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L E A S E

THIS LEASE is made this 1st day of January, 1990, by and between the MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation, hereinafter referred to as "LESSOR," and UNITED PARCEL SERVICE, INC., an Ohio corporation, hereinafter referred to as "LESSEE."

W I T N E S S E T H

WHEREAS, LESSOR has authority to enter into agreements concerning the use of the premises hereunder; and

WHEREAS, LESSEE desires to lease space from the LESSOR;

NOW, THEREFORE, in consideration of the conditions and covenants hereafter set forth and for the rents reserved herein, it is mutually agreed as follows:

1. LEASED PREMISES. LESSOR hereby leases to LESSEE, and LESSEE agrees to take and let from LESSOR, that real property described as the eastern one-half of Parcel 11-H of the Kingman Airport Industrial Park, Mohave County, Arizona, that parcel being 1.1 acre more or less, as more fully described by Exhibit "A" attached hereto and by reference made a part hereof.

2. TERM. The term of this Lease shall be for five (5) years, commencing on the 1st day of January, 1990, and expiring on the 31st day of December, 1994, subject to the right

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1 of renewal hereinafter set forth.

2
3 3. RENEWAL. At the expiration of the prime Lease
4 described in Paragraph 2 hereinabove, this Lease may be renewed
5 for one separate and successive extended term, beginning on the
6 1st day of January, 1995, and expiring on the 31st day of
7 December, 1999, if LESSEE submits written notice of intent to
8 renew on or before the 1st day of September, 1994. In the event
9 LESSEE fails to submit a timely notice of intent to renew for
10 the first renewal term in accordance with the terms of this
11 Paragraph, then all further renewal terms shall be null and
12 void. In the event this Lease is renewed for the first renewal
13 term, then, at the expiration of the first renewal term, this
14 Lease shall be renewed for a second separate and successive
15 extended term, the second extended term beginning on the 1st day
16 of January, 2000, and expiring on the 31st day of December,
17 2004, if LESSEE submits a timely written notice of intent to
18 renew on or before the 1st day of September, 1999. In the event
19 LESSEE fails to submit a timely notice of intent to renew for
20 the second renewal term in accordance with the terms of this
21 Paragraph, then the second renewal term shall be null and void.

22
23 4. RENT. LESSEE agrees to pay to LESSOR a rent
24 for the leased premises the following amounts:

25
26 a. The sum of ONE THOUSAND TWO HUNDRED FIFTY
27 DOLLARS (\$1,250.00), payable in advance on the 1st day of
28

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1 January of each and every year during the term of this Lease,
2 and any renewal or extension thereof, commencing on the 1st day
3 of January, 1990, plus all applicable sales taxes, payable in
4 advance. During the term of this Lease, and any renewal
5 thereof, the rent amount shall be adjusted annually, on the 1st
6 day of January of each year, beginning 1991, to reflect any
7 changes in the National Consumer Price Index as published by the
8 Bureau of Labor Statistics, Consumer Price Index, Washington,
9 D.C., according to the formula described in Paragraph 5 herein-
10 below. Rent shall be payable to LESSOR at 7000 Flightline
11 Drive, Kingman, Arizona 86401, or at such other address as may
12 be designated by LESSOR following written notice to LESSEE.

13
14 b. All taxes levied or assessed upon the leased
15 property, including improvements thereto, and all taxes arising
16 out of the use of the leased property, and/or arising out of the
17 operation of this Lease Agreement. Such taxes shall include,
18 but not be limited to, personal property taxes, sales taxes
19 and/or any like tax levied, assessed or imposed by the United
20 States, the State of Arizona, Mohave County, or any political
21 subdivision.

