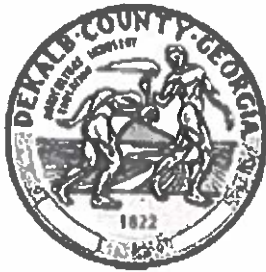


Lease Agreement at DeKalb Peachtree Airport



Between

DeKalb County, Georgia

And

Hangars Glen, LLC

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**STATE OF GEORGIA
COUNTY OF DEKALB**

LEASE AGREEMENT

THIS LEASE AGREEMENT, by and between **DEKALB COUNTY**, a political subdivision of the State of Georgia (hereinafter referred to as the “Lessor” or “PDK”) and **HANGARS GLEN, LLC**, a limited liability company organized and existing under the laws of the State of Delaware (hereinafter referred to as the “Lessee”);

WITNESSETH:

WHEREAS, the Lessor is the owner of a tract of land in Land Lots 244, 245, 270, 279 and 280 of the 18th District of DeKalb County, Georgia, lying generally within an area bounded on the north by Chamblee-Tucker Road; on the west by Clairmont Road and Hardee Avenue; on the south by Dresden Drive; and on the east by Buford Highway, which is known as DeKalb Peachtree Airport (hereinafter referred to as “Airport”); and

WHEREAS, Lessee desires to lease from Lessor, and Lessor desires to lease to Lessee, that property on the DeKalb Peachtree Airport identified as Lease Tract N8 (2015 Flightway Drive), Chamblee, Georgia 30341 and more particularly described by the legal descriptions on boundary survey entitled “Boundary Survey of Hangars Glen LLC Leasehold North Terminal Lease Area N8”, by Hussey Gay Bell dated May 4, 2023, which is hereby attached as Exhibit “A” and made a part of this Lease; and

NOW THEREFORE, for and in consideration of the premises and covenants herein contained and in further consideration of the payment of rent hereinafter stipulated, and of the terms and conditions herein set forth, the parties hereto do hereby agree as follows:

SECTION 1. LEASED PROPERTY:

A. Description. That property on DeKalb Peachtree Airport identified as Lease Tract N8 (2015 Flightway Drive), and more particularly described by the legal descriptions on Boundary Survey entitled “Boundary Survey of Hangars Glen LLC Leasehold North Terminal Lease Area N8”, by Hussey Gay Bell dated May 4, 2023, attached hereto as Exhibit “A” and incorporated herein by reference (the “Leased Property”).

B. Site. The subject site lies within the boundaries of the DeKalb Peachtree Airport (PDK). Airport Road and Clairmont Road generally bound the Airport on its north and west sides respectively. The site generally encompasses Lease Tract N8 consisting of 0.726 acres, or 31,632 square feet.

SECTION 2. USE OF LEASED PROPERTY:

A. Use by Lessee. Lessee shall, in a manner consistent with its present and past use, use the Leased Property for its corporate aviation department which includes a corporate hangar and office/shop building, pilot's office/lounge, restrooms, aprons, ramps, taxiway, auto parking and aircraft refueling facility. Leased Property includes the following:

1. Land: Approximately 31,632 square feet to provide for building, paved vehicular parking, perimeter security fencing and driveway; 18,200 square feet of concrete and asphalt paved aircraft ramp/apron on south side of the building; and 12,000-gallon underground aircraft fuel only storage and dispensing equipment.

2. Buildings: Approximately 10,059 square feet of properly lighted and heated building space for offices/shop, pilots' lounge, and restroom facilities that includes a 20-foot-high open bay hangar.

B. Services: Lessee shall provide fuel, oils, lubricants and maintenance for its corporate aircraft only on and from the Leased Premises.

C. Ingress and Egress. Lessee shall have the right of ingress to, and egress from the Leased Property over airport roadways, including the use of common-use roadways, expressly subject to such rules and regulations as may be established by the Airport Director respecting such use and subject to law. Lessee shall have the right of ingress to, and egress from, the Leased Property by way of aircraft taxiway or aircraft access way adequate for Lessee's aircraft.

SECTION 3. RESTRICTIONS ON USE OF LEASED PROPERTY:

A. Leased Property to Be Used for Designated Purposes. The Leased Property shall not be used for any purposes except for the specific purposes herein designated without the written consent of the Lessor.

B. Control of Lighting. Lessee agrees to control all existing and future lighting

on the Leased Property so as to prevent illumination from being a hazard to pilots landing on, taking off from, or taxiing on the Airport. The determination of whether lighting creates a hazard shall rest solely upon the judgment of the Airport Director.

C. FAR Part 135 Air Taxi/Charter Operations. FAR Part 135 Air Taxi or Air Charter Operations are not permitted to operate directly from the Leased Property or the facilities thereon. This does not mean that Lessee cannot require its flight crew to be certificated under FAR Part 135 or that aircraft cannot be used in FAR Part 135 operations. It simply means that Lessee cannot specifically conduct FAR Part 135 operations for or on behalf of others from the Leased Property or facilities thereon.

D. Airport Master Plan. Lessee will at all times cooperate with all provisions of any Airport Master Plan to be adopted by the Airport and/or approved by the Board of Commissioners.

SECTION 4. TERM OF LEASE AGREEMENT:

A. Term. This Lease Agreement shall commence and be effective on December 1, 2023. The term of this Lease Agreement shall be for a period of twenty (20) years. This Lease Agreement shall terminate absolutely and without further obligation on the part of either Lessor or Lessee on November 30, 2043, unless terminated earlier in accordance with the termination provisions of this agreement.

B. Option for Renewal Term. Lessee may renew this Lease in accordance with Section 6-136 of the DeKalb County Code as Revised, 1988. Failure to comply with Section 6-136 of the DeKalb County Code as Revised, 1988 shall be grounds to terminate this Lease Agreement and the parties shall have no further rights, duties or obligations hereunder, other than obligations that are accrued but unsatisfied as of the date of the termination.

SECTION 5. LEASE PAYMENT:

A. Rent. Lessee agrees to pay Lessor, as Basic Rent for the Leased Property an annual amount equal to Ten Percent (10%) of the Fair Market Value or as determined by a Fair Market Rent Analysis prepared by Airport Business Solution, with Market Rent Analysis Update with date of report and analysis of June 29, 2023. The Fair Market Rent Analysis Update is attached hereto as Exhibit "B" and incorporated herein by reference. The

annual Basic Rent for the Leased Property is One Hundred and Thirteen Thousand, One Hundred and Sixty-four Dollars (\$113,164.00), subject to adjustment below. Rent is accrued on a monthly basis and shall be paid in equal monthly installments, initially in the amount of Nine Thousand, Four Hundred and Thirty Dollars and Thirty-three Cents (\$9,430.33) due and payable on the first day of each month in advance during the term of this Lease Agreement.

B. Fuel Flowage Fee. Lessee shall pay a fuel flowage fee (FFF) in the amount of \$0.16 per gallon for fuel, oils and lubricants delivered to the Leased Property. The payment is to be remitted the month following the delivery month into the tank. The aforesaid fuel flowage amounts shall continue throughout the first five (5) years of this Lease Agreement.

It is further agreed that Lessee will deliver a minimum of 50,000 gallons of fuel annually. If fewer than 50,000 gallons are delivered to the Leased Property annually, a penalty of \$0.20 per gallon for every gallon fewer than 50,000 gallons shall be applied and paid without demand, the month after such under delivery occurs, with that month's fuel flowage fee as required. This minimum fuel delivery requirement shall be effective the 12-month period following the effective date of the new lease and every full year thereafter.

C. Report Forms: Payment. On the first (1st) day of each month, Lessee agrees to submit to Lessor its commission remittance (fuel, oils, lubricants) for the previous calendar month with a reporting form, attached hereto as Exhibit "C", Remittance Worksheet, showing the commission calculation.

D. Escalation: Rent and Fuel Flowage Fee (FFF).

1. Rent. The rent shall remain constant throughout the first five (5) years of the Lease Agreement. On December 1, 2028, and at the end of each five (5) year period thereafter, the following options for the Lessor shall be available: (1) Escalate the rent by 10% for the next five (5) year period, or (2) Compute the escalation using the Consumer Price Index (CPI) (All Urban Consumers, South Region) using the previous five years of published data. The previous five years of published data is herein defined as the month of December of the immediately preceding year and the Consumer Price Index (CPI) (All Urban Consumers, South Region) published for the month of December of the fifth year immediately preceding.

2. Fuel Flowage Fee. Beginning five (5) years after the

commencement of the Lease Agreement and every five (5) years thereafter, the fuel flowage fee for such fuel delivered to the Leased Property, shall increase by one cent (\$.01) per gallon.

E. Audit. The Lessor, at its sole discretion, but not more than once during any calendar year, may conduct an audit of the books and records as it relates to the purchase of fuel, oil and lubricants and all lease payments made by the Lessee to determine the accuracy of said figures; the cost of the audit to be borne by Lessor.

F. Failure to Pay. On failure of Lessee to pay rentals when due, Lessor has the right, subject to the provisions under Sections 20, 21 and 22 hereof, at its option: (1) to declare this Lease Agreement void, and cancel the same, without the necessity of any legal proceedings; or, (2) enter and take possession of the Leased Property. Lessor at its option, upon a breach of this contract for any reason, may then sublet the Leased Property at the best price obtainable for any reasonable effort through private negotiations and charge the difference, if any, between said price of subletting and the contract price to Lessee and hold him liable therefore. Such subletting on the part of the Lessor will not in any sense constitute a breach of this contract on the part of the Lessor, but Lessor will act as agent for the Lessee to minimize the damage caused by Lessee's breach. These rights of the Lessor are cumulative and not restrictive of any other rights under the law, and failure on the part of the Lessor to avail himself of these privileges at any particular time shall not constitute a waiver of these rights.

SECTION 6. SCHEDULE OF IMPROVEMENTS BY LESSEE:

A. Minimum Improvements. Lessee may make improvements or changes to the Leased Property during the term of the Lease Agreement. Lessor and Lessee may enter into an amendment to the Lease Agreement which will specify the improvements and the schedule of construction.

B. Plans and Specifications.

1. No improvements, including landscaping, shall be erected or placed on the Leased Property, and no alterations shall be made in the improvements and facilities constructed, without prior written approval by Lessor, or of the Lessor's agent, the Airport Director. Such approval shall not be unreasonably withheld.

2. Two (2) complete sets of plans and specifications for all future buildings, alterations, and improvements and for all subsequent planned changes therein or

alterations shall, at least thirty (30) days prior to beginning of construction or changes, be signed by Lessee and delivered to the Airport Director for his consideration and approval.

SECTION 7. CONSTRUCTION:

A. Schedule.

1. Lessee acknowledges that at least 120 days prior to executing this Lease Agreement, it has provided all information regarding the submission of Notice of Construction or Alteration, FAA form 7460-1, to the Airport Director, for final approval by the Federal Aviation Administration, as required by Paragraph 77.13(5)(1) of Part 77, Federal Aviation Regulations.

2. Within the time schedule set forth in Section 6A, Minimum Improvements, Lessee agrees to construct or cause to be constructed and completed upon the Premises in accordance with the terms of this Lease and all applicable laws, ordinances, regulations and matters of record, the improvements and facilities set forth in Section 6A hereof. The date for completion may, however, be extended for the period of any unavoidable delay, if Lessee makes a claim for such delay in writing to Lessor within ten (10) days after the commencement of the cause for such delay. For the purpose of this Lease, the term "unavoidable delay" shall mean delay suffered by the Lessee or Lessee's contractors which necessarily and materially interferes with the progress and extends the time required for the completion of such work and which is caused by, but not limited to, such events as acts of nature or the elements, strikes, lockouts, fire or other causes beyond the control of Lessee or Lessee's contractors.

B. Building Code. Any building constructed on the Premises shall be constructed in conformance with current building codes or the edition in effect at the time of construction, and all applicable codes and regulations of DeKalb County.

C. Default by Failure to Construct. Any breach by Lessee of any of the terms and provisions of Section No. 5, Lease Payment; Section No. 6, Schedule of Improvements by Lessee; and Section No. 7, Construction, of this Lease shall constitute a material breach and shall be deemed to be "an event of default by Lessee" under Section 20, Events of Default by Lessee, unless cured as set forth in Section 20.

SECTION 8. COMPLIANCE WITH LAWS AND REGULATIONS:

A. Subordination of Leased Property to U.S.A. It is agreed and understood that this Lease Agreement and the provisions hereof, shall be subject and subordinated to the terms and conditions of the instruments and documents under which DeKalb County acquired the airport property from the United States of America and shall be given only such effect as will not conflict or be inconsistent with the terms and conditions of said instruments and documents. This lease is given effect only to the extent that such agreements with the United States of America permit the use of the Leased Property as contemplated herein.

B. Non-Discrimination. Lessee agrees that in its operation and use of the Leased Property and/or the Airport it will not, on the basis of race, color, national origin, religion, sex, age or disability, discriminate against any person or group of persons in any manner prohibited by the Federal Aviation Regulations, federal, state or local laws. Lessee hereby agrees to include the aforesaid language in any agreement it has with a sub-tenant who operates from or uses the Leased Property.

C. Airport Rules and Regulations. Lessee agrees to abide by all ordinances, rules and regulations concerning the Airport, operational safety, operational and airport security, parking of aircraft and other vehicles, and fire prevention promulgated by the Airport Director or the Governing Authority of DeKalb County, Georgia. Copies of such rules and ordinances are available to Lessee in the office of the Airport Director.

D. FAA Rules and Regulations. Lessee shall at all times conduct its business in a lawful manner and at all times conform to the rules and regulations of the Federal Aviation Administration (FAA) insofar as applicable to Lessee's possession and operation of its aircraft. Lessee agrees to include the language in this sub-section with any sub-tenant.

E. No Derogation of Rights of Lessee. Lessee shall not knowingly omit or fail to do anything or permit anything to be done on or about the Leased Property, or bring or keep any thing on the Leased Property or in any improvement erected thereon, which will in any way conflict with any law, ordinance, rule or regulation required to be kept and observed by Lessee which is now in force or which may be hereinafter enacted or promulgated by any public authority having jurisdiction over the Leased Property.

F. Disturbance on Leased Property. Lessee shall not commit or suffer to be committed in or upon the Leased Property any other act or thing which may unreasonably disturb the quiet use and enjoyment of any other tenant at the airport.

