (*Airport*) of the Cincinnati Municipal Code (“**CMC**”). *Lessee acknowledges and agrees that the City shall not be liable for any expenses associated with the Leased Premises during the Term of this Lease.* Lessee shall have the right to contest the amount or validity of real estate taxes and assessments on the Leased Premises and any alterations thereto by appropriate legal proceedings in its own name. The City shall have the right to participate in such legal proceedings at the City’s election. Lessee shall pay all costs and expenses arising from such legal proceedings.

6. Maintenance and Repairs; Other Operating Requirements.

(A) Maintenance and Repairs. Lessee shall maintain the Leased Premises in good, clean, and safe condition and repair, shall not permit any waste or nuisance on the Leased Premises, shall not permit any debris or rubbish to accumulate in open space, and shall keep the Leased Premises free from unreasonable accumulations of snow and ice and other obstructions. Without limitation of the foregoing, Lessee shall replace all light bulbs and filters, provide water sprinkler system inspection and repair, provide trash removal, window washing, grass cutting and proper maintenance of landscaped areas, and maintain and keep in good condition and repair the exterior and interior structural portions and roof of any and all buildings, structures, hangars, fences, fixtures, pavement, HVAC, electrical, plumbing and mechanical fixtures, and any and all other improvements located on the Leased Premises, reasonable wear and tear excepted, and in compliance with all applicable building and fire codes, airport regulations and other laws (collectively, “**Applicable Laws**”).

(B) Protection from Aircraft Engine Blasts. Lessee shall provide an approved means of protection for persons and property from jet aircraft engine blasts or exhaust emissions at any time jet aircraft is operated on the Leased Premises.

(C) Parking. Lessee shall provide within the limits of the Leased Premises, at its own cost, a parking area for motor vehicles sufficient for vehicle parking needs of Lessee, its agents, employees and customers.

(D) Fuel Facilities. Lessee shall have sole responsibility for the operation, maintenance, repair and replacement of the fuel storage and distribution facilities located on the Leased Premises. Lessee shall be responsible for all required inspections and State of Ohio annual registration and fees.

(E) Permits. Lessee shall obtain all required permits and shall pay all required permit fees associated with Lessee’s activities at the Leased Premises.

(F) Changes to Land Grade or Level. Lessee shall not make any changes in the land grade or level of the Leased Premises that might affect the abutting properties without the prior written consent of DOTE.

(G) Compliance with Federal Air Regulations. Lessee shall comply with Federal Air Regulations Part 77 and shall not penetrate any designated runway clear zone.

(H) Flood Plain. Lessee acknowledges that (i) the Leased Premises are located in a flood plain, (ii)

FEMA requires that all improvements constructed within a flood plain comply with precise, rigorous construction standards, (iii) City building officials will not issue construction permits if the plans are not in compliance with the FEMA standards specific to flood plains, and (iv) compliance may add significant additional time and costs to the design and construction of any leasehold improvements.

(I) Alterations and Future Improvements. (i) Lessee shall not alter or remove the Leased Premises except in accordance with section 12 below. Any and all alterations to the Leased Premises, and any and all new improvements, shall require the prior written consent of DOTE and shall comply with the minimum aesthetic and architectural standards and requirements adopted by the City (if any) that are applicable to the exterior of all other buildings and structures at the Airport. If modification to the terrain surrounding the Leased Premises, including the existing adjacent taxiway, is required to conform to FAA regulations or requirements or is otherwise necessary to accommodate or support new improvements or alterations to existing improvements, Lessee shall bear all costs of such modification.