22
23 c. LESSEE hereby acknowledges that late payment
24 by LESSEE to LESSOR of the rents due hereunder will cause LESSOR
25 to incur costs not contemplated by this Lease Agreement, the
26 exact amount of which will be extremely difficult to ascertain.
27 Such costs include, but are not limited to, processing and
28

1 accounting charges. Accordingly, if any annual payment of rents
2 or any other sum due from LESSEE hereunder shall not be received
3 by LESSOR or LESSOR's designee on or before the time set forth
4 herein for the payment thereof, then said amount shall be deemed
5 past due, and LESSEE shall pay to LESSOR a late charge equal to
6 TWENTY-FIVE DOLLARS (\$25.00) per late day, beginning ten (10)
7 days after written notification from LESSEE to LESSOR. LESSOR
8 and LESSEE hereby agree that such late charge represents a fair
9 and reasonable estimate of the cost that LESSOR will incur by
10 reason of any such late payment of LESSEE. Acceptance of any
11 such late charge by LESSOR shall in no event constitute a waiver
12 of LESSOR's default with respect to such overdue amount, nor
13 prevent LESSOR from exercising any of the other rights and
14 remedies granted hereunder.

15
16 5. CONSUMER PRICE INDEX RENTAL ADJUSTMENT. The
17 Consumer Price Index rental adjustment will be computed as
18 follows:

19 On January 1 of each and every year during the
20 term of this Lease, beginning January 1, 1991, the fixed annual
21 rental of ONE THOUSAND TWO HUNDRED FIFTY DOLLARS (\$1,250.00) per
22 year as set forth in this Lease, shall be adjusted upward in
23 accordance with the formula set forth below. In applying the
24 formula, the following definitions shall prevail:

25
26 a. "Bureau" means the Federal Bureau of
27 Labor Statistics or any successor agency that
28 shall issue the indices or data referred to in
Subparagraph b. below.

1 b. "Price Index" means the consumer
2 price index issued from time to time by the
3 Bureau with reference to the geographical area
4 including Mohave County, Arizona, or any other
5 measure hereafter employed by the Bureau in
6 lieu of such price index that measures the
7 cost of living in the designated area.

8 c. "Average Price Index" for any
9 quarterly period issued for the three (3)
10 months immediately prior to the first day of
11 any subsequent period to which reference is
12 made.

13 d. "Base Index" is the average of the
14 price indices issued by the Bureau for the
15 three (3) month quarter of each year, said
16 quarter being October, November and December
17 of 1989.

18 SAMPLE FORMULA

19 For the purposes of this sample formula only, the
20 base rent, as described by Subparagraph 4.a. herein-
21 above, shall be assumed to be the sum of ONE THOUSAND
22 TWO HUNDRED FIFTY DOLLARS (\$1,250.00) per year. The
23 Base Index shall be determined for the quarter of the
24 year in which this Lease commences. If the Average
25 Price Index for the October - December quarter of the
26 year 1990 is greater than the said quarter of 1989, then
27 the annual rental for the ensuing year shall be the sum
28 of ONE THOUSAND TWO HUNDRED FIFTY DOLLARS (\$1,250.00),
multiplied by a fraction of which the numerator shall be
the Average Price Index for the quarter immediately
preceding the applicable adjustment date, and the
denominator shall be the Base Index for the period of
1989. If at any time during the term of this Lease or
any extension hereof the Price Index shall no longer be

1 compiled, then another Index generally recognized as
 2 authoritative shall be substituted by agreement, but if
 3 the parties do not agree, the substitute Index shall be
 4 selected by the majority determination of three (3)
 5 arbitrators appointed for the purpose, one being
 6 appointed by LESSOR, one by LESSEE and a third by the
 7 two (2) arbitrators appointed by LESSOR and LESSEE.