SECTION 9. UTILITIES:

A. Payment for Utilities. It is understood and agreed that the rent as noted in Section 5 does not include payment for utilities. Lessee shall throughout the term of this Lease Agreement pay all utility bills which may accrue in the operation of Lessee's business on the Leased Property, including, but not limited to, installation of meters and utility connections for the calculation of utilities incurred by Lessee.

B. Right of Connection. Lessee may, at Lessee's expense, connect to all utilities at the nearest points of existing utility lines, and shall thereafter maintain, repair and replace all such utilities to and including the points of such connections.

C. Waiver of Damage. Lessee hereby waives any claim against and releases Lessor (but not any third parties, such as other lessees) from any and all claims for damage arising or resulting from failures or interruptions of utility services, including but not limited to, electricity, gas, water, plumbing, sewerage, telephone, communications, heat, ventilation, or for the failure or interruption of any public or passenger services facilities.

SECTION 10. CHARACTER AND STANDARDS OF OPERATION:

A. Compliance with Permit Standards. Lessee shall maintain federal, state and local law permit standards, for air and water quality applicable to Lessor which are applicable to the to the Leased Property.

B. Operate in a First-Class Manner. During the full term of this Lease Agreement, Lessee shall continuously operate and maintain, in a first-class manner, the existing grounds and facilities and all future improvements to be constructed on the Leased Property.

C. Supervision by Manager. The Lessee or its designee shall be available on the Property as required in order to ensure compliance with all responsibilities as set forth in this Lease.

SECTION 11. LESSEE TO HOLD HARMLESS:

The Lessee shall be responsible from the time of signing this Lease Agreement, or from the time of the beginning of the first work, whichever shall come first, for all injury or damage, of any kind resulting from the work, or the occupancy of the Leased Property, to any persons or property. The Lessee shall exonerate, indemnify and hold harmless the Lessor from and against all claims or actions, and all expenses incidental to the defense of any such claims, litigation and actions, based upon or arising out of damage or injury (including death) to persons or property, including employees and property of the Lessor caused by or sustained in connection with the performance of this Lease Agreement or arising out of work performed under this Lease Agreement and shall assume and pay for, without cost to the Lessor, the defense of any and all claims, litigation and actions, suffered through any act or omission of the Lessee or any subcontractor or anyone directly or indirectly employed by or under the supervision of any of them, or in any way arising out of the use and occupancy of the Leased Property. The Lessee expressly agrees to defend at its expense against any claims brought or actions filed against the Lessor where and to the extent such claim or action involves, in whole or in part, the subject of the indemnity contained herein.

SECTION 12. LIABILITY:

A. Waiver of Homestead Rights. Lessee hereby waives and renounces for himself and family any and all homestead and exemption rights he or they may have under or by virtue of the laws of the State of Georgia or the United States as against any liability that may accrue under this Lease Agreement.

B. Abandonment. Lessee shall not vacate or abandon the Leased Property at any time during the term hereof; and if Lessee shall abandon, vacate or surrender the Leased Property or be dispossessed by operation of law or otherwise, any personal property belonging to Lessee and left upon the Leased Property and any or all of Lessee's improvements thereon shall, at the option of the Lessor, be deemed to be abandoned by Lessee and shall, at the option of the Lessor, become the property of Lessor or may be discarded, at the expense of Lessee, with no liability to Lessor therefore.

C. Liens. Lessee shall keep the Leased Property and all improvements

thereon free from any and all liens and encumbrances arising out of any work performed, materials furnished or obligation incurred by Lessee, Lessee's employees, agents or contractors. Lessee agrees to indemnify and to save Lessor harmless from any such liens and to pay to Lessor, upon demand, the cost of discharging such liens with interest at the rate of ten-percent (10%) per annum from the date of such discharge, together with reasonable attorneys' fees in connection with the settlement, trial or appeal of any such lien matter.

D. Bankruptcy. In the event that bankruptcy or state insolvency or receivership proceedings shall be filed and sustained for a period of greater than ninety (90) days against Lessee, its heirs, executors, administrators, successors or assigns, in any Federal or State Court, it shall give the right to Lessor, at its option, to immediately declare this contract null and void, and to at once resume possession of the Leased Property and improvements thereon. No Receiver, Trustee or other judicial officer shall ever have any right, title or interest in or to the Leased Property by virtue of this Lease Agreement.

E. Tenant at Will. If Lessee remains in possession of Leased Property after expiration of the terms hereof, with Lessor's acquiescence and without any express agreement of the parties, Lessee shall become a tenant at will at the rental rate of 120% of the rate in effect at the end of the term of this Lease Agreement; and Lessee shall be bound by the terms and conditions of this Lease Agreement as far as applicable; and there shall then be no renewal of this Lease Agreement by operation of law.

SECTION 13. LIABILITY INSURANCE:

A. Comprehensive General Liability. Lessee shall maintain in force and effect at all times during the term of this Lease Agreement comprehensive general liability insurance coverage, for terms and conditions deemed appropriate by the Lessee to protect its interests, with a minimum \$5,000,000, per occurrence limit. Comprehensive Liability coverage for Lessee's subcontractors, if any, shall be obtained by Lessee with a \$1,000,000 policy limit. Lessee to name DeKalb County as Additional Insured including Completed Operations. Policy to be primary with Waiver of Subrogation.

B. Comprehensive Automobile Liability. Lessee shall maintain in force and effect at all times during the term of this Lease Agreement comprehensive automobile liability

coverage for any vehicles used by Lessee on the Airport. Coverage shall be provided with a minimum limit of \$1,000,000 combined single limit and shall cover all owned, non-owned, and hired vehicles.

C. Pollution Coverage shall be maintained with a minimum of \$2,000,000 Pollution Limit. Lessee shall name DeKalb County as Additional Insured including Completed Operations. Policy shall be primary with Waiver of Subrogation. In lieu of a separate pollution policy, the contractor can add a Limited Pollution Endorsement to their existing General Liability policy at the same limits.

D. Workers' Compensation Liability. Lessee shall, if required by State of Georgia Law, maintain in force during the term of this Lease Agreement, statutory workers' compensation insurance coverage.

E. Policies. All Liability Insurance policies required under Section 13 hereof shall name Lessor as additional insured under such policy or policies of insurance. A Minimum standard of acceptability of a carrier should be an A.M. Best's rating of A-VI. Lessee shall pay the premiums for such policies in a timely manner.

F. Certificate of Coverage. Lessee shall furnish to the Airport Director within thirty (30) days after execution of this Lease Agreement, or prior to the initiation of any construction or development on the Leased Property, which ever shall first occur, a certificate or certificates evidencing such insurance coverage with companies doing business in Georgia and acceptable to Lessor covering:

- i. The coverage and policy limits contained herein.
- ii. The location and the operation to which the insurance applies.
- iii. The expiration date of the policy(ies).
- iv. The name and address of the party to whom the certificates should be issued:

DeKalb County, Georgia
DeKalb Peachtree Airport
2000 Airport Road
Suite 212, Administration Building
Atlanta, Georgia, 30341
Attention: Airport Director

- v. If such coverage is canceled, reduced, or materially changed,

Lessee shall, within thirty (30) days of such event, notify the Airport Director of such cancellation, reduction, or material change of coverage and file with said Airport Director a certificate showing that the required insurance has been reinstated or is being provided through another insurance company or companies.

- vi. Prior to ten (10) days before the expiration of any such certificate, Lessee shall deliver to the Airport Director a certificate renewing or extending the terms for a period of at least one (1) year, or a replacement certificate acceptable to Lessor evidencing the required insurance coverage.

SECTION 14. BUILDERS RISK INSURANCE:

Lessee shall obtain and maintain fire insurance with extended coverage in an amount equal to the estimated completed value of such building(s). Coverage shall be written on a "completed value" basis. Builders Risk Insurance with extended coverage policy shall name Lessor as an additional insured under such policy of insurance.

The Lessee shall pay the premiums for such insurance in a timely manner.

The Lessee shall provide the Lessor with a certificate of insurance of companies doing business in Georgia and acceptable to Lessor, covering:

- A. The required coverage and policy limits.
- B. The location and the operation to which the insurance applies.
- C. The expiration date of policy.
- D. The name and address of party to whom the certificates should be issued:

DeKalb County, Georgia
DeKalb Peachtree Airport
2000 Airport Road
Suite 212, Administration Building
Atlanta, Georgia, 30341
Attention: Airport Director

- E. If such coverage is canceled, reduced, or materially changed, Lessee shall, within thirty (30) days of such event, notify the Airport Director of such cancellation, reduction, or material change of coverage and shall promptly file with said Airport Director a certificate showing that the required insurance has been reinstated and is being provided through another insurance company or companies.
- F. Prior to ten (10) days before the expiration of any such certificate, Lessee shall deliver to the Airport Director a certificate renewing or extending the terms for a period of at least one (1) year, or a replacement certificate acceptable to Lessor evidencing the required insurance coverage.

SECTION 15. PERMANENT PROPERTY INSURANCE:

Lessee shall provide to the Lessor evidence of coverage of an “all risk” property insurance policy, written on a “replacement cost” basis; it is understood by Lessor that such coverage shall be subject to exclusions and limitations to coverage by the Lessee’s insurance company. This policy shall name Lessor as an additional named insured under such policy of insurance. Lessee shall ensure that this policy shall remain in force at all times during the term of this Lease Agreement.

The Lessee shall pay the premiums for such insurance in a timely manner.

The Lessee shall provide the Lessor with a certificate of insurance of companies doing business in Georgia and acceptable to Lessor, covering:

- A. The required coverage and policy limits. Disclosure of Deductible is required.
- B. The location and the operation to which the insurance applies.
- C. The expiration date of policy.
- D. The name and address of party to whom the certificates should be issued:

DeKalb County, Georgia
DeKalb Peachtree Airport
2000 Airport Road
Suite 212, Administration Building
Atlanta, Georgia, 30341

Attention: Airport Director

- E. If such coverage is canceled, reduced, or materially changed, Lessee shall, within thirty (30) days of such event, notify the Airport Director of such cancellation, reduction, or material change of coverage and promptly file with said Airport Director a certificate showing that the required insurance has been reinstated and is provided through another insurance company or companies.
- F. Prior to ten (10) days before the expiration of any such certificate, Lessee shall deliver to the Airport Director a certificate renewing or extending the terms for a period of at least one (1) year, or a replacement certificate acceptable to Lessor evidencing the required insurance coverage.

SECTION 16. DAMAGE, DESTRUCTION OR CONDEMNATION OF LEASED PROPERTY:

If the building or improvements on the Leased Property are destroyed by fire or any other cause, or substantially damaged as to be unusable, Lessee shall have the option to either (a) terminate this Lease Agreement upon payment to Lessor of an amount equal to 1/20th of the insurance proceeds multiplied by the number of years the Lessee has been in possession under this Lease Agreement, which payment shall be made from the proceeds of insurance received by the Lessee and not from other assets of the Lessee; or (b) to rebuild as expeditiously as possible, using insurance proceeds therefore and to treat this Lease Agreement as continuing in effect. Lessee shall notify Lessor in writing of which alternative it elects within thirty (30) days after date of determination of the amount of insurance proceeds owed to Lessor.

In the event that a part of the improvements are damaged by fire or other cause, this Lease Agreement shall be treated as continuing in effect, and Lessee shall rebuild and/or repair as expeditiously as possible, and, so long as Lessee is, in good faith, taking the action required to rebuild and/or repair such portion of the improvements as required herein, rent shall be reduced pro rata, based on the square footage of the affected improvements, until such improvements are rebuilt and/or repaired, such that they may be occupied safely and used for their intended purpose by Lessee.

A. Maintenance of Improvements. Lessee shall, throughout the term of this Lease Agreement, at its own cost, and without any expense to Lessor, keep and maintain the Leased Property, including buildings and improvements of every kind which may be a part thereof, and all appurtenances thereto, including sidewalks adjacent thereto, in good, sanitary and neat order, condition and repair, and, except as specifically provided herein, restore and rehabilitate any improvements of any kind which may be destroyed or damaged by fire, casualty or any other cause whatsoever. Lessor shall not be obligated to make any repairs, replacements or renewals of any kind, nature, or description, whatsoever to the demised Leased Property or any buildings or improvements thereon.

B. Condemnation.

1. Total Condemnation. In the event of condemnation, or any taking by eminent domain, by any governmental entity, Lessor and Lessee shall have no interest in the award to the other, it being the intent of this Lease Agreement that each shall negotiate and litigate according to their separate interests, and this Lease Agreement shall terminate on the date of initiation of action taken by such governmental entity.

2. Partial Taking. In the event of the condemnation, or taking by eminent domain of a portion of the Leased Property, if the remainder of the leasehold is in an economically viable operating unit, as agreed by Lessor and Lessee, rental payments shall abate according to the ratio of square footage so taken. Condemnation award for the taking of any structure on the Leased Property shall be divided between Lessee and Lessor on the basis that Lessor shall receive an amount equal to the award divided by 20 and multiplied by the number of years remaining under this Lease Agreement.

If the remaining property is not an economically viable unit, as agreed by Lessor and Lessee, it shall be treated as a total condemnation as set forth in Subparagraph 1, Total Condemnation, above.

3. Temporary Taking. Should any portion of the Leased Property be condemned for any period, Lessor shall have no interest in such condemnation award, and the same shall go to Lessee, and the rent shall not abate to the extent that the award is equal to or in excess of the rent amount relating to such condemned portion of the Leased Property.

SECTION 17. INSPECTION OF LEASED PROPERTY:

A. Inspection of Leased Property: With twenty-four (24) hours notice to Lessee, Lessor or its duly authorized representatives may enter upon the Leased Property at any and all reasonable times during the term of this Lease Agreement for the purpose of determining whether or not Lessee is in compliance with the terms and conditions hereof or for any other purpose incidental to the rights of Lessor.

B. Inspection Report: Beginning on the fifth (5th) anniversary of the rent commencement date and each fifth (5th) anniversary thereafter, Lessee shall provide Lessor with an inspection report of the Leased Property prepared by an engineer or architect licensed to do business in the State of Georgia attesting to the condition of the Leased Property and addressing all repairs, replacements and renewals needed to maintain the required state of condition of the Leased Property. The cost of the inspection report shall be paid by Lessee. The inspection report shall be delivered to the Airport Director.