(ii) *Minor, Non-Structural Improvements (Minor Changes):* The foregoing notwithstanding, if Lessee desires to make minor, non-structural improvements to the existing leasehold improvements (defined as non-structural improvements costing, in the aggregate per project, less than **\$5,000**, and which enhance, and not diminish, the value of the existing leasehold improvements; herein, "**Minor Changes**"), Lessee may make such Minor Changes provided [a] Lessee notifies DOTE thereof in writing at least fifteen (15) days prior to making such Minor Changes, including providing DOTE with proposed, professionally prepared plans and specifications if available, and [b] Lessee satisfactorily addresses any and all concerns about the intended Minor Changes raised by DOTE during such 15-day period. Lessee shall ensure that such Minor Changes are made by qualified contractors in good-standing (i.e., not debarred by the City, state or federal government), that all required permits are obtained and that the Minor Changes are made in compliance with all other laws and governmental requirements, that no liens are placed upon the Leased Premises in connection with the work, and that Lessee does not disrupt the rights of other users at the Airport during the work. All leasehold improvements and alterations thereof made by Lessee during the Term of this Lease shall be deemed to be fixtures and shall become part of the existing leasehold improvements and the property of the City upon attachment.

(J) Determinations by DOTE. All determinations of the City, including determinations by the DOTE Director, with respect to the construction, alteration, maintenance, repair, restoration or removal of improvements at the Leased Premises shall be based upon confirmation that the improvements (i) are structurally sound, (ii) comply with the safety standards and requirements applicable to all other buildings and structures at the Airport, (iii) are consistent with the quality and appearance of Airport facilities adjacent to the Leased Premises, and (iv) comply with all other requirements under this Lease applicable to the Existing Leasehold Improvements.

7. Insurance.

(A) Insurance. Throughout the Term, Lessee shall maintain the following insurance:

(i) special peril (formerly known as "all-risk") full replacement cost insurance on the existing leasehold improvements, naming the City and Lessee as their interests may appear;

(ii) property insurance on any and all personal property of Lessee from time to time located at the Leased Premises in the amount of the full replacement cost thereof;

(iii) Commercial General Liability insurance of at least One Million Dollars (\$1,000,000) per occurrence, combined single limit, naming the City as an additional insured, or such additional amounts as the City or its insurance or risk advisors may determine from time to time to be customary for similar-sized airport facilities;

(iv) automobile liability insurance in the amount of \$1,000,000 per occurrence, naming the City as an additional insured; and

(v) workers compensation insurance as required by law.

(B) Policy Requirements. Lessee's insurance policies shall (i) be written in standard form by insurance companies authorized to do business in Ohio and having an A.M. Best rating of A VII or better, (ii) provide that they may not be canceled or modified without at least thirty (30) days prior written notice to the City, and (iii) be primary and non-contributory with respect to insurance maintained by the City. No later than the Commencement Date, and annually thereafter, Lessee shall provide the City with a certificate of insurance evidencing the insurance required to be maintained by Lessee hereunder.

(C) Waiver of Subrogation. Lessee hereby waives all claims and rights of recovery, and on behalf of Lessee's insurers, rights of subrogation, against the City, its employees, agents, contractors and subcontractors with respect to any and all damage to or loss of property that is covered or that would ordinarily be covered by the insurance required under this Lease to be maintained by Lessee, even if such loss or damage arises from the negligence of the City, its employees, agents, contractors or subcontractors; it being the agreement of the parties that Lessee shall at all times protect itself against such loss or damage by maintaining adequate insurance. Lessee shall cause its property insurance policies to include a waiver of subrogation provision consistent with the foregoing waiver.

(D) Indemnity. The City assumes no responsibility for any acts, errors or omissions of Lessee or any employee, agent, contractor, subcontractor, representative or any other person acting or purporting to act for or on behalf of Lessee. Lessee shall defend, indemnify and hold the City, its employees, agents, contractors and subcontractors ("**Indemnified Parties**") harmless from and against all costs (including without limitation legal costs), losses, claims, demands, actions, suits, judgments, claims for relief, damages and liability suffered or incurred by or asserted against the Indemnified Parties or any one or more of them as a result of or arising from the acts of Lessee, its employees, agents, licensees, invitees, contractors, subcontractors or anyone else acting at the request of Lessee in connection with Lessee's activities at or with respect to the Leased Premises or in connection with any breach by Lessee under this Lease.