8
 9 EXAMPLE: (Figures are arbitrary)

10	For October, 1989	179.6		For October, 1990	189.6
11	November, 1989	180.6		November, 1990	190.6
	December, 1989	181.8		December, 1990	191.8
12		<u>542.0</u>			<u>572.0</u>

13 Average: $\frac{542.0}{3} = 180.66$ Average: $\frac{572.0}{3} = 190.66$

14 Numerator $\frac{190.66}{180.66} = 1.0553$
 15 Denominator

16 Fixed Annual Rental \$1,250.00 X 1.0553 = \$1,319.12

17 New Annual Rental = \$1,319.12

1.0275

18 The sales or franchise privilege tax provision set
 19 forth above shall then apply to the new annual rental.

20 The parties understand that at the present time
 21 the Consumer Price Index as published by the Bureau of
 22 Labor Statistics for the area which encompasses Mohave
 23 County is designated as the United States Consumer
 24 Price Index (for all urban consumers) and may be ob-
 25 tained from the Consumer Price Index Agency located at
 26 Arizona State University, Tempe, Arizona, telephone
 27 602-965-3961.
 28

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1 6. USE OF LEASED PREMISES. LESSOR agrees that
2 LESSEE, and those holding by, through and under LESSEE, may use
3 the leased premises for any lawful purpose which shall include
4 but not be limited, to the use of the premises for the purpose
5 of receiving, storing and delivering parcels, furniture and
6 other merchandise, for storing, repairing, maintaining and
7 servicing of LESSEE's vehicles and other equipment used by
8 LESSEE in conducting such business operations, including the
9 storage and handling of gasoline, motor fuels and lubricants and
10 the tanks and pumps required therefor, and for any other purpose
11 or purposes ancillary to the business of LESSEE. For such
12 purposes LESSEE requires at all times appropriate means of
13 access to the leased premises from public highways for motor
14 vehicles and personnel of LESSEE and of others. LESSOR
15 expressly warrants that the premises are currently zoned AD
16 under Mohave County Zoning Ordinances and that the requisite
17 access to the premises shall at all times be available. In the
18 event LESSEE shall for any reason be prevented at any time from
19 using the leased premises for any or all of the specific
20 purposes expressed hereinbefore, or in the event the required
21 access shall not be available, then LESSEE may, at LESSEE's
22 option, terminate this Lease on the date specified in the
23 notice, by delivering written notice to that effect to LESSOR,
24 and thereafter neither LESSOR nor LESSEE shall have any further
25 rights, duties or obligations under this LEASE and the rents and
26 other sums payable by LESSEE for the remainder of the term shall
27 wholly abate.
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7. IMPROVEMENTS. Any and all improvements placed upon the leased property by LESSEE shall be made at the sole expense of LESSEE. At the expiration of the Lease period, or at the termination of the Lease, for any reason, all permanent improvements to the leased property shall become the property of LESSOR. Permanent improvements and/or alterations to the leased property will hereby be prohibited without the express written consent of LESSOR, which consent shall not be unreasonably withheld. Notwithstanding, the parties hereto agree that the building that LESSEE shall cause to be emplaced on the leased premises shall not be deemed to be a permanent improvement so long as such building substantially complies with the terms of this Paragraph. LESSEE may, at LESSEE's option, risk and expense, make such alterations, additions and improvements to the leased premises as set out in Exhibits "B-1" and "B-2" attached hereto and made a part hereof.

8. INSURANCE. LESSEE shall acquire and keep in effect adequate bodily injury liability and property damage insurance and all other insurance needed or required for the operations of LESSEE as contemplated by this Lease, covering all of LESSEE's employees and equipment, and shall indemnify and hold LESSOR harmless from any causes of action arising from LESSEE's operations hereunder. In all the above policies, LESSOR shall be named as an additional insured with the LESSEE. For the period of this Lease, and any renewal or extension thereof, such policies shall not be for less than the amount of