SECTION 18. TITLE:

A. Newly Constructed Buildings and/or Replacement Structures: During the term of this Lease Agreement and upon completion of any improvements, title to any and all newly constructed buildings, i.e. new and/or replacement structures placed on the Leased Property by Lessee shall remain in Lessee. Consequently, the Lessee shall be responsible for paying any and all property taxes and the like on these newly constructed buildings and/or replacement structures through the entire period of the Lease.

B. Existing Property and Structures: Title to all existing structures and facilities will revert to the ownership of the County on November 30, 2023. Hence, no payment of property taxes on County/Airport property and existing facilities are due or required after November 30, 2023, exclusive of newly constructed buildings and/or replacement structures outlined above. However, final determination of property taxes due remains with the Tax Commissioner, DeKalb County.

C. Reversion of Title: Title to any and all new improvements (including newly constructed buildings and/or replacement structures) on the Leased Property shall revert to the ownership of Lessor at the termination of this Lease Agreement.

SECTION 19. TAXES:

During the term of the Lease Agreement, Lessee shall pay or cause to be paid, prior to delinquency, all taxes, including possessory interest taxes, ad valorem taxes, and any other assessments levied or assessed:

- (a) On the Leased Property;
- (b) On all possessory interests hereunder or in the Leased Property;
- (c) On any improvements, fixtures and equipment now or hereafter existing on the Leased Property and on any personal property situated in, on or about the Leased Property, or in, on or about any buildings or improvements thereon. Lessee shall obtain and deliver receipts or duplicate receipts for all taxes, assessments, and other items required hereunder to be paid by Lessee, promptly on payment thereof, if so required by Lessor, and;
- (d) On Lessee's aircraft based on the Airport.

It is understood, however, that Lessee may pay any such taxes and assessments under protest, and without liability, cost or expense to Lessor, and may in good faith contest the validity or amount thereof.

SECTION 20. EVENTS OF DEFAULT BY LESSEE:

Each of the following events shall constitute an "event of default by Lessee", provided, however, that Lessee shall have thirty (30) days, (except in the case of Subparagraph (a) below, ten (10) days) after the receipt of written notice from Lessor of any such "event of default by Lessee" to cure.

- (a) Lessee's failure to pay the rent and other fees herein provided at the time fixed for payment thereof.
- (b) Lessee's failure to pay any taxes, including possessory interest taxes or assessments, agreed to be paid by Lessee in Section 21, Results of Lessee's Defaults, of this Lease Agreement in accordance with the terms of said Section. If the nature of any default by Lessee under this Subparagraph (b) is such that it cannot be cured within the thirty (30) day cure period provided above, Lessee shall be deemed to have cured such default if it shall, within such thirty (30) day period, commence performance and thereafter diligently prosecute the same to completion.
- (c) Lessee's failure to keep, perform or observe any term, covenant, or condition of this Lease Agreement to be kept, performed, or observed by Lessee.

- (d) Lessee's filing of a voluntary petition in bankruptcy or the assignment of all or substantially all of Lessee's assets for the benefit of Lessee's creditors or the institution of proceedings in bankruptcy against Lessee or the appointment of a receiver of the assets of Lessee; provided, however, that if any such proceedings or appointments are involuntary, then they shall not be considered an event of default by Lessee unless Lessee fails to procure a dismissal thereof within ninety (90) days after the institution of such involuntary bankruptcy proceedings or the appointment of such receiver.

SECTION 21. RESULTS OF LESSEE'S DEFAULT:

Upon the occurrence of an "event of default by Lessee", which is not cured within the time period given, Lessor, in addition to any other rights or remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the Leased Property with no liability to the Lessor therefore; such property may be removed and stored in a public warehouse or elsewhere at the expense of Lessee. Should Lessor elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice required by law, it may either terminate this Lease, or relet the Leased Property and any improvements thereon or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease Agreement) and at such rental or rentals and upon such other terms and conditions as Lessor in its sole discretion may deem advisable, with the right to make alterations and repairs to improvements on the Leased Property. Upon such reletting:

- (a) Lessee shall be immediately liable to pay to Lessor, any indebtedness for the cost and expenses of such reletting and of such alterations and repairs incurred by Lessor, and the amounts, if any, by which the rent reserved in this Lease Agreement for the period of such reletting (up to but not beyond the term of this Lease Agreement) is less than the amount agreed to be paid as rent for the Leased Property for the period of such reletting, or
- (b) At the option of the Lessor, rents received by Lessor from such re-letting shall be applied: first, to the payment of any indebtedness, other than rent, due hereunder from Lessee to Lessor; second, to the payment of any costs and expenses of such re-letting and of such alterations and repairs; third, to the payment of rent due and unpaid hereunder, and the balance, if any, shall be held by Lessor and applied in payment to future rent as the same may become due and payable hereunder.

If Lessee has been credited with any rent to be received by such reletting under option (a)

and such rent shall not be promptly paid to Lessor by the new tenant, or if such rentals received from such reletting under option (b) during any month be less than that to be paid during that month by Lessee hereunder, Lessee shall immediately pay any such deficiency to Lessor. Such deficiency shall be calculated and paid monthly by Lessee. No such re-entry or taking possession of the Leased Property and any improvements thereon by Lessor shall be construed as an election on its part to terminate this Lease Agreement unless a written notice of such intention is given to Lessee. Notwithstanding any such reletting without termination, Lessor may, at any time thereafter, elect to terminate this Lease Agreement for any breach, in addition to any other remedy it may have, and in such event, Lessee's interest in any and all buildings and improvements on the Leased Property shall, at the option of the Lessor, automatically pass to Lessor; and Lessor may recover from Lessee all damages it may incur by reason of such breach, including the cost of recovering the Leased Property, and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent unpaid in this Lease Agreement for the remainder of the stated term, all of which amounts shall be immediately due and payable from Lessee to Lessor.

SECTION 22. NON-WAIVER OF DEFAULTS:

The waiver by Lessor or Lessee of any breach by Lessor or Lessee of any term, covenant, or condition hereof shall not operate as a waiver of any subsequent breach of same or any other term, covenant or condition of this Lease Agreement. No term, covenant, or condition hereof can be waived except by written consent of Lessor; and forbearance or indulgence by Lessor, in any regard whatsoever, shall not constitute a waiver of the term, covenant or condition to be performed by Lessee to which the same may apply; and until complete performance by Lessee of the term, covenant or condition, Lessor shall be entitled to invoke any remedy available to it hereunder by law, despite such forbearance or indulgence.

SECTION 23. LESSEE'S ENCUMBRANCES:

A. Obligation. Lessee shall not encumber, mortgage or pledge or allow any lien upon Lessee's interest in the Leased Property or in any improvements Lessee places thereon by mortgage, deed of trust or other instrument without the prior written consent of Lessor. Any such mortgage, deed of trust or other instrument consented to by Lessor shall expressly provide

therein that the trustee, mortgagee, or beneficiary in such instrument or payee in the note or other obligation secured by any such instrument shall provide Lessor with written notice of any event of default by Lessee or foreclosure action against Lessee, within ten (10) days of such event. In the event such encumbrance, pledge, mortgage, or lien is allowed, the trustee, mortgagee or beneficiary in said instrument or payee in the note or other obligation secured by any such instrument may deliver to Lessor written notice showing:

- (i) the amount of the obligation secured by such instrument and the date of maturity or maturities thereof; and
- (ii) the name and post office address of such mortgagee, beneficiary, payee, or trustee. Upon delivery of such notice to Lessor, Lessor shall thereafter serve on such mortgagee, beneficiary, payee or trustee, by registered or certified mail at the address given or at any subsequent address thereafter given, a copy of every notice thereafter served by Lessor upon Lessee under the terms of this Lease, during the existence of such mortgage, deed of trust, or instrument.

B. Cure of Default by Mortgagee. In the event that Lessee defaults in the performance of any covenant or provision of this Lease Agreement to be performed by Lessee during the existence of any such mortgage, lien, deed of trust, or other instrument, the beneficiary, mortgagee, payee, or trustee named in any such notice, or their nominee, shall have the right, within the time herein provided, plus an additional ten (10) days, to perform and comply with all the covenants and provisions of this Lease to be performed by Lessee and to make all payments required of Lessee by this Lease and, by so doing, to cure and remove any such default.

C. Cure by Commencement of Performance. If the nature of any default by Lessee is such that it cannot be cured within the additional ten (10) days, such beneficiary, mortgagee, payee, or trustee shall be deemed to have cured such default if it or its nominee shall, within such ten (10) day period, commence performance and thereafter diligently prosecute the same to completion.

D. Foreclosure of Liens. If, at any time, foreclosure proceedings are begun to any lien secured by any mortgage, deed of trust, or other similar instrument on the Leased Property, for a period of thirty (30) calendar days from the date Lessor receives notice of such

foreclosure, Lessor shall have the first option of assuming or discharging said lien at its actual face value, according to the terms thereof, and thereupon to then terminate this Lease Agreement and all interest in it and relet the Leased Property under the provisions of Section 22, Non-Waiver of Defaults, hereof.

E. Non-Relief of Liability. The execution of any encumbrance under this Section, or the foreclosure thereof, or any sale thereunder, either by judicial proceeding or by virtue of any power reserved in such encumbrance, or conveyance by Lessee to the holder of such indebtedness or encumbrance or the exercising of any right, power, or privilege reserved in any encumbrance, shall not be held as a violation of any of the terms or conditions hereof, or as an assumption by the holder of such indebtedness personally of the obligations hereof. No such encumbrance, foreclosure, conveyance, or exercise of right shall relieve Lessee from its liability hereunder.

SECTION 24. TERMINATION BY LESSEE:

The Lessee may cancel this Lease Agreement at any time, without penalty, if the Airport ceases to be used for airport purposes, or if local/County/State/Federal/or FAA regulations, laws, ordinances prevent Lessee from using its aircraft at the airport, or restrict the size or noise from aircraft such that the aircraft cannot be used at the airport.

SECTION 25. RIGHTS PRIOR TO TERMINATION:

If Lessee is not in default hereunder, Lessee shall have the right to remove during the term hereof any and all fixtures which Lessee may have placed or installed upon the Leased Property; provided, however, that upon said removal, Lessee shall repair, at Lessee's own expense, any damage resulting therefrom and leave the Leased Property in their original condition, normal wear and tear excepted.

SECTION 26. REDELIVERY OF LEASED PROPERTY:

Lessee shall, upon termination of this Lease in any manner, quit and deliver up the Leased Property to Lessor peaceably, quietly, and in as good order and condition as the same now are or may be hereafter improved by Lessee or Lessor, reasonable wear and tear thereof excepted.

SECTION 27. LESSOR'S LIEN:

If Lessee is in default under any covenant, term or provision of this Lease Agreement or has abandoned the Leased Property, in addition to the rights of Lessor under Section 12, Liability, hereof, Lessee hereby grants to Lessor a lien upon any improvements, personal property and trade fixtures of Lessee upon the Leased Property, which lien Lessor may satisfy by selling said improvements, personal property or trade fixtures at public or private sale without notice to Lessee and from the proceeds of said sale satisfy first any costs of storage, removal and sale, and any other debts due from Lessee to Lessor; and secondly, satisfy the total amount of unpaid rent due hereunder and hold any balance for the account of Lessee. This lien shall inure to Lessor's benefit whenever Lessee is in default hereunder and when Lessor exercises any right, which Lessor may have at law, in equity or under this Lease Agreement.

SECTION 28. QUIET ENJOYMENT:

Lessee, upon payment of the fees and all other payments and charges to be paid by Lessee under the terms of this Lease Agreement and upon observing and keeping the agreements and each of the covenants of this Lease Agreement on the part of Lessee to be observed and kept, shall lawfully and quietly hold, occupy and enjoy the Leased Property during the term of this Lease for the purposes and uses set out herein. Lessee covenants that it will not commit or allow to be committed by any other sub-tenant, any act on the Leased Property which may disturb the quiet enjoyment of any other adjoining tenants.

SECTION 29. SALE, ASSIGNMENT, TRANSFER AND SUBLETTING:

Lessee shall not, except as security as provided in Section 23, Lessee's Encumbrances, hereof, sell, assign, or transfer this Lease Agreement without the prior written consent of the Lessor. Lessee shall not sublease the Leased Property or any portion thereof, nor shall Lessee sublet any privileges granted with respect to the operation of said Leased Property or any portion thereof, without the prior written consent of the Lessor. No assignee for the benefit of Lessee's creditors, and any trustee, receiver, or referee in bankruptcy shall acquire any rights under this Lease by virtue of this paragraph.

SECTION 30. WAIVERS:

Any waiver by Lessor or Lessee at any time of any of the terms, conditions, covenants or

agreements of this Lease Agreement, or non-compliance therewith, shall not be deemed or taken as a future waiver at any time thereafter of the same or any other term, condition, covenant or agreement herein contained, nor of the strict and prompt performance thereof required by Lessee. No delay, failure or omission of Lessor to re-enter the Leased Property or to exercise any right, power, privilege or option arising from any default, nor the subsequent acceptance of fees then or thereafter accrued, shall impair any future right, power, privilege or option, nor shall it be construed to be a waiver of any such default or acquiescence therein. No notice by Lessor shall be given to Lessee to restore or revive any "time is of the essence" clause after any waiver by Lessor. No option, right, power, remedy or privilege of Lessor shall be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of the rights, powers, options, or remedies given to Lessor by this Lease Agreement are cumulative and no one of them shall be exclusive of the other or exclusive of any remedies provided by law, and that the exercise of one right, power, option or remedy by Lessor shall not impair its right to any other right, power, option or remedy.

SECTION 31. SECURITY:

Lessor shall provide, or cause to be provided, during the term of this Lease Agreement, all proper and appropriate public fire and police protection similar to that afforded to other tenants at the Airport, and it will issue and enforce rules and regulations with respect thereto for all portions of the Airport. Lessee shall have the right but shall not be obligated, to provide such additional or supplemental public protection as it may desire, but such right, whether or not exercised by Lessee, shall not in any way be construed to limit or reduce the obligations of Lessor hereunder.