8. Casualty; Eminent Domain.

(A) Casualty. If the Leased Premises are damaged or destroyed by fire or other casualty, Lessee shall have the right to terminate this Lease by giving written notice thereof to the City within ninety (90) days after the occurrence of the casualty. If Lessee terminates this Lease: (i) Lessee's rental and other obligations under this Lease shall terminate effective as of the effective date of termination set forth in Lessee's notice of termination; and (ii) Lessee shall turn over to the City all property insurance proceeds payable in connection therewith, for use by the City in restoring the Leased Premises or clearing the site. If Lessee does not so terminate this Lease: (i) Lessee shall not be relieved of any obligations, financial or otherwise, under this Lease during any period in which the Leased Premises are being repaired or restored (it being the agreement of the parties that Lessee shall purchase business interruption insurance, if it so chooses, to alleviate such financial burden); and (ii) Lessee shall repair and restore the Leased Premises, as expeditiously as possible, and to the extent practicable, to substantially the same condition in which they were in immediately prior to such occurrence. The City and Lessee shall jointly participate in filing claims and taking such other actions pertaining to the payment of insurance proceeds resulting from such occurrence, and if the proceeds are insufficient to fully repair and restore the Existing Leasehold Improvements, the City shall not be required to make up the deficiency. Lessee shall handle all construction in accordance with the applicable requirements set forth in this Lease.

(B) Eminent Domain. If the entirety of the Leased Premises are taken by exercise of eminent domain (federal, state, or local), this Lease shall automatically terminate, effective as of the date on which Lessee is required to surrender possession. In such instance, or if Lessee terminates this Lease in its entirety under paragraph 8(C) below: (i) Lessee's rental and other obligations under this Lease shall terminate effective as of the date that Lessee surrenders possession; and (ii) Lessee shall turn over to the City all eminent domain proceeds payable in connection therewith (excluding eminent domain proceeds awarded to Lessee in the event of a taking by the City).

(C) Partial Taking. If only a portion of the Leased Premises is taken by exercise of eminent domain, Lessee shall have the right to terminate this Lease (in its entirety or only as to the portion of the Leased Premises taken) by giving written notice thereof to the City within ninety (90) days after the date on which Lessee is required to surrender possession. If Lessee terminates this Lease as to only the portion of the Leased Premises taken: (i) Lessee's rental and other obligations under this Lease pertaining to such portion of the Leased Premises shall terminate effective as of the date that Lessee surrenders possession of such portion (and all obligations of Lessee under this Lease pertaining to the untaken portion of the Leased Premises shall remain in effect, without any abatement of rent during reconstruction or otherwise); (ii) Lessee shall turn over to the City all eminent domain proceeds allocable to the portion of the Leased Premises taken (excluding eminent domain proceeds awarded to Lessee in the event of a taking by the City); and (iii) Lessee shall use the balance of the eminent domain proceeds to repair and restore the untaken portion of the Leased Premises, as expeditiously as possible, and to the extent practicable, to substantially the same condition in which they were in immediately prior to such taking. The City and Lessee shall jointly participate in filing claims and taking such other actions pertaining to the payment of eminent domain proceeds resulting from such occurrence, and if the proceeds are insufficient to fully repair and restore the existing leasehold improvements, the City shall not be required to make up the deficiency. Lessee shall handle all construction in accordance with the applicable requirements set forth in this Lease.

9. Default; Remedies.

(A) Default by Lessee. Each of the following shall constitute an event of default by Lessee under this Lease:

(i) If Lessee fails to pay rent or any other sum payable to the City hereunder when due, and such failure to pay continues for longer than ten (10) days after Lessee receives written notice thereof from the City;

(ii) If Lessee fails to perform or observe any of the other covenants, terms or conditions contained in this Lease, and such failure continues for longer than twenty (20) days after Lessee receives written notice thereof from the City; provided, however, that if such failure is not reasonably susceptible of being cured within such 20-day period, an event of default shall not be deemed to have occurred if Lessee commences to cure such failure within such 20-day period and thereafter diligently pursues such cure to completion and, in fact, cures such failure within ninety (90) days after Lessee receives written notice of the default from the City. The foregoing notwithstanding, if the failure creates a dangerous condition or otherwise constitutes an emergency as determined by the City, an event of default shall be deemed to have occurred if Lessee fails to promptly take corrective action upon discovering such dangerous condition or emergency (and in any event within no later than 24 hours, depending upon the nature of the emergency and the steps needed to address it); and