1 ONE MILLION DOLLARS (\$1,000,000.00) combined single limit for
2 bodily injury and property damage. All such policies shall be
3 placed with a reputable company approved by the LESSOR. Copies
4 of all such policies shall be delivered to the LESSOR upon
5 execution of this Lease Agreement and shall be held for the
6 benefit of the parties as their respective interests may appear.
7 The amount of said insurance shall not be deemed as a limitation
8 of LESSEE's agreement to save and hold the LESSOR harmless, and
9 if LESSOR or LESSEE becomes liable for an amount in excess of
10 the insurance, LESSEE will save and hold LESSOR harmless for the
11 whole thereof. Certificates of insurance for all such policies
12 entered into after the commencement of this Lease shall be
13 delivered to the LESSOR within ten (10) days of the commencement
14 of each such policy. In addition to the above-named certifi-
15 cates, and under the same obligations to deliver said
16 certificates to LESSOR, LESSEE shall obtain fire insurance and
17 other property loss insurance on all improvements placed upon
18 the leased premises, in an amount equal to the value of said
19 improvements.

20
21 9. SUBORDINATION AND NON-DISTURBANCE. LESSEE's
22 interest under this Lease shall be subordinate to any and all
23 mortgages on the leased property, prior or subsequent to the
24 date hereof, provided that the mortgagee shall have first agreed
25 with LESSEE in writing delivered to LESSEE that LESSEE shall not
26 be disturbed in its possession and that this Lease shall remain
27 in full effect as long as there is no event of default
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1 hereunder. It shall not be necessary for LESSEE to execute any
2 further instrument to effectuate such subordination, but upon
3 request by any mortgagee LESSEE shall execute and deliver an
4 instrument evidencing such subordination, provided that the
5 instrument contains the above-mentioned non-disturbance
6 provision.

7
8 10. UTILITIES. LESSEE shall pay promptly and prior
9 to any delinquency any and all charges which may be incurred for
10 water, gas, electrical power, telephone and any other utilities
11 delivered to or used upon the premises during the term or terms
12 of this Lease and shall hold LESSOR harmless therefrom. In
13 addition, LESSEE shall be responsible for providing and paying
14 for all connections of any utilities to the leased premises.

15
16 11. ASSIGNMENT AND SUBLEASE. The LESSEE shall not
17 transfer, assign or sublet this Lease Agreement or any privi-
18 leges granted hereunder without prior written approval of
19 LESSOR. Upon any assignment or sublease, this Agreement is
20 voidable at the option of the LESSOR, which option may be
21 exercised within a reasonable period subsequent to the LESSOR
22 obtaining actual knowledge of any assignment or sublease. In
23 the event of a transfer, assignment or sublease of this Lease
24 Agreement, LESSEE shall pay to LESSOR an amount equal to
25 LESSOR's attorneys' fees and costs arising out of such transfer,
26 assignment or sublease; said attorneys' fees and costs shall be
27 no less than the sum of TWO HUNDRED FIFTY DOLLARS (\$250.00).
28

1 Regardless of LESSOR's consent, no subletting or assignment
2 shall release LESSEE of LESSEE's obligation or alter the primary
3 liability of LESSEE to pay the rent and to perform all other
4 obligations to be performed by LESSEE hereunder. The acceptance
5 of rent by LESSOR from any other person shall not be deemed to
6 be a waiver by LESSOR of any provision hereof. Consent to one
7 assignment or subletting shall not be deemed consent to any
8 subsequent assignment or subletting.
9

10 12. WASTE AND NUISANCE PROHIBITED. During the term
11 of this Lease, LESSEE shall comply with all applicable laws
12 affecting the premises. LESSEE shall not commit, or permit, any
13 waste or nuisance on the premises.
14

15 13. CARE OF PREMISES. At LESSEE's own expense,
16 LESSEE shall keep and maintain said leased premises and the
17 immediate surrounding areas clean, neat, safe and orderly at all
18 times. Furthermore, LESSEE hereby assumes all responsibilities
19 for maintenance, upkeep and repairs of all walls, roofs,
20 plumbing, heating and cooling, appliances and/or fixtures in
21 connection with said leased premises during the term of this
22 Lease, or any extensions thereof. Upon the expiration of this
23 Lease, or at the termination of this Lease for any reason,
24 LESSEE shall redeliver the premises in good order and condition,
25 reasonable wear and tear excepted. LESSEE hereby acknowledges
26 that LESSEE has examined the leased premises and accepts the
27 same in its condition as of January 1, 1990.
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14. QUIET ENJOYMENT. Provided LESSEE pays all sums due hereunder and performs all provisions hereof, LESSEE may peaceably and quietly have, hold and enjoy the leased premises throughout the term of this Lease.