A. Access to Non-Movement Area / Ingress and Egress.

Lessee shall have right of ingress to, and egress from, the Airport over Airport roadways, including the use of common-use roadways, expressly subject to such rules and regulations as may be established by the Airport Director. Lessee is granted only that vehicular access which is reasonably necessary to allow Lessee access to the Leased Property once Lessee is on Airport property. Vehicular access to all movement areas, whether active or inactive, is expressly prohibited by this Lease. For the purpose of this Agreement, a movement area is any runway or taxiway utilized whether active or inactive for taxiing, takeoffs, and landings of aircraft,

exclusive of aircraft loading ramps, taxiway(s), aircraft parking areas, and aircraft aprons and tie-down spaces.

B. Gate Combination and / or Access Code.

The Lessee acknowledges and agrees that he/she is totally responsible for the dissemination of any gate and/or access code given to provide access to the Airport through the use of Lessee's gate. If the Lessee gives this code to any other person for whatever reason, the Lessee will be responsible for any and all actions of such person(s) as if this were the Lessee him/herself.

C. Access Card.

If Lessee desires to use Airport's established proximity access control card system, or other Airport access control system not yet defined by, or in use by, the Airport at that time, Airport Administration will assign one (1) card to the Lessee only. A request by the Lessee for an additional card(s) shall be made in writing stating the reason(s) or rationale why an additional card(s) is/are required. Any request for an additional card may or may not be approved by the Airport Director at his/her sole discretion. The minimum information required for the issuance of any additional card will include the name, local address, and contact phone number of the individual. A Ten Dollar (\$10.00) fee, payable to DeKalb County, will be charged for the issuance of an access card to each individual. If a card is lost, stolen, or made unusable for any reasons, a Twenty-Five Dollar (\$25.00) replacement fee will be required before a new card is issued.

The control and monitoring of access is paramount to Airport security. Accordingly, only authorized users with access to the Airport granted pursuant to this Lease should hold a card to access the Airport. Lost or stolen Airport-issued access cards shall be reported immediately by any means possible to Airport Administration, whereupon the loss and/or theft will be recorded, and the card will be made "inactive" by Airport Administration for the access control point. "Reported immediately" means within twenty-four (24) hours or the next business day, not including weekends or holidays. A new card may then be issued by Airport Administration bearing a number different from the one lost or stolen.

D. Fraud and Intentional Falsification of Records.

- (a) No person may make any fraudulent or intentionally false statement in any application for any security program, access medium, or identification medium.
- (b) No person may make any fraudulent or intentionally false entry in any record or report that is kept, made or used to show compliance or exercise any privileges.

E. Security Responsibilities of Employees and Other Persons.

No person may:

- (a) Tamper or interfere with, compromise, modify, attempt to circumvent, or cause a person to tamper or interfere with, compromise, modify, or attempt to circumvent any security system, measure, or procedure.
- (b) Enter, or be present within a secured area without complying with the systems, measures, or procedures being applied to control access to, or presence or movement in, such areas.
- (c) Use, allow to be used, or cause to be used, any airport-issued or airport-approved access medium or identification medium that authorizes the access, presence, or movement of persons or vehicles in secured areas in any other manner than that for which it was used by the appropriate authority.

F. “On Airport Driver’s Safety and Training Guide for the DeKalb Peachtree Airport”.

Any person given access to the Airport shall be required to read and acknowledge having read and understood the current edition of the above document provided by the Airport, to qualify for access to the Airport. A copy of the signature page acknowledgement will be kept in the Lessee’s Lease file.

G. Airport Safety and Security.

In the interest of Airport safety and security, in the event Lessee fails to abide by this Section 31 of this Lease Agreement and provided Lessee is given five (5) days written notice of the violation with a ten (10) day period to cure, the Chief Executive Officer (CEO) of DeKalb County and his/her designee, is authorized by the County’s Governing Authority, at the CEO’s sole discretion, to immediately declare this Lease void, to cancel the same without any legal proceeding and to reenter and take possession of the Leased Property.

SECTION 32. PUBLIC USE AND FEDERAL GRANTS:

A. Grant Agreements. The Leased Property and the Airport are subject to the terms of those certain sponsors' assurances made to guarantee the public use of the Airport as incidental to grant agreements between Lessor and the United States of America, as amended ("Sponsor's Assurance Agreement"), and Lessor represents that none of the provisions of this Lease Agreement violate any of the provisions of the Sponsor's Assurance Agreement.

B. Non-Exclusive Rights. Nothing contained in this Lease Agreement shall be construed to grant or authorize the granting of an exclusive right within the meaning of 49 USC Section 40103(e) (formerly, Section 308 of the Federal Aviation Act of 1958).

C. Right to Develop Airport. Lessor reserves the right to further develop or improve the Airport and all roadways, parking areas, terminal facilities, landing areas, and taxiways as it may see fit, regardless of the desires or views of the Lessee.

D. Subordination of Lease. This Lease Agreement shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States of America, its Boards, Agencies, or Commissions relative to the operation or maintenance of the Airport.

E. Right to Amend. In the event that the Federal Aviation Administration or its successors shall require any modifications or changes in this Lease Agreement as a condition precedent to the granting of funds for the improvement of the Airport, Lessee hereby consents to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions or requirements of this Lease Agreement as may reasonably be required to obtain such funds; provided, however, that in no event will Lessee be required, pursuant to this paragraph, to accept an increase in fees or rent provided for hereunder or accept a change in the use of, accept a reduction in the size of the Leased Property, or to accept any change which would adversely affect the rights of any mortgagee, beneficiary, payee or trustee registered with Lessor as provided in Section 23, Lessee's Encumbrances.

SECTION 33. BONDS:

Lessee shall be required to furnish to Lessor:

- (a) Prior to the commencement of any construction or alteration upon the

Leased Property, a surety bond, satisfactory to Lessor, in a sum not less than 100% of the estimated cost of construction, guaranteeing the faithful performance and the completion of such construction, all in accordance with final plans and detailed specifications to be approved in advance by Lessor. Said bond shall guarantee Lessor against any losses and liability, damages and expenses (including attorney's fees), claims and judgments caused by or resulting from any failure of Lessee or Lessee's contractor to perform fully and faithfully the work in question within the time period herein provided for completion.

(b) Prior to the commencement of any construction work upon the Leased Property, a surety bond, satisfactory to Lessor, with Lessee's contractor or contractors as principal, in the sum equal to not less than 100% of the amount of the contract for the completion of such work guaranteeing the payments of wages for services engaged and of bills contracted for materials supplied and equipment used in the performance of such work, and protecting Lessor from any liability (including attorney's fees), loss or damage arising therefrom.

In the event that Lessee initially furnishes such bonds as required by Section 33(a) and 33(b), above, and thereafter obtains from its contractor or contractors such bonds in like amount which are satisfactory to Lessor, and which provide the same protection, as aforesaid, Lessor, upon application by Lessee and upon naming Lessor as an additional obligee of Lessee's principal and contractor under such bonds, shall release Lessee from and consent to the cancellation of the bond or bonds originally furnished by Lessee under Section 33(a) and 33(b) hereof; it being understood and agreed that nothing herein contained shall prevent Lessee's compliance with the provisions of Section 33(a) and 33(b) hereof by initially obtaining such bonds from its contractor or contractors prior to the commencement of any construction hereunder. Said bonds shall be with good and sufficient surety satisfactory to Lessor.

SECTION 34. CONSENT NOT TO BE UNREASONABLY WITHHELD:

Whenever consent or approval is required hereunder by either party, such consent is not to be unreasonably withheld, nor to be delayed for any unreasonable period of time.

SECTION 35. PREVENTION OF TRESPASS:

Lessee agrees to use Lessee's reasonable efforts to prevent unauthorized persons from gaining access to the Airport restricted areas through the Leased Property.

SECTION 36. SIGNS AND ADVERTISING:

Lessee is granted the right to install identification signs on and about the Leased Property, subject to the Airport's prior written approval with regard to the size, design, text and location of such sign and the approval of applicable local government authority. Those signs currently erected on the property are exempt from this requirement.

SECTION 37. RELATIONSHIP BETWEEN THE PARTIES:

Lessor is neither a joint venture with, nor a partner or associate of the Lessee with respect to any matter provided for in this Lease Agreement. Nothing herein contained shall be construed to create any such relationship between the parties other than that of Lessor and Lessee or to subject Lessor to any obligation of the Lessee whatsoever.

SECTION 38. TIME OF THE ESSENCE:

Time is of the essence in this Lease Agreement.

SECTION 39. LEASE MADE IN GEORGIA:

This Lease Agreement has been made in and shall be construed in accordance with the laws of the State of Georgia.

SECTION 40. HEADINGS:

The headings contained herein, including the Title Page and the Table of Contents, are for convenience in reference and are not intended to define or limit the scope of any provisions of this Lease Agreement.

SECTION 41. NOTICES:

All notices to be given hereunder shall be in writing and shall be deemed given when deposited in the United States mail, postage prepaid, certified, and addressed as follows (or at such other address as from time to time may be designated by either party by written notice to other party):

- | | |
|--|--|
| <p>(a) LESSOR:
DeKalb County, Georgia
The Maloof Center
1300 Commerce Drive</p> | <p>With a copy to: Airport Director,
DeKalb County, Georgia
DeKalb Peachtree Airport</p> |
|--|--|

Decatur, Georgia 30030

212 Administration Building
2000 Airport Road
Atlanta, Georgia 30341

LESSEE:

Hangars Glen, LLC
c/o SFG Falcon Hangar, LLC
3280 Peachtree Road NE
Suite 2770
Atlanta, Georgia 30305

SECTION 42. SURRENDER AND MERGER:

The voluntary or other surrender or termination of this Lease Agreement by Lessee, or a terminate all or any existing subleases, or subtenancies, or may, at the option of Lessor, operate as an assignment to Lessor of any or all such subleases or subtenancies.

SECTION 43. SUCCESSORS AND ASSIGNS:

Subject to the terms and conditions of Section 29, Sale, Assignment, Transfer, and Subletting, hereof, the provisions of this Lease Agreement shall bind and inure to the benefit of the successors and assigns of the parties hereto.

SECTION 44. PERMITS AND LICENSES:

All necessary permits, licenses, or permissions from the Airport Director shall be obtained in writing, and shall not be valid or binding upon any person unless and until said writing is obtained.

SECTION 45. AS-BUILT PLANS TO BE FURNISHED:

As available, two (2) complete certified sets of "as-built" plans and specifications for all buildings and improvements on the Leased Property shall be deposited with the Airport Director within thirty (30) days of the date of this agreement. After the completion of any new construction by Lessee on the Leased Property, two (2) complete sets of plans and specifications for all subsequent changes therein or alterations thereof shall, within fifteen (15) days after approval by the Lessor, be signed by Lessee and delivered to the Airport Director.

SECTION 46. AIRPORT DIRECTOR:

The Lessor, through an Airport Director shall have the exclusive right and responsibility during the term of this Lease Agreement of managing and operating said Airport for civilian flying adjacent to the Leased Property, including the promulgating of such rules and regulations, including traffic rules, so that said Airport may be operated safely, efficiently and to the further end that all take offs, landings, taxiing and flying in the immediate vicinity of the field shall be performed with maximum safety.

SECTION 47. MAINTENANCE OF RUNWAYS AND TAXIWAYS:

The Lessor will maintain runways and taxiways in useable and safe condition, considering the type and nature of the initial construction, except those portions which may be closed to air traffic during periods of repair or construction, or for any other purpose deemed necessary by the Lessor.

SECTION 48. TRASH AND REFUSE:

A. Removal and Disposal. It is hereby agreed that the quick and efficient removal and disposal of trash, clippings, refuse, garbage and other debris from the Leased Property is essential, and Lessee shall arrange for such removal and disposal of trash, clippings, refuse, garbage and other debris from the Leased Property at Lessee's own expense in accordance with all applicable laws and ordinances.

B. Storage. Trash, clippings, refuse, garbage and other debris shall be stored in closed containers suitably screened and protected from public view, pending their removal and disposal, and such storage shall at no time, be allowed to generate odors, attract rodents or insects, or become offensive in any manner. The containers shall have paved access for the service providing their removal and disposal. The storage area shall be kept neat and clean at all times.

C. Waste Products. Lessee shall prevent the entrance from the Leased Property of quantities of petroleum products and other harmful wastes in excess of amounts permitted by applicable laws and regulations in the sewerage and storm water drainage systems serving the County, and shall treat the same in accordance and in full compliance with all

applicable local, State and Federal laws and regulations.

SECTION 49. OBSTRUCTION LIGHTING:

Lessee agrees to install and maintain, including the furnishing of electrical power, obstruction lights on all structures within the Leased Property required under all applicable FAA criteria.

SECTION 50. REMOVAL OF EXCESS DIRT:

Lessee agrees that all dirt within the Premises, which is excess to Lessee's need on the Premises, remains the property of Lessor and shall be hauled at Lessee's expense to a site on airport property as designated by the Airport Director.

SECTION 51. LATE PAYMENT CHARGE:

Lessee agrees to pay a penalty charge to Lessor in an amount equal to five percent (5%) of each monthly payment not received by Lessor within ten (10) days of date of which payment is due.

SECTION 52. VENUE:

This Lease Agreement has been executed and is to be wholly performed in DeKalb County, Georgia, and for the purposes of venue, all suits or causes of action arising out of this Lease Agreement shall be brought in the courts of DeKalb County, Georgia.

SECTION 53. AMENDMENT OF LEASE AGREEMENT:

All duties, obligations, and liability of Lessor and Lessee may only be amended in writing. No amendment or modification of this agreement shall be enforceable unless in writing and approved by action of the Board of Commissioners of DeKalb County."

SECTION 54. POSSESSION OF LEASED PROPERTY:

Possession and title to all Leased Property including all capital improvements and facilities shall be vested in Lessor and is deemed to begin on the start date of this Lease, December 1, 2023. From this date forward throughout the term of the agreement, the Lease Agreement is considered to be a "triple-net" lease whereas the Lessee is responsible for the all maintenance, routine and/or emergency, of all facilities and capital improvements, maintenance

of insurance, regular and unscheduled / unforeseen / emergency maintenance on any part of the facility, capital improvements, ramps, parking areas, access control gates, etc.