(iii) The commencement of levy, execution or attachment proceedings against Lessee, any principal (which shall be defined as any individual or entity having an ownership interest in Lessee of more than 25%) or partner of Lessee, or any of the assets of Lessee, or the application for or appointment of a liquidator, receiver, custodian, sequester, conservator, trustee, or other similar judicial officer; or the insolvency in the bankruptcy or equity sense, of Lessee or any principal or partner of Lessee; or the assignment for the benefit of creditors, or the admission in writing of an inability to pay debts generally as they become due, or the ordering of the winding-up or liquidation of the affairs of Lessee or any principal or partner of Lessee; or the commencement of a case by or against Lessee or any principal or partner of Lessee under any insolvency, bankruptcy, creditor adjustment, debtor rehabilitation or similar laws, state or federal, or the determination by any of them to request relief under any insolvency, bankruptcy, creditor adjustment, debtor rehabilitation or similar proceeding, state or federal, including, without limitation, the consent by any of them to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequester or similar official for it or for any of its respective property or assets (unless, in the case of involuntary proceedings, the same shall be dismissed within ninety (90) days after institution).

(B) **Remedies.** Upon the occurrence of an event of default by Lessee that continues beyond the applicable notice and cure period (if any) provided for under paragraph (A) above, the City shall be entitled to (i) terminate this Lease by giving Lessee written notice thereof, (ii) take such actions in the way of "self help" as the City determines to be reasonably necessary or appropriate to cure or lessen the impact of such default, all at the expense of Lessee, and (iii) exercise any and all other rights and remedies under this Lease or available at law or in equity, including without limitation pursuing an action for specific performance; all such rights and remedies being cumulative. Lessee shall be liable for all costs and damages, including without limitation legal fees, suffered or incurred by the City as a result of a default of Lessee under this Lease or the City's enforcement or termination of this Lease. Lessee shall pay all such costs and damages within thirty (30) days after receiving documentation from the City of the amount due. The failure of the City to insist upon the strict performance of any covenant or duty or to pursue any remedy under this Lease shall not constitute a waiver of the breach of such covenant or of such remedy. Nothing contained in this Lease shall limit or prejudice the right of a party to prove for and obtain as damages incident to a termination of this Lease in any bankruptcy, reorganization or other court proceedings, the maximum amount allowed by any statute or rule of law in effect when such damages are to be proved.

(C) **Default by the City.** If the City defaults under this Lease, and such failure continues for longer than sixty (60) days after the City receives written notice thereof from Lessee, Lessee shall have the right to terminate this Lease by giving written notice thereof to City, and shall have the right to pursue all other rights and remedies available at law or in equity. The failure of Lessee to insist upon the strict performance of any covenant or duty or to pursue any remedy under this Lease shall not constitute a waiver of the breach of such covenant or of such remedy.

10. Assignment and Subletting. Lessee acknowledges that the City is entering into this transaction because of the City's confidence that Lessee has the financial means and business experience that are necessary to successfully operate Lessee's business in accordance with the provisions of this Lease. Lessee acknowledges that the City shall not be expected to consent to a proposed assignment or sublease by Lessee of its interests under this Lease to any person or entity in whom the City does not have similar confidence. Any attempt by Lessee to assign, sublease, or otherwise transfer its interests under this Lease to a third party without the City's prior written consent shall be null and void and shall, at the option of the City, constitute a default of Lessee under this Lease. No assignment or sublease by Lessee of its rights or obligations under this Lease to an affiliate or any other third party shall relieve Lessee from any liability to the City under this Lease.