15. INSPECTION OF PREMISES. To the extent necessary to protect the rights and interests of LESSOR, LESSOR and its agents shall at any reasonable time, by appointment, have the right to inspect the leased premises during the life of this Lease.

16. WAIVER OF PERFORMANCE. The waiver of LESSOR of, or the failure of LESSOR to take action with respect to any breach of any term, covenant or condition herein contained shall not be deemed a waiver of such term, covenant or condition or subsequent breach of same, nor shall the acceptance of rent by LESSOR be deemed a waiver of any preceding breach under this Lease Agreement.

17. DISPUTES - ATTORNEYS' FEES. In the event that either party hereto shall institute and prevail in any action or suit for the enforcement of any of its rights hereunder, the prevailing party in said action or suit shall be awarded its reasonable attorneys' fees and costs arising therefrom.

18. NOTICES. Any notice desired or required to be served by either party upon the other or whenever notice is

1 provided for in this Agreement, it shall be given in writing and
2 hand-delivered or mailed by certified mail, return receipt
3 requested, to the party to whom addressed, as set forth herein-
4 below:

5
6 LESSOR: MOHAVE COUNTY AIRPORT AUTHORITY, INC.
c/o Bruno, Weisberg & Brooks, P.C.
7 730 East Beale Street
Kingman, AZ 86401

8 LESSEE: Region Real Estate Manager
9 UNITED PARCEL SERVICE, INC.
25201 Paseo De Alicia, Suite 200
10 Laguna Hills, CA 92653

11 and

12 District Controller
13 UNITED PARCEL SERVICE, INC.
3150 North 31st Avenue
Phoenix, AZ 85017

14
15 Any party may change the address to which notice shall
16 be delivered or mailed by notice duly given.

17
18 19. BREACH.

19 A. (1) If at any time the rental or any money
20 payments hereunder, or any part thereof, shall remain unpaid for
21 a period of ten [10] days after the same become due following
22 written notice from LESSOR to LESSEE; or (2) if LESSEE is
23 adjudged bankrupt; or (3) if LESSEE abandons and/or
24 discontinues operations at the leased premises; or (4) if
25 LESSEE shall fail to fulfill or perform or is in default of any
26 of the other agreements or provisions hereunder [except for the
27 non-payment of rent, which shall be controlled by Subparagraph
28 19.A.(1) hereinabove] and if LESSEE does not cure and completely

1 remedy any said default within ten (10) days after written
2 notice is given, the LESSOR may exercise its rights and remedies
3 pursuant to Subparagraphs 19.B. and 19.C. herein.
4

5 B. Upon the happening of any of the events
6 mentioned in Subparagraphs 19.A.(1), (2), (3) and/or (4) above,
7 LESSEE shall be deemed in default hereunder, and upon such
8 default and at any time thereafter, LESSOR may collect by suit
9 or otherwise each installment of rent, together with other sums
10 as they may become due hereunder, or enforce by suit or
11 otherwise any other condition or provisions hereof on the part
12 of the LESSEE required to be kept or performed. Further, LESSOR
13 shall have and is hereby granted the right to re-enter the
14 premises, remove all persons therefrom, take possession of all
15 equipment, fixtures and personal property thereon or therein
16 belonging to LESSEE. LESSOR is further granted the right,
17 without terminating or forfeiting this Lease but without
18 prejudice to its rights to terminate or forfeit the same
19 thereafter and without in any way affecting any right or remedy
20 of LESSOR or any duties or obligations of LESSEE hereunder, to
21 relet the leased premises as agent and for the account of LESSEE
22 upon such terms and conditions as LESSOR may deem advisable
23 either with or without any equipment or fixtures that may be
24 situated thereon or therein, and to make any renovations or
25 repairs in the property which LESSOR may deem to be required
26 therefor. The rents received on any such reletting shall be
27 applied first to the expense of reletting and collecting, includ-
28 ing necessary renovations and repairs of the leased premises,