SECTION 55. ENVIRONMENTAL LAWS:

Environmental laws means all laws relating to environmental matters, including without limitation, those relating to fines, orders, injunctions, penalties damages, contribution, cost recovery compensation, losses, or injuries resulting from the release or threatened release of Hazardous Materials and to the generation, use, storage, transportation, or disposal of Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 et seq.), the Hazardous Material Transportation Act (49 U.S.C. §5101 et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.), the Clean Water Act (33 U.S.C. §1251 et seq.), the Clean Air Act (41 U.S.C. § 7401 et seq.), the Toxic Substances Control Act of 1976 (15 U.S.C. § 2601 et seq.), the Safe Drinking Water Act (42 U.S.C. § 300f et seq.) , the Occupational Safety and Health Act of 1970 (29 U.S.C.§ 651 et seq.), the Emergency Planning and Community Right-to-Know Act (42U.S.C. § 11001 et seq.), the Georgia Underground Storage Tank Act (O.C.G.A. § 12-13-1 et seq.), Georgia Water Quality Control Act, (Georgia Laws 1964, p.416, as amended), each as heretofore and hereafter amended or supplemented, and any analogous future or present local, state, or Federal statutes, rules and regulations promulgated thereunder or pursuant thereto, and any other present or future law, ordinance, rule, regulation, permit or permit condition, order or directive regulating, relating to or imposing liability standards of conduct concerning any Hazardous Material by the Federal government, any government, any state or any political subdivision thereof, exercising executive, legislative judicial, regulatory or administrative functions.

SECTION 56. STORM WATER COMPLIANCE:

(A) Acknowledgements.

(1) Notwithstanding any other provisions or terms of this Lease Agreement, Lessee acknowledges that the Airport is subject to Federal Storm Water regulations 40 C.F.R. Part 122, for vehicle maintenance (including vehicle rehabilitation, mechanical repairs, painting, fueling and lubrication), equipment cleaning operations and/or deicing

operations that occur at the Airport as defined in these regulations and in the Georgia Water Quality Control Act, O.C.G.A. § 12-5-20 et. seq., as amended. Lessee further acknowledges that it is familiar with these Storm Water regulations; that it may conduct or operate “vehicle maintenance” (including vehicle rehabilitation, mechanical repairs, painting, fueling and lubrication), equipment cleaning operations and/or deicing activities as defined in the Federal and state Storm Water regulations if the Lessee submits a Notice of Intent (NOI) to EPD and participates in Storm Water Pollution Plan (SWPPP) coordination with DeKalb Peachtree Airport; and that it is aware that there are significant penalties for submitting false information, including fines and imprisonment for knowing violations.

(2) Notwithstanding any other provisions or terms of this Lease Agreement, Lessee acknowledges that it will obtain coverage under the NPDES General Permit GAR050000 by filing a NOI with EPD before conducting industrial activities at DeKalb Peachtree Airport as required by the applicable regulations for the Airport, including the Property occupied or operated by the Lessee. Lessee acknowledges that the Storm Water discharge permit issued to the Airport may name the Lessee as a co-permittee. If no industrial activities are being performed by the Lessee, then applying for NOI coverage and implementing Stormwater BMPs may not be necessary. However, if at any time industrial activities are performed on the property, coverage shall be obtained at that time. If Airport downstream sampling shows issues with pollutants in Stormwater from Lessee, Lessor shall inspect site and Lessee shall implement necessary BMPs to comply with the Permit and other applicable local, state and federal regulations.

(3) Notwithstanding any other provisions or terms of this Lease Agreement, including the Lessee’s right to quiet enjoyment, Lessor and Lessee both acknowledge that close cooperation is necessary to ensure compliance with any Storm Water discharge permit terms and conditions, as well as to ensure safety and to minimize costs. Lessee acknowledges that, as discussed more fully below, it will minimize the pollution potential of storm water by implementing and maintaining the “Best Management Practices” listed in the DeKalb Peachtree Airport Storm Water Pollution Prevention Plan.

(4) Lessee acknowledges that the Airport’s Storm Water discharge permit is incorporated by reference into this Lease and made a part hereof.

(5) Lessee acknowledges that DeKalb County and the Airport will pass all storm water fees as related to the Leased Property to the Lessee.

(B) Permit Compliance.

(1) When industrial activities are being performed by the Lessee, the Lessor will provide Lessee with written notice of those Storm Water discharge permit requirements, that are in the Airport's Storm Water permit, that Lessee will be obligated to perform from time to time, including, but not limited to: certification of non-Storm Water discharges; submission of a NOI to EPD, coordination with Lessor in ensuring SWPPP adequately (to the extent mandated by Federal and state law) and perpetually encompasses all industrial activities conducted by the Lessee at DeKalb Peachtree Airport; implementation of Storm Water pollution prevention or similar plans; implementation of Best Management Practices and maintenance of necessary records. Such written notice shall include applicable deadlines. Lessee, within fifteen (15) days of receipt of such written notice, shall notify Lessor in writing if it disputes any of the Storm Water discharge permit requirements it is being directed to undertake. If Lessee does not provide such timely notice, it is deemed assent to undertake such requirements. If Lessee provides Lessor with timely written notice that it disputes such Storm Water discharge permit requirements, Lessor and Lessee agree to negotiate a prompt resolution of their differences. Lessee warrants that it will not object to written notice from the Lessor for purposes of delay or avoiding compliance.

(2) Lessee agrees to undertake, at its sole expense unless otherwise agreed to in writing between Lessor and Lessee, those Storm Water discharge permit requirements for which it has received written notice from the Lessor. Lessee warrants that it shall meet any and all deadlines that may be imposed on or agreed to by Lessor and Lessee.

(3) Lessor agrees to provide Lessee, at its request, with any non-privileged information collected and submitted to any governmental entity(ies) pursuant to applicable Storm Water regulations.

(4) Lessee agrees that the terms and conditions of the Airport's Storm Water discharge permit may change from time to time and hereby appoints Lessor as its agent to negotiate with the appropriate governmental entity(ies) any such permit modifications.

(5) Lessor will give Lessee written notice of any breach by Lessee of the Airport's Storm Water discharge permit or the provisions of this section. If such breach is material, and, if of a continuing nature, Lessor may seek to terminate the lease pursuant to the terms of this Lease Agreement. Lessee agrees to cure promptly any breach.

(6) Lessee agrees to participate on the Airport's Pollution Prevention Team established to coordinate Storm Water activities at the Airport.

(C) Indemnification.

(1) Notwithstanding any other provisions of this Lease, Lessee agrees to indemnify and hold harmless Lessor for any and all claims, demands, costs (including attorneys fees), fees, fines, penalties, charges and demands by and liability directly or indirectly arising from Lessee's actions or omissions, including failure to comply with Lessee's obligations under this Section, the applicable Storm Water regulations, and Storm Water discharge permit, unless the result of Lessor's sole negligence. This indemnification shall survive any terminations or non-renewal of this Lease.

(D) Definitions.

(1) **Storm Water** means: storm water runoff, snow melt runoff, and surface runoff and drainage.

(2) **Storm Water discharge associated with industrial activity.**

means the discharge from any conveyance which is used for collecting and conveying stormwater and that is directly related to manufacturing, processing or raw materials storage areas at an industrial plant. The term does not include discharges from facilities or activities excluded from the NPDES program. For the categories of industries identified in Appendix D of the 2017 Industrial General Permit, the term includes, but is not limited to, stormwater discharges from industrial plant yards; immediate access roads and rail lines used or traveled by carriers of raw materials, manufactured products, waste material, or by-products used or created by the facility; material handling sites; refuse sites; sites used for the application or disposal of process waste waters (as defined at 40 CFR 401); sites used for the storage and maintenance of material handling equipment; sites used for residual treatment, storage, or disposal; shipping and

receiving areas; manufacturing buildings; storage areas (including tank farms) for raw materials, and intermediate and finished products; and areas where industrial activity has taken place in the past and significant materials remain and are exposed to stormwater. For the purposes of this paragraph, material handling activities include the storage, loading and unloading, transportation, or conveyance of any raw material, intermediate product, finished product, by-product or waste product. The term excludes areas located on plant lands separate from the plant's industrial activities, such as office buildings and accompanying parking lots as long as the drainage from the excluded areas is not mixed with stormwater drained from the above described areas. Industrial facilities (including industrial facilities that are Federally, State or municipally owned or operated that meet the description of the facilities listed in Appendix D of 2017 Industrial General Permit) include those facilities designated under 40 CFR 122.26(b)(14)(i)-(ix) and (xi). See Appendix D of 2017 Industrial General Permit for categories of facilities considered to be engaging in "industrial activity" for purposes of this permit.

(3) **Significant Materials** means: raw materials; fuels; materials such as solvents, detergents and plastic pellets; finished materials such as metallic products, raw materials used in food processing or production; hazardous substances designated under § 9601(14) of CERCLA (42 U.S. Code § 9601 et. seq.); any chemical the facility is required to report pursuant to Section 313 of Title III of the federal Superfund Amendments and Reauthorization Act of 1986 (SARA); fertilizers; pesticides; and waste products such as ashes, slag and sludge that have a potential to be released with Storm Water discharges.

(4) **Best Management Practices (BMP)** means: schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to prevent or reduce the pollution of waters of the State of Georgia. BMPs also include treatment requirements, operating procedures, and practices to control facility site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw material storage.

SECTION 57. NO CLAIMS ON AIRCRAFT:

Notwithstanding Section 12, Liability; Section 23, Lessee's Encumbrances; Section 29, Sale, Assignment, Transfer and Subletting; and Section 55, Environmental Laws, hereof, and any other provisions of this Lease Agreement granting to Lessor rights to take,

proceed against, or file liens on Lessee, Lessor shall not have any rights in, or any rights to take, proceed against or file liens upon any aircraft, personal property, or vehicles of Lessee located at any time on the Leased Property.

SECTION 58. EXCLUSIVE USE AREA:

A. Designation. The entire Leased Property as identified and defined is further designated as an "Exclusive Use Area" for use by the Lessee. As such, this designation provides that, in the event the Airport is assessed a fine or penalty by the FAA for breach of security regulations or a movement area incursion as a result of the acts or omissions of the Lessee or any of its assigns, officers, agents, representatives, contractors, or invitees, the Lessee shall be required to reimburse the County promptly the full amount of any such fine or penalty paid by the County. In any proceeding by the FAA to investigate and assess such a fine or penalty involving the acts or omissions of the Lessee, the County shall provide the Lessee with reasonable notice of such proceedings and an opportunity to participate in any written submissions or hearings in connection with such proceedings.

B. Access to Non-Movement Area Only. Under this Lease Agreement, vehicular access is granted onto the Leased Property only, and to no other areas on the Airport. Vehicular access to any movement area, i.e., runway or taxiway, whether active or inactive, through the Leased Property area is not granted by virtue of this Lease Agreement, regardless of the circumstances, except for those towing (tug) operations for which the Lessee's employee(s) are completely and fully trained and are properly equipped with a communication radio and other equipment for coordinating access to and movement on any airport movement area (taxiway and/or runway, whether closed or open) with the PDK FAA Airport Traffic Control Tower (ATCT). Lessee accepts full and total responsibility for all such actions, and any fines or actions taken against the Lessee and/or Lessee's employee(s) under any and all circumstances.

C. Gate Combination and/or Access Code. The Lessee is totally responsible for the dissemination of the gate combination and/or access code and/or access card to any and all others. Any person given permanent access to the Leased Property by the Lessee shall read and be required to sign acknowledgement of having read and understood the current edition of the DeKalb Peachtree Airport (PDK) On Airport Driver's Safety and Training Guide for the DeKalb Peachtree Airport to qualify for "unescorted access" to the Leased Property. A copy of

the signature page acknowledgement will be kept in the Lessee's Lease Agreement file. Any person granted temporary access to the Leased Property area shall be "escorted" at all times by the Lessee or by such person that has previously acknowledged having read and understood the above Airport training publication, and has been granted unescorted access. The access code and/or gate and/or access card combination will only be given to Airport Staff. Additionally, the access code and/or gate and/or access card combination will be provided such media and/or information to Airport Staff so that such information and/or material can be relayed to the DeKalb County Fire & Rescue Service for emergency access only.

SECTION 59. SEVERABILITY:

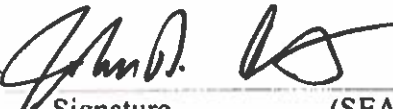
In the event any provision of this Lease Agreement is held to be unenforceable for any reason, the remainder of the Lease Agreement shall be in full force and effect and enforceable in accordance with its terms.

[SIGNATURES APPEAR ON NEXT PAGE.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in four (4) counterparts, each to be considered as an original by their authorized representatives this ____ day of _____, 2023.

HANGARS GLEN, LLC

DEKALB COUNTY, GEORGIA

By 
Signature (SEAL)

_____ by Dir. (SEAL)
MICHAEL L. THURMOND
Chief Executive Officer
DeKalb County, Georgia

JOHN D. ALTMAYER
Name (Typed or Printed)


VILE PRESIDENT
Title

82-2576412
Federal Tax Identification Number

10/11/2023
Date Signed by Lessee

ATTEST:

ATTEST:


MAYANK PATEL (Seal)
Name (Typed or Printed)

BARBARA H. SANDERS, CCC, CMC
Clerk of the Chief Executive Officer and
Board of Commissioners of
DeKalb County, Georgia

GENERAL COUNSEL
Title

Signed, sealed and delivered as to County in the presence of
 (Seal)
Notary Public
My Commission Expires 27-25

Signed, sealed and delivered as to County in the presence of:

(Seal)
Notary Public
My Commission Expires:

APPROVED AS TO SUBSTANCE:

Department Director

APPROVED AS TO FORM:

County Attorney Signature

County Attorney Name (Typed or Printed)

Exhibit "A"
Description of Leased Property
Boundary Survey Hangars Glen, LLC Leasehold North Terminal Lease Area N8
by Hussey Gay Bell dated May 4, 2023
(consisting of 3 pages)

THIS BLOCK RESERVED FOR THE
CLERK OF THE SUPERIOR COURT.