11. Notices. All notices given by the parties hereunder shall be deemed given if personally delivered, or delivered by Federal Express, UPS or other recognized overnight courier, or mailed by U.S. registered or certified mail, postage prepaid, return receipt requested, addressed to the parties at their addresses below or at such other addresses as either party may designate by notice to the other party given in the manner prescribed herein. Notices shall be deemed given on the date of receipt.

To the City:

City of Cincinnati
Dept of Transportation & Engineering
801 Plum Street, Suite 450
Cincinnati, OH 45202

To Lessee:

Signature Engines, Inc.
Lunken Airport, Hangar 6
4760 Airport Road
Cincinnati, OH 45226
Attn: Bill Schmidt

with a copy to:

Lunken Airport
Attn: Airport Manager
465 Wilmer Avenue,
Cincinnati, OH 45226

If Lessee sends a notice to the City alleging that the City is in default under this Lease, it shall simultaneously send a copy of such notice by U.S. certified mail to: City Solicitor, City of Cincinnati, 801 Plum Street, Room 214, Cincinnati, OH 45202.

12. Surrender; Holdover.

(A) Surrender at end of Lease Term. At the end of the Term, Lessee shall peaceably surrender the Leased Premises to the City free and clear of all leasehold mortgages and other liens (except those, if any, created by the City). As provided in paragraph 6(l) above, Lessee shall not be permitted to remove any improvements and acknowledges that the City would not enter into this Lease on the terms and conditions set forth herein but for Lessee's obligation to surrender all improvements constructed by Lessee during the Term of this Lease to the City, free and clear of all liens, at the end of the Term.

(B) Lessee's Right to Remove Items of Personal Property. No later than the last day of the Term, Lessee shall remove all of Lessee's personal property at the Leased Premises (excluding trade fixtures, which shall not be removed) and shall repair any and all damage to the Leased Premises caused by the installation or removal thereof and otherwise restore the Leased Premises to a safe, clean and satisfactory condition.

(C) Holdover. If Lessee fails to surrender possession of the Leased Premises to the City at the end of the Term, such holdover shall be deemed as creating a tenancy-at-will on all of the same terms and conditions as set forth herein (except for the duration of the Term and except that base rent payable during the holdover period shall be equal to two hundred percent of the base rent in effect at the end of the Term), terminable by either party at any time by giving written notice thereof to the other party. Lessee shall be liable for all costs and damages suffered or incurred by the City as a result of Lessee's failure to surrender possession at the end of the Term, including without limitation costs and damages suffered or incurred by the City during the holdover period.

(D) Documents to be Delivered to City. At the end of the Term, Lessee shall deliver to the City originals or copies of all books and records, operating manuals, contracts with third parties (but only if the City has expressly agreed to accept an assignment of such contracts), warranty information, and all other written materials and documents that are in Lessee's possession or under Lessee's control and that are reasonably needed in order for there to be a seamless transition with respect to the operation and maintenance of the Leased Premises for the Permitted Use.

13. Compliance with Laws.

(A) Compliance with Laws. Lessee shall comply with all federal, state, and local laws, ordinances, rules and regulations, including without limitation all applicable building and zoning codes of the City of Cincinnati pertaining to the Airport, all applicable requirements set forth in Chapter 402 (*Airport*) of the CMC, and all requirements under Title 49 of the Code of Federal Regulations, as the same may be enacted or modified from time to time.

(B) Non-Discrimination.

- i. Lessee agrees to comply with pertinent statutes, Executive Orders, and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If the Lessee transfers its obligation to another, the transferee is obligated in the same manner as the Lessee. This provision obligates the Lessee for the period during which the property is owned, used or possessed by the Lessee and the airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

- ii. With reference to 49 CFR Subtitle A, Part 21, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation", the purpose of which "is to effectuate the provisions of Title VI of the Civil Rights Act of 1964 . . . to the end that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance from the Department of Transportation", Lessee shall include the foregoing provision in every agreement or concession pursuant to which any person or persons, other than Lessee, operates any facility at the Leased Premises providing services to the public and shall include therein a provision granting the City the right to take such action as the United States may direct to enforce such covenant. Lessee shall defend, indemnify, and hold harmless the City from any and all claims and demands of third persons, including the United States of America, resulting from Lessee's noncompliance with any of the provisions of this section and shall reimburse the City for any and all losses or expenses incurred by reason of such noncompliance.