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1 and a reasonable attorney fee, any real estate commission
2 actually paid, and thereafter toward the payment of all sums due
3 or to become due to LESSOR hereunder, including but not limited
4 to rent, taxes, insurance and other items. If a sufficient sum
5 shall not be thus realized to pay such rent and other charges,
6 LESSEE shall pay to LESSOR any deficiency and such deficiencies
7 shall be paid punctually when due as herein provided. At any
8 time prior to the expiration of the term hereof and even though
9 LESSOR has exercised rights as hereinabove stated, LESSOR may
10 terminate this Lease at LESSOR's election, in which event LESSEE
11 agrees to surrender possession of the premises immediately, if
12 the premises have not theretofore been surrendered, and to pay
13 to LESSOR at the time of such termination the net worth of the
14 excess, if any, of the amount of rent and charges equivalent to
15 rent reserved in this Lease for the balance of the stated term
16 of this Lease over the then reasonable value of the premises for
17 the same period. In addition to the above, LESSOR shall be
18 entitled to recover from LESSEE, and LESSEE shall pay to LESSOR
19 an amount equal to all expenses, if any, including reasonable
20 attorneys' fees incurred by LESSOR in recovering possession of
21 the leased premises, and all reasonable costs and charges for
22 the care of the premises, together with all rent, taxes,
23 insurance and other similar items becoming due from time to
24 time, which rent, damages and other items shall be due and
25 payable by LESSEE to LESSOR at such time or times as such items
26 are due or such expenses are incurred by LESSOR.

27 C. Each and every term, covenant and condition
28

1 contained in this Paragraph 19 shall be deemed separate and
2 independent, and all remedies hereinabove stated shall be deemed
3 cumulative to any and all remedies LESSOR might have under this
4 Lease or in accordance with law.

5
6 20. CORRECTION OF BREACH. LESSOR may correct any
7 breach or default by the LESSEE of which the LESSEE has received
8 written notice by certified mail and failed or neglected to
9 remedy within thirty (30) days, and the LESSEE agrees upon
10 demand to reimburse the LESSOR for all expenses incurred by the
11 LESSOR in correcting said breach or default.

12
13 21. HOLDOVER. In the event LESSEE holds over beyond
14 the expiration of the term herein or beyond the date of any such
15 termination, such holding over shall be from month-to-month
16 only, subject to all of the terms and conditions of this
17 Agreement, but shall not be a renewal hereof nor a waiver of any
18 breach of conditions or covenant, and the rent to be paid
19 therefor shall be at the rate then prevailing under the terms of
20 this Agreement.

21
22 22. FIRE PREVENTION REGULATIONS. LESSEE shall at
23 all times comply with all applicable laws and ordinances
24 pertaining to fire regulations, and shall furnish and keep, at
25 LESSEE's sole expense, adequate fire extinguishers in sufficient
26 numbers and in convenient and accessible places upon said pre-
27 mises, charged and ready for immediate use, as required by said
28

1 fire regulations and applicable laws or ordinances.
2

3 23. CONDUCT OF BUSINESS. LESSEE agrees to conduct
4 its operations using modern and practical techniques and
5 equipment available in order to reduce to a minimum the
6 emanation of fumes, odors and noises.
7

8 24. SIGNS. LESSEE agrees not to erect or display,
9 or permit to be erected or displayed, any exterior sign or
10 advertising matter of any kind on the leased premises without
11 first obtaining the written consent of LESSOR.
12

