

1. **Use** LESSEE shall use the Premises for the following purposes and no other without the prior written approval of the CITY. For the purposes of this section, the term 'aircraft' shall be understood to mean aircraft that are in airworthy condition and have a valid FAA airworthiness certificate as well as aircraft restoration, aircraft component restoration, aircraft construction and aircraft component construction on which active, documented progress is being made toward airworthiness.

(a) Storage of one or more aircraft per hangar.

(b) Hangars shall be used for the purpose of aircraft storage and aircraft component storage only. Storage of vehicles shall also be allowed where they are incidental for transportation to and from the facility. Non hazardous items such as workbenches, tables, chairs, tools which don't interfere with aircraft storage are permitted.

(c) Maintenance, inspection, assembly and repair of LESSEE's aircraft by LESSEE or by a person or firm authorized to perform such services.

(d) Storage of aircraft of other persons, and maintenance, inspection, assembly and repair of such aircraft with the permission of the CITY. Authorization to store aircraft shall not include relinquishment of LESSEE's obligation to control or be responsible for the leased premises. LESSEE shall not permit any person storing an aircraft on the leased premises to conduct any commercial or other activity on the premises or to use the premises in any manner or for any purpose not permitted by this Lease without the CITY's prior written consent. Permission for aviation-related commercial use shall not be unreasonably withheld. Commercial activity is defined as a systematic, continuous operation of an aviation-related business for profit. Notwithstanding the above definition, the sale of a leasehold interest, leasing or subleasing of individual hangars by lessee or the owner of a hangar for the storage of aircraft is not a commercial activity within the definition.

2. **Prohibited Activities** LESSEE is expressly prohibited from conducting the following activities on the Premises:

(a) Any business usage or activity that constitutes or creates a business without prior approval from CITY through business license process.

(b) Any activity that violates FAA aircraft repair standards.

(c) Indefinite storage of non-operational aircraft as the primary use.

(d) Any activity that constitutes a non-aeronautical business or municipal agency function (including storage of inventory).

(e) Painting after construction is completed (except with 20 oz. or less spray cans).

(f) Storage of flammables over five gallons total in other than fire department approved containers or in the aircraft tank.

- (g)** Welding, open flame, and spark-generating activities.
- (h)** Installation or use of wood stoves.
- (i)** Storage of excessive amounts of flammables such as firewood.
- (j)** Use of the premises for any residential purposes whatsoever.