14. General Provisions.

(A) Entire Agreement. This Lease (including the exhibits hereto) contains the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all prior discussions, negotiations, representations or agreements, written or oral, between them respecting the subject matter hereof.

(B) Amendments. This Lease may be amended only by a written amendment signed by both parties.

(C) Governing Law. This Lease shall be governed by and construed in accordance with the laws of the City of Cincinnati and the State of Ohio. All actions regarding this Lease shall be brought in the Hamilton County Court of Common Pleas, and Lessee agrees that venue in such court is proper. Lessee hereby waives trial by jury with respect to any and all disputes arising under this Lease.

(D) Binding Effect. This Lease shall be binding upon and shall inure to the benefit of and be enforceable by and against the parties and their respective successors and permitted assigns.

(E) Captions. The captions of the various sections and paragraphs of this Lease are not part of the context hereof and are only guides to assist in locating such sections and paragraphs and shall be ignored in construing this Lease.

(F) Severability. If any part of this Lease is held to be void, illegal or unenforceable by a court of law, such part shall be deemed severed from this Lease, and the balance of this Lease shall remain in full force and effect.

(G) No Recording. This Lease shall not be recorded in the Hamilton County Recorder's office.

(H) Time. Time is of the essence with respect to the performance by Lessee of its obligations under this Lease.

(I) No Third-Party Beneficiaries. The parties hereby agree that no third-party beneficiary rights are intended to be created by this Lease.

(J) No Brokers. Lessee represents that it has not dealt with a real estate broker, salesperson or other person who might claim entitlement to a fee or other compensation as a result of the parties' execution of this Lease.

(K) Official Capacity. All representations, warranties, covenants, agreements, and obligations of the City under this Lease shall be effective to the extent authorized and permitted by applicable law. None of those representations, warranties, covenants, agreements, or obligations shall be deemed to be a representation, warranty, covenant, agreement or obligation of any present or future member, officer, agent or employee of the City in other than his or her official capacity. No official executing or approving the City's participation in this Lease shall be personally liable under this Lease.

(L) Representation as to Authority. Lessee represents that it has the power and authority to enter into and perform its obligations under this Lease without the consent of anyone who is not a party to this Lease and that the execution and performance of this Lease has been duly authorized by all necessary actions on Lessee's part.

(M) FAA Subordination Clause. This Lease shall be subordinate to the provisions of any existing or future agreements between the City and the United States Government, including any and all grant assurances relating to the maintenance, development, or operation of the Airport, the execution of which agreements has been or will be required as a condition precedent to the granting of federal funds for the maintenance, development, or operation of the Airport to the extent that the provisions of any such existing or future agreements are generally required by the United States at other civil air carrier airports receiving federal funds.

15. **CR# 35-2022 Conditions**. None.

16. **Exhibits**. The following exhibits are attached hereto and made a part hereof:
Exhibit A - *Site Map*
Exhibit B - *Legal Description of Leased Premises*

[*Signature Pages Follow*]

This Lease is executed by the parties on the dates indicated below their respective signatures, effective as of the later of such dates (the "**Effective Date**").

Signature Engines, Inc., an Ohio corporation

By: _____

Printed name: _____

Title: _____

Date: _____

STATE OF OHIO)
) ss:
COUNTY OF HAMILTON)

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by _____, the _____ of **Signature Engines, Inc.**, an Ohio corporation, on behalf of the corporation. This is an acknowledgement. No oath or affirmation was administered to the signer with regard to the notarial act certified hereby.

Notary Public
My commission expires: _____

[*City Signature Page Follows*]

City of Cincinnati

By: _____

Printed name: _____

Title: _____

Date: _____

STATE OF OHIO)
) ss:
COUNTY OF HAMILTON)

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by _____, the _____ of the **City of Cincinnati**, an Ohio municipal corporation, on behalf of the municipal corporation. This is an acknowledgement. No oath or affirmation was administered to the signer with regard to the notarial act certified hereby.