13 25. PERMITS, RULES AND REGULATIONS. LESSEE agrees
14 to obtain at LESSEE's expense all necessary licenses and permits
15 for the construction and operation of the leased premises and
16 further agrees to observe, obey and abide by all applicable
17 laws, field rules and other regulations which are now or may
18 hereafter be imposed or promulgated by LESSOR, the Federal
19 Aviation Administration, or any other government agency having
20 jurisdiction over the subject matter, and which relate to the
21 common and joint use of Airport facilities and the maintenance
22 and conduct of all its operations.
23

24 26. APPLICATION FEE. LESSOR and LESSEE acknowledge
25 that LESSEE has paid to LESSOR a non-refundable Lease
26 Application Fee in the amount of TWO HUNDRED FIFTY DOLLARS
27 (\$250.00). Said Lease Application Fee is in addition to any
28

1 rent and/or expenses owed by LESSEE under the terms of this
2 Lease. The Lease Application Fee is intended by the LESSOR and
3 LESSEE as reimbursement to LESSOR for its reasonable costs and
4 expenses incurred prior to the execution date of this Lease.
5

6 27. CONTINUITY. This Agreement and each and all of
7 the covenants, obligations and conditions hereof shall inure to
8 the benefit of and bind the LESSOR and LESSEE respectively,
9 their heirs, personal representatives, executors, administra-
10 tors, successors and assigns.
11

12 28. PARAGRAPH HEADINGS. The paragraph headings con-
13 tained herein are for convenience and reference and are not
14 intended to define or limit the scope of any provision of this
15 Lease.
16

17 29. APPLICABLE LAW. This Lease is being executed
18 and is intended to be performed in the State of Arizona, and
19 shall be enforced and construed according to the laws of that
20 state.
21

22 30. F.A.A. PROVISIONS.
23 A. The LESSEE, for itself, its personal repre-
24 sentatives, successors in interest and assigns, as a part of the
25 consideration hereof, does hereby covenant and agree that (1)
26 no person on the grounds of race, color or national origin shall
27 be excluded from participation, denied the benefits of or be
28 otherwise subject to discrimination in the use of said

1 facilities, (2) that in the construction of any improvements
2 on, over or under such land and the furnishings of services
3 thereon, no person on the grounds of race, color or origin shall
4 be excluded from participating in, denied the benefits of, or
5 otherwise be subjected to discrimination, (3) that the LESSEE
6 shall use the premises in compliance with all other requirements
7 imposed by or pursuant to Title 49, Code of Federal Regulations,
8 Department of Transportation, Subtitle A, Office of the
9 Secretary, Part 21, Nondiscrimination in Federally-Assisted
10 Programs of the Department of Transportation - Effectuation of
11 Title VI of the Civil Rights Act of 1964, and as said
12 Regulations may be amended.

13 B. That in the event of breach of any of the
14 above nondiscrimination covenants, LESSOR shall have the right
15 to terminate the Lease and to re-enter and repossess said land
16 and the facilities thereon, and hold the same as if said Lease
17 had never been made or issued.

18 C. LESSEE shall furnish accommodations and/or
19 services on a fair, equal and nonunjustly discriminatory basis
20 to all users thereof and it shall charge fair, reasonable and
21 not unjustly discriminatory prices for each unit of services,
22 PROVIDED THAT the LESSEE may be allowed to make reasonable and
23 nondiscriminatory discounts, rebates or other similar types of
24 price reductions to volume purchases.

25 D. Noncompliance with Provision C. above shall
26 constitute a material breach hereof and, in the event of such
27 noncompliance, the LESSOR shall have the right to terminate this
28

1 Lease and the estate hereby created without liability therefor
2 or, at the election of the LESSOR or the United States, either
3 or both said governments shall have the right to judicially
4 enforce Provisions A., B. and C.

5 E. LESSEE agrees to insert the above four
6 provisions in any Lease by which said LESSEE grants a right or
7 privilege to any person, firm or corporation to render
8 accommodations and/or services to the public on the premises
9 herein leased.