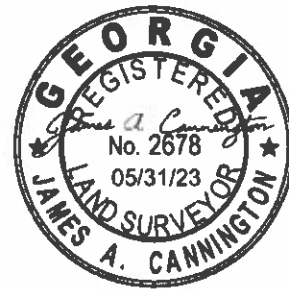
SURVEYOR'S CERTIFICATION

THIS PLAT IS A RETRACEMENT OF AN EXISTING PARCEL OR PARCELS OF LAND AND DOES NOT SUBDIVIDE OR CREATE A NEW PARCEL OR MAKE ANY CHANGES TO ANY REAL PROPERTY BOUNDARIES. THE RECORDING INFORMATION OF THE DOCUMENTS, MAPS, PLATS, OR OTHER INSTRUMENTS WHICH CREATED THE PARCEL OR PARCELS ARE STATED HEREON. RECORDATION OF THIS PLAT DOES NOT IMPLY APPROVAL OF ANY LOCAL JURISDICTION, AVAILABILITY OF PERMITS, COMPLIANCE WITH LOCAL REGULATIONS OR REQUIREMENTS, OR SUITABILITY FOR ANY USE OR PURPOSE OF THE LAND, FURTHERMORE. THE UNDERSIGNED LAND SURVEYOR CERTIFIES THAT THIS PLAT COMPLIES WITH THE MINIMUM TECHNICAL STANDARDS FOR PROPERTY SURVEYS IN GEORGIA AS SET FORTH IN THE RULES AND REGULATIONS OF THE GEORGIA BOARD OF OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS AS SET FORTH IN O.C.G.A. SECTION 15-8-67

James A. Cannington DIGITALLY SIGNED
2023.05.31 11:08:23-04'00"

JAMES A. CANNINGTON DATE

GEORGIA REGISTERED LAND SURVEYOR NO. 2678
AS SURVEYOR FOR HUSSEY, GAY, BELL & DEYOUNG, INC.
CERTIFICATE OF AUTHORIZATION # LSF000300



- 1) FIELD SURVEY DATE: APRIL 17, 2023.
- 2) EQUIPMENT USED: TOPCON HIPER SR GPS & TRIMBLE S-5 ROBOTIC TOTAL STATION.
- 3) FIELD CLOSURE: 1 FOOT IN 148,313 FEET ADJUSTMENT: LEAST SQUARES
- 4) PLAT CLOSURE:
TRACT N8-1:2,338,924
- 5) NOT ALL IMPROVEMENTS OR EASEMENTS ARE SHOWN.
- 6) ALL CORNER MONUMENTS SET ARE 1/2-INCH REBAR WITH PLASTIC CAP UNLESS OTHERWISE NOTED.
- 7) NO ZONING INFORMATION IS SHOWN

LEGEND

▲	INTERSECTION POINT
○	PROPERTY CORNER MONUMENT FOUND
●	CORNER MONUMENT SET (SEE NOTE 6)
RBF	RBF - REBAR FOUND
P.O.C.	POINT OF COMMENCEMENT
P.O.B.	POINT OF BEGINNING
RF	REBAR FOUND
R/W	RIGHT-OF-WAY LINE
BFP	BACKFLOW PREVENTER
SS	BROKEN LINE (NOT TO SCALE)
S	END NOT LOCATED
	SINGLE WING CATCH BASIN
	DOUBLE WING CATCH BASIN
	FIRE HYDRANT
	FIRE DEPARTMENT CONNECTION
	SANITARY SEWER MANHOLE
	TRANSFORMER
	ELECTRIC METER
	ELECTRIC BOX
	WATER VALVE
	WATER METER
	BOLLARD
	AIR CONDITIONING UNIT
	IRRIGATION CONTROL VALVE
	TANK ACCESS LID
	SITE BOUNDARY LINE
	ADJACENT BOUNDARY LINE
	ROAD CENTERLINE
	CURB & GUTTER
	FENCE
	STORM SEWER
	SANITARY SEWER
	BUILDING LINE

REVISION #1-05/31/2023-REVISE NAME SPELLING

CLIENT

DEKALB PEACHTREE AIRPORT
2000 AIRPORT ROAD, SUITE 212
ATLANTA, GA 30341

HUSSEY GAY BELL

Established 1958

3100 BRECKINRIDGE BLVD., BLDG. 300
DULUTH, GEORGIA 30096-4986
TEL: (770) 923-1600, FAX: (770) 923-4202

BOUNDARY SURVEY
HANGARS GLEN LLC LEASEHOLD
NORTH TERMINAL LEASE AREA N8
DEKALB PEACHTREE AIRPORT PROPERTY
N/F DEKALB COUNTY (PID#1827907016)
DB 19513, PG 218

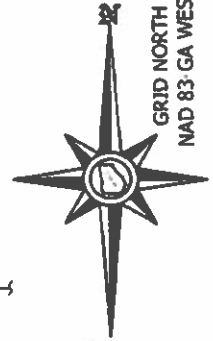
Date: 05/04/2023

Job #: 23017

LL 279, DIST. 18
DEKALB COUNTY
GEORGIA

SHEET
1 OF 2

GRID NORTH
NAD 83 - GA WEST



ASPHALT PARKING
LEASE AREA N7A

GATE

ASPHALT
FLIGHTWAY DRIVE

30" C&G

1/2" RBF (40' R/W)

30" C&G

N 89°57'18" W 290.00'
TO E. R/W CORSAIR DRIVE
(100' R/W)

EDGE OF CONCRETE CORNER
0.05' WEST

CONCRETE PARKING
METAL FENCE
EXTENDS ACROSS LINE

N 00°57'18" W
212.20'

GATE

EDGE OF CONCRETE
0.08' WEST

N/F:
DEKALB COUNTY
ASSIGNEE:
COLONIAL PIPELINE COMPANY
DB 11205 PG 393
PID# 1827907021

METAL FENCE
EXTENDS ACROSS LINE

HANGAR
DOOR

GATE

GENERATOR

METAL FENCE

GRASS

LEASE AREA N8
31,632 SQ. FT.
0.726 ACRES

1 STORY METAL BUILDING
AREA: 10,059 SQ. FT.

SHED

FUEL SHUT OFF
FENCE CORNER
0.31' WEST

CONCRETE

MISC VAULT

S 89°03'20" W 149.98'

POB
PK NAIL

PAINT STRIPE
CONCRETE

ASPHALT
80' TAXIWAY EASEMENT

1/2" RBF

BFP
1/2" RBF WC
PATTERSON
0.14' SE
ONLINE
ASPHALT

24" C&G

N/F
DEKALB COUNTY
(FIRE STATION #15)
NO DEED FOUND
PID# 1827907017

S 00°57'21" E 209.61'

A/C

A/C

POC
NE END OF
CENTERLINE
OF RUNWAY
16

N 58°53'08" E 1373.65'

N/F
DEKALB COUNTY
NO DEED FOUND

GRAPHIC SCALE
(IN FEET)

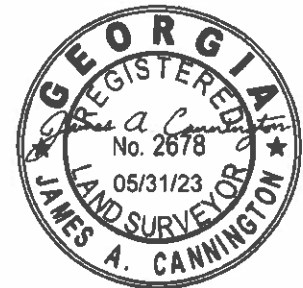
1 inch = 50 ft.



PROPERTY SUMMARY (N8)

OWNER	DEKALB COUNTY
ASSIGNEE	HANGARS GLEN LLC
PARCEL ID	1827907016
ADDRESS	2015 FLIGHTWAY DRIVE
REFERENCES	DB 19513, PG 218

REVISION #1-05/31/2023-REVISE NAME SPELLING



HUSSEY GAY BELL

Established 1958

3100 BRECKINRIDGE BLVD., BLDG. 300
DULUTH, GEORGIA 30096-4986
TEL: (770) 923-1600, FAX: (770) 923-4202

BOUNDARY SURVEY
HANGARS GLEN LLC LEASEHOLD
NORTH TERMINAL LEASE AREA N8
DEKALB PEACHTREE AIRPORT PROPERTY
N/F DEKALB COUNTY (PID#1827907016)
DB 19513, PG 218

LL 279, DIST. 18
DEKALB COUNTY
GEORGIA

SHEET
2 OF 2

Date: 05/04/2023

Job #: 23017

**LEGAL DESCRIPTION
DEKALB PEACHTREE AIRPORT
NORTH TERMINAL LEASE AREA N8**

ALL THAT PARCEL OF LAND LYING IN LAND LOT 279 OF THE 18TH DISTRICT OF DEKALB COUNTY, GEORGIA, ON THE DEKALB PEACHTREE AIRPORT PROPERTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWESTERLY END OF THE CENTERLINE OF RUNWAY 16; THENCE NORTH 58°53'08" EAST, A DISTANCE OF 1373.65 FEET TO A PK NAIL SET ON THE NORTHERLY SIDE OF AN 80-FOOT TAXIWAY EASEMENT, SAID POINT BEING THE **POINT OF BEGINNING**; THENCE NORTH 00°57'18" WEST, LEAVING SAID EASEMENT LINE, A DISTANCE OF 212.20 FEET TO A 1/2-INCH REBAR FOUND ON THE SOUTHERLY RIGHT-OF-WAY LINE OF FLIGHTWAY DRIVE (40-FOOT RIGHT-OF-WAY); THENCE ALONG SAID RIGHT-OF-WAY LINE SOUTH 89°57'18" EAST A DISTANCE OF 150 FEET TO A 1/2-INCH REBAR WITH CAP FOUND; THENCE LEAVING SAID RIGHT-OF-WAY LINE AND RUNNING THROUGH THE PROPERTY OF DEKALB COUNTY SOUTH 00°57'21" EAST A DISTANCE OF 209.61 FEET TO A 1/2-INCH REBAR FOUND ON THE NORTHERLY SIDE OF AN 80-FOOT TAXIWAY EASEMENT; THENCE CONTINUING THROUGH SAID PROPERTY OF DEKALB COUNTY AND RUNNING ALONG SAID NORTHERLY EASEMENT LINE SOUTH 89°03'20" WEST A DISTANCE OF 149.98 FEET BACK TO THE **POINT OF BEGINNING**.

CONTAINING 31,632 SQUARE FEET OR 0.726 ACRES.

Exhibit "B"
Market Rent Analysis Update
Prepared by Airport Business Solutions
Date of Report and Analysis of June 29, 2023

MARKET RENT ANALYSIS - UPDATE

Hangars Glen, LLC
Corporate Hangar Development
2015 Flightway Drive
DeKalb Peachtree Airport (PDK)
Chamblee, Georgia



Prepared for:

Mr. Mario A. Evans, C.M.
Airport Director
DeKalb Peachtree Airport
2000 Airport Road, Suite 212
Atlanta, Georgia 30341

Date of Report and Analysis: June 29, 2023



Airport Business Solutions

Valuation and Consulting Services to the Aviation Industry

90 Fort Wade Road, Suite 100, Ponte Vedra, Florida 32081-5114

Office (813) 855-3600 www.airportbusiness.net

June 29, 2023

Mr. Mario A. Evans, C.M.
Airport Director
DeKalb Peachtree Airport
2000 Airport Road, Suite 212
Chamblee, Georgia 30341

RE: Market Rent Analysis - Update
 Hangars Glen, LLC Corporate Hangar Development
 (North Terminal Lease Tract N8)
 2015 Flightway Drive
 DeKalb Peachtree Airport (PDK)
 Chamblee, Georgia

Dear Mr. Evans:

In accordance with your request, we have completed our comprehensive study of the local, regional and national general aviation market for the purpose of providing an updated estimate of the Market Rent of the Hangars Glen, LLC corporate hangar development, also known as North Terminal Lease Tract N8, located at 2015 Flightway Drive at the DeKalb Peachtree Airport in Chamblee, Georgia. The subject development reflects a 11,912 square foot masonry and metal office/hangar on a 0.726-acre leasehold, as well as a 12,000-gallon underground fuel storage facility and miscellaneous site improvements. The purpose of the assignment is to provide an updated estimate of the Market Rent on an "as-is" basis for the development to assist DeKalb County and the DeKalb Peachtree Airport with lease negotiations. Note: A Market Rent Analysis on this property was originally completed on April 12, 2022.

The following document is intended to comply with the reporting requirements set forth under Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice. This document does not include a full discussion of the data, reasoning, and analyses that were used to develop the opinion of Market Rent set forth herein. Within this document, data and analyses are summarized, with supporting documentation along with such as reasoning and analyses retained in our files.

After careful analysis of the subject development and its competitive environment, as well as the local, regional and national general aviation market, it is our opinion that the current Market Rent of the Hangars Glen, LLC corporate hangar development, based upon an "as-is" condition, as of June 29, 2023, is as follows:

CURRENT MARKET RENT - "AS-IS"

**ONE HUNDRED THIRTEEN THOUSAND, ONE HUNDRED SIXTY-FOUR
DOLLARS PER ANNUM**

(\$ 113,164.00 Per Year)

Solutions as Unique as the Problems . . .

Mr. Mario A. Evans, C.M.

June 29, 2023

Page Two

It should be noted that the selected rental rate herein represents a "triple net" rent with the tenant responsible for taxes, property insurance, repairs and maintenance, utilities, and all required capital investment. In addition, this rent assumes periodic adjustment over the life of a lease term at either a fixed percentage or in conjunction with changes in the Consumer Price Index (CPI).

It is recommended that the County be flexible in their rate negotiations, specifically providing investment credits and/or a longer lease term to recognize any proposed capital investment associated with a new, extended lease. This is standard within the industry in situations where a tenant makes significant capital improvements near the end of their existing lease which extends the useful life of the facility and enhances its utility.

The following Market Rent Analysis contains pertinent data assembled during our investigation, along with our analyses and conclusions. We appreciate this opportunity to be of service to you on this project. If you should have any further questions, or request additional information or clarification, please advise.

Sincerely,



Michael A. Hodges, MAI

State of Georgia

Certified General Real Property Appraiser

License No. CG004018

SCOPE OF THE ASSIGNMENT

The scope of this assignment is to provide an updated estimate of the current Market Rent of the Hangars Glen, LLC corporate hangar development, also known as North Terminal Lease Tract N8, located at 2015 Flightway Drive at the DeKalb Peachtree Airport in Chamblee, Georgia. The development is comprised of 0.726 acres (31,625 square feet) on the northeast side of the DeKalb Peachtree Airport (FAA Identifier PDK) and south side of Flightway Drive. The site is improved with an 11,912 square foot office/hangar development, to include a 20-foot-high open bay hangar and attached office/administrative areas on the east side of the hangar. The building was originally constructed in 1983 and reflects average quality and condition. In addition, the development includes approximately 18,200 square feet of concrete and asphalt paved aircraft ramp/apron on south side of the building, a 12,000-gallon underground Jet fuel storage tank, and miscellaneous site improvements such as asphalt paved vehicular parking, landscaping and perimeter security fencing.