Notary Public
My commission expires: _____

Recommended by:

John S. Brazina, Director
Department of Transportation and Engineering

Fred Anderton, Lunken Airport Manager

Approved as to Form:

Assistant City Solicitor

Certified Date: _____

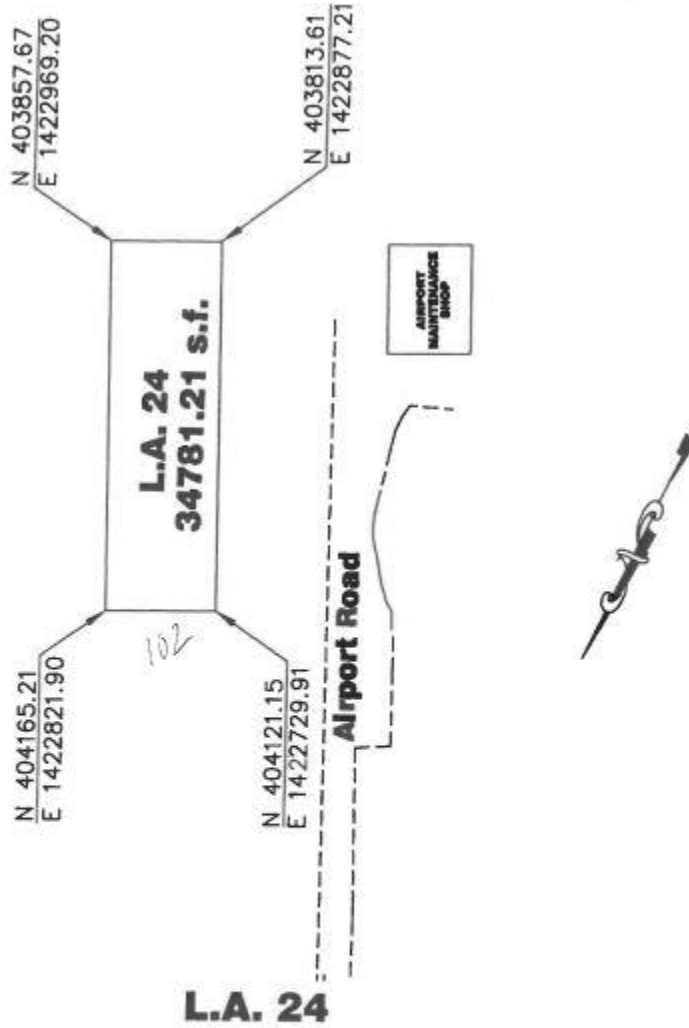
Fund/Code: _____

Amount: _____

By: _____
Karen Alder, City Finance Director

EXHIBIT A

SITE MAP



North: 404165.21	East: 1422821.90	
Course: S 25-35-36 E	Distance: 341.00	
North: 403857.67	East: 1422969.20	
Course: S 64-24-24 W	Distance: 102.01	
North: 403813.61	East: 1422877.21	
Course: N 25-35-29 W	Distance: 341.00	
North: 404121.15	East: 1422729.91	
Course: N 64-24-28 E	Distance: 101.99	
North: 404165.21	East: 1422821.90	

Area: 34781.21

Coordinates Based On NAD-83

EXHIBIT B

LEGAL DESCRIPTION OF LEASED PREMISES

Lunken Airport
Lease Area 24

Situated in Section 24, Town 5, F.R. 1, Spencer Township, Hamilton County, Ohio, and being part of Columbia Old Town, as recorded in Deed Book 56, Page 654, Hamilton County, Ohio Records and being more particularly described as follows:

Ohio State Coordinates (South Zone)

North: 404165.21	East: 1422821.90
North: 403857.67	East: 1422969.20
North: 403813.61	East: 1422877.21
North: 404121.15	East: 1422729.91
North: 404165.21	East: 1422821.90

Containing 34,781.21 ± S.F.

Coordinates Based On NAD-83