This updated Market Rent Analysis is conveyed to the Client in a summary format reflecting salient facts and conclusions on the subject property identified herein. Consideration is given to all pertinent factors affecting the subject property and the specific dates and values defined herein, with all detailed data relevant to the rent conclusions contained herein. Pertinent confidential market data is retained in the consultant's files.

PURPOSE OF THE ASSIGNMENT

On behalf of the County of DeKalb and the DeKalb Peachtree Airport, Mr. Mario A. Evans, C.M., its Airport Director, has requested an updated estimate of the current Market Rent of the Hangars Glen, LLC corporate hangar development at the DeKalb Peachtree Airport in Chamblee, Georgia. Per the Client's request, the intended use of this report is to provide a rental conclusion to assist in lease adjustments in accordance with the terms of the existing lease agreement. It is assumed that *Airport Business Solutions (ABS)* and their representatives were provided all information relative to the Airport and this leasehold, and that the information is current and accurate. *ABS* reserves the right to modify its conclusions if it is discovered that pertinent information was not made available. The intended user of this report is DeKalb County and the DeKalb Peachtree Airport.

***NOTE:** It is recommended that the County be flexible in their rate negotiations, specifically providing investment credits and/or a longer lease term to recognize any proposed capital investment associated with a new, extended lease. This is standard within the industry in situations where a tenant makes significant capital improvements near the end of their existing lease which extends the useful life of the facility and enhances its utility.*

IDENTIFICATION OF PROPERTY ANALYZED

The subject site lies on the south side of Flightway Drive, within the northeastern quadrant of the DeKalb Peachtree Airport (PDK), and is identified as the Hangars Glen, LLC corporate hangar development, also known as North Terminal Lease Tract N8, at 2015 Flightway Drive in Chamblee, Georgia. The site is comprised of 0.726 acres, or 31,625 square feet, and is improved with a 11,912 square foot masonry and metal office/hangar facility originally built in 1983. In addition, the development includes approximately 18,200 square feet of concrete and asphalt paved aircraft ramp/apron, asphalt paved automobile parking, a 12,000-gallon underground fuel storage facility, and miscellaneous site improvements such as landscaping and perimeter security fencing.



DATE OF RENT ESTIMATE

The date of this report is June 29, 2023, which corresponds to our written composition and reflects the date of analysis. An exterior inspection of the property was performed by Michael A. Hodges, MAI on May 22, 2023. This document reflects an update of the original analysis of Market Rent on April 12, 2022.

OWNERSHIP HISTORY

The subject leasehold, identified as North Terminal Lease Tract N8, is governed by a Lease Agreement with DeKalb County which is scheduled to expire in 2023. The existing lease reflects triple net lease terms. The existing lease rate is disregarded in this analysis, as the purpose of the assignment is estimate Market Rent at the time of lease adjustment to market terms.

DEFINITION OF MARKET RENT

The primary value estimate herein conforms with the definition of "Market Rent" per **The Dictionary of Real Estate Appraisal** (Fifth Edition, page 121-122), specifically defined as "*The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).*"

NEIGHBORHOOD/COMMUNITY ANALYSIS

Given the scope of this analysis, a detailed area assessment has been omitted herein. However, the following is a brief overview of the area.

The DeKalb-Peachtree Airport is located within the boundaries of DeKalb County in the State of Georgia. DeKalb County is Georgia's third largest county relative to population with 764,382 residents according to the 2020 census data. DeKalb County is bordered to the west by Fulton County and contains roughly 10% of the City of Atlanta. (The other 90% lies in Fulton County).



The County is included in the five county core of the Atlanta-Sandy Springs-Marietta, Georgia, metropolitan statistical area (MSA). It is recognized as one of the most diverse counties in Georgia, and is the home to Emory University, the Centers for Disease Control (CDC), Philips Consumer Electronics, and numerous other large businesses and industries. The County's labor base is extremely diverse, and the transportation options offered by ground, air, and rail are highly desirable and contribute to economic growth.

In summary, the diversity of DeKalb County and the entire Atlanta MSA bodes extremely well for the Airport. Its businesses and tenants, and the community it serves. However, as with other parts of the country, the current economy is having a negative impact on the short-term growth and stability of the local community. Fortunately, the Airport has been somewhat immune from the economic challenges and it appears that the long-term prospectus is very positive.

DEKALB-PEACHTREE AIRPORT

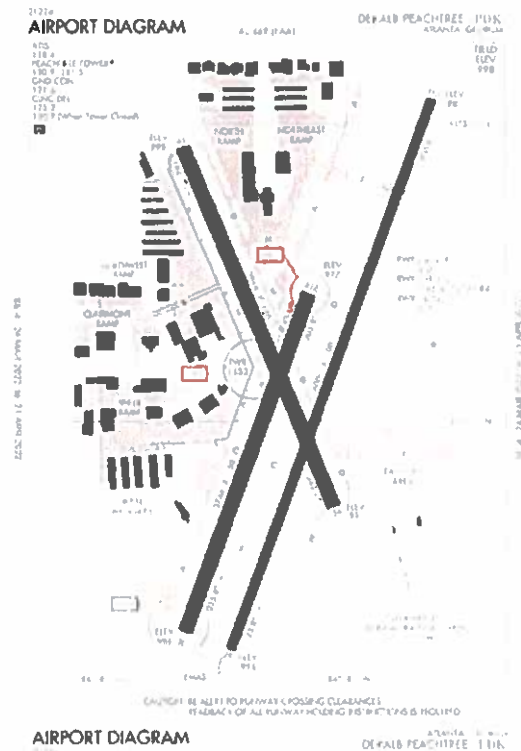
DeKalb-Peachtree Airport (FAA Identifier PDK) encompasses 700+ acres and is one of the busiest general aviation airports in the country. The high number of corporate operations is primarily due to its proximity to the City of Atlanta, which lies only 8 miles to the southwest. The Airport is owned and operated by DeKalb County and is home to three fixed base operators (FBOs), Signature Flight Support, Atlantic Aviation, and Epps Aviation. In addition, PDK offers several specialized aviation businesses and private hangars. DeKalb-Peachtree Airport is a designated reliever airport for the Hartsfield-Jackson Atlanta International Airport by the Federal Aviation Administration.



The Airport lies at an elevation of 1,003 feet and contains four active runways and one helipad. Runway 2R/20L is 6,001 feet in length and 100 feet wide with a concrete grooved surface in good condition. Weight bearing capacity is 46,000 pounds single wheel and 75,000 pounds dual wheel. This runway has high intensity runway edge lights, a 4-box VASI on 2R, and a 2-light PAPI, medium intensity approach lighting, and instrument landing system (ILS) on Runway 20L. Runway 16/34 is 3,967 feet long and 150 feet wide with an asphalt surface, medium intensity runway edge lights, and

4-box VASIs on each end. Runway 2L/20R is 3,746 feet in length by 150 feet wide and is also an asphalt surface runway with medium intensity runway edge lights and 2-light PAPIs on each end. Runway 9/27 is 3,383 feet long and 150 feet wide with high intensity runway lights and VASIs on each runway end.

The airfield is served by several active taxiways which are strategically designed to maximize safety and access to all areas. Based upon available statistics from DeKalb County through the end of 2022, the Airport offers approximately 306 based fixed wing aircraft and helicopters. With regards to operations, 2022 reflected the greatest number of operations over the past 10-year period at PDK, an approximate 12% increase over 2021.



In summary, the DeKalb-Peachtree Airport is one of 278 reliever airports in the United States and offers all of the amenities necessary for general aviation activities. To meet current demand and forecasted growth, the Airport is currently planning and constructing necessary infrastructure improvements. Overall, the Airport is poised for growth consistent with trends in both the local economy and national general aviation environment.

PDK ANNUAL OPERATIONS	
YEAR	OPERATIONS
2010	160,948
2011	155,189
2012	144,912
2013	144,555
2014	140,548
2015	138,251
2016	158,441
2017	159,066
2018	151,132
2019	161,367
2020	138,420
2021	158,014
2022	176,895

SITE AND IMPROVEMENT DESCRIPTION

The Hangars Glen, LLC corporate hangar development is located at 2015 Flightway Drive and is comprised of 0.726 acres (31,625 square feet) on the northeast side of the DeKalb Peachtree Airport (FAA Identifier PDK) on the south side of Flightway Drive, east of Corsair Drive. Site is improved with a 11,912 square foot office/hangar building originally constructed in 1983 reflecting average quality and condition. In addition, the development includes extensive concrete aircraft ramp/apron on south side of the building, asphalt paved vehicular parking to the north of the building, a 12,000-gallon underground Jet fuel storage tank and miscellaneous site improvements such as landscaping and perimeter security fencing.



The generally level site is improved with a 11,912 square foot masonry and metal office/hangar with an open bay hangar encompassing 9,956 square feet with an epoxy sealed concrete floor, insulated metal walls and ceiling, high intensity lighting, and suspended infrared gas heaters. Door height on the hangar is approximately 20 feet plus a tail door, with the interior of the hangar being about 24 feet high. The hangar does not offer sprinklers. Hangar doors are insulated track-style with electric openers.



The hangar is flanked on its east side by an attached one-story office area containing a total of +/-1,956 square feet. The office area has been upgraded over the years and reflects good quality finish and condition and includes a lobby, conference room, several private offices, a kitchen, storage

room, and men's and women's restrooms. General finish reflects carpeting or tile floors, painted drywall walls, acoustical tile ceilings with recessed fluorescent lighting and central heating and cooling.



Site improvements include approximately 18,200 square feet concrete and asphalt aircraft ramp/apron on south side of the building, asphalt paved vehicular parking on the northeast side of the building, a 12,000-gallon underground Jet-A fuel storage tank with enclosed dispenser system, and miscellaneous site improvements such as landscaping and perimeter security fencing.



MARKET RENT ANALYSIS

The focus of a Market Rent Analysis is the derivation of a market rental rate for pertinent land and facilities. In this situation, it is predicated upon an assessment of rental rates of comparable corporate office/hangar facilities derived from similar airports throughout the region, as well as on a national basis, with special attention to airports offering similar locational, physical, and operational characteristics to the DeKalb Peachtree Airport (PDK) where available. Detailed comparable data and analyses have been retained in the consultant's files and will be made available upon request. On the following page is a summary of updated survey information and a brief synopsis of the consultant's conclusions based upon the available data, consideration to the physical and locational characteristics of the subject property, and the infrastructure and amenities offered at PDK.

It is important to note that all comparable lease data utilized in this analysis reflects information on office/hangar developments *leased directly from the ownership entity of their airport*. Subleases have been disregarded, to include leases from an FBO, in that they typically reflect additional considerations in the form of profit to the sublessor, as well as often including ancillary services such as discount fueling, towing, ramp maintenance, etc.

CORPORATE HANGAR SURVEY			
Airport and Location	Tenant	Building Area (Sq. Ft.)	Blended Annual Rent (Per Sq. Ft.)
Chicago Executive (PWK), Chicago, IL	IPOII	10,495	\$7.38
Montgomery County (GAI), Gaithersburg, MD	Corporate	8,000	\$7.50
DeKalb Peachtree (PDK), Chamblee, GA	PDK, LLC	11,306	\$7.50
DeKalb Peachtree (PDK), Chamblee, GA	Corey	18,000	\$8.00
Indianapolis Int'l (IND) Indianapolis, IN	Indianapolis Colts LLC	19,717	\$8.47
Charlotte Douglas Int'l (CLT) Charlotte, NC	Confidential	31,698	\$8.62
DeKalb Peachtree (PDK) Chamblee, GA	Rollins	15,200	\$10.00
T.F. Green Airport (PVD) Warwick, RI	Providence Equities	10,920	\$11.50
T.F. Green Airport (PVD) Warwick, RI	Textron	12,500	\$11.59
Charlotte Douglas Int'l (CLT) Charlotte, NC	Confidential	15,700	\$11.66
McKinney National (TKI), McKinney, TX	Toyota	32,745	\$11.75
New Castle County (ILG) Wilmington, DE	AeroWays	22,660	\$13.24
McKinney National (TKI), McKinney, TX	Texas Instruments	40,750	\$13.67

As can be seen on the prior chart, rental rates for the surveyed corporate hangar facilities demonstrate a wide range from \$7.38 to \$13.67 per square foot of building area to include land. Said rates reflect blended rates between office and hangar space.

The ability for a corporate hangar tenant to retain self-fueling rights significantly impacts rental rates. This is based upon the substantial savings that can be garnered by an operator that has the ability to procure and dispense their own fuel, as opposed to having to buy retail from one of the airport's fixed base operators. Although most large corporate fuel users are able to negotiate pricing discounts, the margins still substantially exceed cost. The Hangars Glen, LLC facility at PDK has self-

fueling rights and the necessary fueling storage and related equipment, which will be considered in the final rent conclusion.

It is the consultant's opinion that there is sufficient data to derive a reasonable conclusion of market rent for the subject facility. The selection of a market-based rental rate is based upon the information contained herein, with consideration to the quality and condition of the subject facility, availability of an underground fuel farm, as well as the location and amenities of PDK as compared to the airports surveyed herein. Given the foregoing, as well as the compatibility and utility of the subject leasehold compared to other corporate hangar sites in the immediate area, as well as the current supply and demand imbalance at PDK and other airports within the Atlanta metropolitan area, with a significant number of leasehold interest transactions being negotiated for corporate hangars at PDK and the surrounding airports, it is the consultant's opinion that an annual rental rate of \$9.50 per square foot of building area, inclusive of land and site improvements, is appropriate for the Hangars Glen, LLC corporate hangar development at PDK in the current market.

It should be noted that the selected rental rate herein represents a "triple net" rent with the tenant responsible for utilities, insurance, taxes, repairs and maintenance, and all required capital improvements. Furthermore, the selected rate reflects a rent appropriate on an "as-is" basis, with consideration to the current condition and marketability. The following is a summary of the consultant's conclusions and overall annual rental rate for the Hangars Glen, LLC corporate hangar development.

HANGARS GLEN, LLC HANGAR DEVELOPMENT @ PDK		
Building Area (Sq. Ft.)	Rent Per Square Foot	Annual Rent
11,912	\$9.50	\$113,164

RECONCILIATION AND FINAL RENT ESTIMATE

Reconciliation is the process of evaluating facts, trends, observations, and conclusions developed in the valuation methods utilized to derive the final estimate of the current Market Rent of the Hangars Glen, LLC corporate office/hangar development at the DeKalb Peachtree Airport. As discussed herein, the analysis requested by the Client was of the development in an “as-is” condition. After careful analysis of the subject development and its competitive environment, as well as the local and regional aviation and real estate markets, it is our opinion that the current Market Rent of the Hangars Glen, LLC corporate hangar development at the DeKalb Peachtree Airport, on an “as-is” basis, as of June 29, 2023, is as follows:

CURRENT MARKET RENT – “AS-IS”

***ONE HUNDRED THIRTEEN THOUSAND, ONE HUNDRED SIXTY-FOUR
DOLLARS PER ANNUM***

(\$ 113,164.00 Per Year)

It should be noted that the selected rental rate herein represents a “triple net” rent with the tenant responsible for taxes, property insurance, repairs and maintenance, utilities, and all required capital investment. In addition, this rent assumes periodic adjustment over the life of a lease term at either a fixed percentage or in conjunction with changes in the Consumer Price Index (CPI).

It is recommended that the County be flexible in their rate negotiations, specifically providing investment credits and/or a longer lease term to recognize any proposed capital investment associated with a new, extended lease. This is standard within the industry in situations where a tenant makes significant capital improvements near the end of their existing lease which extends the useful life of the facility and enhances its utility.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

I have performed services as an appraiser or consultant on this property within the 3-year period preceding the date of this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

I made a full interior and exterior inspection of this property on April 12, 2022, with an exterior inspection only on May 22, 2023.

No one provided significant real property appraisal assistance to the person signing this certification.



Michael A. Hodges, MAI
State of Georgia
Certified General Real Property Appraiser
License No. CG004018

Market Rent Analysis - Update
Hangars Glen, LLC Corporate Hangar Development
DeKalb Peachtree Airport
June 29, 2023



ADDENDA

Market Rent Analysis - Update
Hangars Glen, LLC Corporate Hangar Development
DeKalb Peachtree Airport
June 29, 2023



GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

1. The legal and/or metes and bounds as pointed out by the client are assumed to be correct.
2. No survey of the property has been made by the consultant and no responsibility is assumed in connection with such matters.
3. No responsibility is assumed for matters of a legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and merchantable but not necessarily owned in fee by the client as of the date of this opinion.
4. Information furnished by others is assumed to be true, correct and reliable. A reasonable effort has been made to verify such information; however, no responsibility for its accuracy is assumed by the consultants.
5. It is assumed that there are no hidden or unapparent conditions of the property, sub-soil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
6. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated.
7. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated. All values stated herein are contingent upon the proper zoning, either existing or proposed, be granted by the local zoning authorities and adhered to regardless of the proposed use.
8. It is assumed that all required licenses and consents have been obtained from legislative or administrative authority for any use on which the value contained in this analysis is based.
9. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted within this analysis.
10. The consultant will not be required to give testimony or appear in court because of having made this analysis, with reference to the property in question, unless arrangements have been previously made.
11. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the consultants, and in any event, only with proper written qualification and only in its entirety.

12. If there are any improvements of value, the distribution of the total valuation in this analysis between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other analysis and are invalid if so used.

13. No environmental impact studies were either requested or made in conjunction with this analysis and the consultants hereby reserve the right to alter, amend, revise or rescind any of the value opinions based upon any subsequent environmental impact studies, research or investigation.

14. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media without written consent and approval of the consultants. Nor shall the consultants, firm or professional organization of which the consultants are a member be identified without written consent of the consultant.

15. Unless otherwise stated in this appraisal, the existence of hazardous material, which may or may not be present on the property, was not observed by the consultants. The consultant has no knowledge of the existence of such materials on or in the property. The consultant, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there are no such materials on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

16. Current and historical market conditions have been analyzed in anticipating trends pertinent to the date of analysis. It should be noted, however, that unforeseeable changes in economic and market factors could dramatically affect the rent estimate and conclusions herein.

17. The consultant has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the consultant has no direct evidence relating to this issue, the consultant did not consider a possible noncompliance with the requirements of ADA in estimating the value of the property.

18. This document represents an updated Market Rent Analysis on an as-is basis of the property identified herein, as of June 29, 2023.

19. Acceptance of and/or use of this report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Market Rent Analysis - Update
Hangars Glen, LLC Corporate Hangar Development
DeKalb Peachtree Airport
June 29, 2023



QUALIFICATIONS OF CONSULTANT

CURRICULUM VITAE

NAME: Michael A. Hodges, MAI
TITLE: President/CEO
FIRM NAME: ABS Aviation Consultancy, Inc. dba
Airport Business Solutions
ADDRESS: 90 Fort Wade Road, Suite 100
Ponte Vedra, Florida 32081-5114
PHONE: (813) 855-3600 or (813) 317-3170

EDUCATION

Graduate of the University of Tennessee with a Bachelor of Arts Degree - Major in Philosophy.

PROFESSIONAL AND TECHNICAL COURSES

Currently certified in the program of continuing education as required by the Appraisal Institute.

Completed requirements for MAI member designation of the Appraisal Institute to include peer review of appraisal assignments, completion of a demonstration appraisal report on an income-producing property, experience rating, and educational courses.

Attended numerous professional courses and seminars relative to real estate appraisal such as Capitalization Theory and Techniques, Case Studies in Real Estate Valuation, Real Estate Appraisal Principles, Basic Valuation, Residential Valuation, Investment Analysis, Uniform Standards of Professional Appraisal Practice, and Report Writing and Valuation Analysis, as presented by the American Institute of Real Estate Appraisers and the Appraisal Institute.

BACKGROUND AND EXPERIENCE

President and CEO of *ABS Aviation Consultancy, Inc. dba Airport Business Solutions (ABS)*, a diverse aviation valuation and consulting firm which specializes in the analysis of airports, fixed base operations, and other aviation-related properties for lease negotiation, acquisition, litigation, leasehold and going-concern valuation, and bankruptcy, as well as providing specialized airport management consulting, to include policy development, to airports of all sizes. Additional expertise offered in the area of financial self-sufficiency analysis for general aviation airports and through-the-fence access agreements and operations.



BACKGROUND AND EXPERIENCE (Continued)

ABS has provided a myriad of services to airports throughout North and South America, Asia, and Europe. Using our extensive and diverse experience, ***ABS*** has assisted airports throughout the world in such areas as business plan development and implementation, concessions planning and management, air cargo assessments, airline agreement negotiation, terminal design analysis, parking assessment, rental car analysis, general aviation operations and management, non-aeronautical land development, financial modeling, and full or partial airport privatization assessments.

President and CEO of ***ABS Aviation Management, Inc. dba ABS Aviation***, an airport and FBO management services entity.

Aviation President of ***Kompass Partners*** from 2005 through 2013. ***Kompass Partners*** was a Hong Kong-headquartered company specializing in creating successful partnerships between U.S. and Chinese aviation businesses.

Vice President and Part Owner in the firm of ***Hodges, McArthur, & Dunn, P.C.*** Real Estate Appraisers and Consultants from 1990 through 1995. ***Hodges, McArthur and Dunn, P.C.*** was a full-service real estate appraisal and consulting firm with offices in Knoxville, Nashville, and Memphis, Tennessee, and Atlanta, Georgia. Responsibilities included appraisals, general feasibility studies, and market analyses on a variety of property types involved in financing, acquisition, condemnation, bankruptcy, litigation, and estate valuation.

Founder and President of ***HMD Aviation Appraisal Group*** in 1994, a division of ***Hodges, McArthur & Dunn, P.C.*** ***HMD Aviation Appraisal Group*** was a real estate appraisal and consulting firm which specialized in the valuation of the real estate aspect of fixed base operations and other aviation-related properties for lease negotiation, acquisition, litigation, leasehold valuation, and bankruptcy.

Staff Appraiser with ***Hodges and Wallace Appraisal Associates*** from 1982 through 1990. Responsibilities included research, appraisals, general feasibility studies and market analyses on a variety of property types involved in financing, acquisition, condemnation, bankruptcy, litigation, and estate valuation.

COURT EXPERIENCE

Qualified as an expert witness in various courts in Florida, Georgia, Tennessee, Kentucky, Arizona, Colorado, and California on various valuation, management, financial and operational issues on airports, aviation businesses and aviation-related properties.

TERRITORY

Airport Business Solutions is headquartered in Ponte Vedra, Florida with satellite offices in Asheville, North Carolina, Denver, Colorado, and Minden, Nevada. The firm has completed a variety of assignments throughout the United States, Asia, Europe and Latin America, to include valuation, consultation, and miscellaneous advisory services.

AFFILIATIONS AND DESIGNATIONS

Elected to Membership in the Appraisal Institute with an MAI designation on April 20, 1994 - Member No. 10,333.

State of North Carolina – Certified General Real Estate Appraiser – Certificate No. A8162

State of Florida - Certified General Appraiser - License No. RZ2770

Commonwealth of Pennsylvania - Certified General Appraiser - Certificate No. GA-001626-R

State of Georgia - Certified General Real Property Appraiser - License No. CG004018

State of Texas – Certified General Real Estate Appraiser – License No. TX 1338569 G

State of Tennessee - Certified General Real Estate Appraiser – License No. 5506

State of South Carolina – Certified General Appraiser – License No. AB 3026 CG

Commonwealth of Kentucky – Certified General Real Property Appraiser – License No. 5750

Member of the Appraisal Institute's Young Advisory Council in 1994, 1995 and 1996

Corporate Member of the National Air Transportation Association (NATA)

Corporate Member of the American Association of Airport Executives (AAAE)

Corporate Member of the National Business Aviation Association (NBAA)

Member of AAAE's General Aviation Airports Committee

Member of NATA's Airport Business Committee

Member of AAAE's Airport Sponsor FBO Committee

CURRICULUM VITAE

NAME: Randy D. Bisgard
TITLE: Senior Vice President
FIRM NAME: ABS Aviation Consultancy, Inc. dba
Airport Business Solutions
FIRM ADDRESS: 201 S. Gilpin Street
Denver, Colorado 80209-2612
PHONE: (303) 744-0261

EDUCATION

Attended Metropolitan State College of Denver – Achieved three years towards degree and major in Aviation Management. Interest and minors also included the areas of Architectural Drawing, Meteorology, and Business.

Attended numerous aviation related training and personal development programs through employers and industry trade associations.

Hold Private Pilots Certificate – Single Engine Land

BACKGROUND AND EXPERIENCE

Executive Vice President with *Airport Business Solutions*, a diverse valuation and consulting firm headquartered in Ponte Vedra, Florida with satellite offices in Asheville, North Carolina, Denver, Colorado, and Minden, Nevada. The firm has completed a variety of assignments throughout the United States, Asia, Europe and Latin America, to include valuation, consultation, and miscellaneous advisory services.

Executive Vice President and Director of Training for *ABS Aviation Management, Inc. dba ABS Aviation*, an airport and FBO management services entity.

Mr. Bisgard is a professional advisor to aviation management providing expertise in the area of facility design/development, financial analysis, valuation studies, marketing, advertising, and training. His career as a problem solver includes over 30 years continuous employment in the aviation industry including 16 years at an international air carrier airport.



BACKGROUND AND EXPERIENCE (Continued)

Director of Training for Integrated Airline Services, a national cargo handling company. Responsible for operational control of all safety and training functions for a nationwide network of 24 airline and cargo handling stations. Provided the development and overview of training and operations manuals, training procedures, "train-the-trainer" programs, and employee testing/certification. Developed a safety orientation and mentoring plan for new employees entitled the *BuddySafe System*. This program addresses personal safety and ramp awareness issues.

Senior Associate with Aviation Resource Group International - Consulted with aviation service company clientele regarding various business and operational issues such as facility design and development, operational reviews, financial analysis, valuation studies, regional market studies, and marketing and advertising. Conducted all marketing and advertising activities including the coordination of the firm's trade show and convention activities, resulting in a continuous expansion of client base every year.

Senior Associate with the Aviation Training Institute - Wrote, produced, and managed the development of a nine-module comprehensive video-based aviation safety and customer service training program. This award-winning program is recognized as the industry standard for ramp safety training and has contributed to a substantial reduction in employee turnover and ramp accidents for ATI clientele. Initiated training program development budget, and ultimately managed the sale and distribution of multiple training products to hundreds of aviation businesses around the world.

Corporate Manager of Marketing for Jet Aviation Denver, Inc.- Direct supervision of all customer service and facilities personnel. Developed additional customer base in the area of fuel sales to corporate flight departments. Established competitive fuel pricing structures and extensive direct mail and telephone call campaigns resulting in improved departmental revenues.

Corporate Manager of Marketing for Jet Aviation America - Responsible for system-wide corporate marketing that included over 20 domestic and international locations. Developed a new trade show display, new corporate brochure, pilot handouts, corporate slide presentation, and a new media advertising campaign which resulted in the repositioning of Jet Aviation as a major competitor in the U.S. marketplace.

Manager of Marketing/Construction Development for Jet Aviation - Randy was responsible for redeveloping the image and facilities of the former Atlas Aircraft facility in Denver, including a new marketing campaign, collateral materials, and new facilities. He also served as the Project Manager on a multi-million dollar facility improvement package including a new 10,000 square foot executive terminal and 300,000 square feet of ramp and site improvements. Responsibilities included design development work, direct interface with architects and engineers, selection of a general contractor, construction monitoring in the field, and controlling the disbursement of funds.

BACKGROUND AND EXPERIENCE (Continued)

Director of Marketing Services at Combs Gates Denver - Managed the advertising and marketing support for the FBO division of the Gates Learjet Corporation, including media advertising, collateral materials, direct mail, promotional programs, and trade show activities. In addition, he was the Corporate Training Director and standardized the training programs and procedures for all Combs Gates locations. He developed and produced a seven-part audio-visual line service-training program for in-house use, and also produced a non-proprietary line-training program that was marketed to other aviation service organizations.

TERRITORY

Airport Business Solutions is based in Ponte Vedra, Florida with satellite offices in Asheville, North Carolina, Denver, Colorado, and Minden, Nevada. The firm has completed a variety of assignments throughout the United States, Asia, Europe and Latin America, to include valuation, consultation, and miscellaneous advisory services.

AFFILIATIONS AND DESIGNATIONS

National Business Aviation Association

American Association of Airport Executives

National Air Transportation Association

Aircraft Owners & Pilots Association

National Safety Council

American Society for Training and Development