10 F. LESSOR reserves the right to further develop
11 or improve the landing area of the Airport as it sees fit,
12 regardless of the desires or view of the LESSEE, and without
13 interference or hindrances.

14 G. LESSOR reserves the right, but shall not be
15 obligated to the LESSEE, to maintain and keep in repair the
16 landing area of the Airport and all publicly-owned facilities of
17 the Airport, together with the right to direct and control all
18 activities of the LESSEE in this regard.

19 H. This Lease shall be subordinate to the
20 provisions and requirements of any existing or future agreement
21 between the LESSOR and the United States, relative to the
22 development, operation or maintenance of the Airport.

23 I. LESSEE agrees to comply with the notifica-
24 tions and review requirements covered in Part 77 of the Federal
25 Aviation Regulations in the event any future structure or
26 building is situated on the leased premises.

27 J. It is understood and agreed that nothing
28

1 herein contained shall be construed to grant or authorize the
2 granting of an exclusive right within the meaning of Section
3 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349).
4

5 K. There is hereby reserved to the LESSOR, its
6 successors and assigns, for the use and benefit of the public, a
7 right of flight for the passage of aircraft in the airspace
8 above the surface of the premises herein leased. This public
9 right of flight shall include the right to cause in said
10 airspace any noise inherent in the operation of any aircraft
11 used for navigation or flight through the said airspace or
12 landing at, taking off from or operation of the Mohave County
13 Airport.

14 L. The LESSEE, by accepting this Lease,
15 expressly agrees for itself, its successors and assigns, that it
16 will not erect nor permit the erection of any structure or
17 object nor permit the growth of any tree on the land leased
18 hereunder above a mean sea level elevation of 3,520 feet. In
19 the event the aforesaid covenants are breached, the LESSOR
20 reserves the right to enter upon the land leased hereunder and
21 to remove the offending structure or object and cut the
22 offending tree, all of which shall be at the expense of LESSEE.

23 M. The LESSEE, by accepting this Lease, agrees
24 for itself, its successors and assigns, that it will not make
25 use of the leased premises in any manner which might interfere
26 with the landing and taking off of aircraft from the Airport or
27 otherwise constitute a hazard. In the event the aforesaid
28 covenant is breached, the LESSOR reserves the right to enter

BRUNO. WEISBERG & BROOKS, P. C.
ATTORNEYS AT LAW
730 EAST BEALE STREET
KINGMAN, ARIZONA 86401
602-753-6115

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upon the premises hereby leased and cause the abatement of such interference at the expense of LESSEE.

N. This Lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency.


31. MOHAVE COUNTY AIRPORT AUTHORITY RESTRICTIVE COVENANTS.

The parties hereto acknowledge that certain restrictive covenants limiting the use of the leased property were placed upon the leased property by LESSOR and MOHAVE COUNTY. Said restrictive covenants were filed in the Mohave County Recorder's Office on July 22, 1980, in Book 646, Pages 767-781. LESSEE hereby acknowledges the legitimacy of said restrictive covenants and agrees to adhere to all terms thereof.

IN WITNESS WHEREOF, the respective parties hereto have executed this Lease on the day and year first above written.

LESSOR:

MOHAVE COUNTY AIRPORT AUTHORITY, INC.,
an Arizona corporation

By 
JAMES G. SHAW, President

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LESSEE:

UNITED PARCEL SERVICE, INC., an
Ohio corporation

By Samuel A. Lockwood RLW
Name Samuel A. Lockwood
Title Vice President

STATE OF ARIZONA)
) ss.
COUNTY OF MOHAVE)

The foregoing Lease was subscribed and sworn to before
me, the undersigned notary public, this 11th day of January,
1990, by JAMES G. SHAW, President of MOHAVE COUNTY AIRPORT
AUTHORITY, INC.

Brenda S. Chastain
Notary Public

My Commission Expires: My Commission Expires March 25, 1992

STATE OF CONNECTICUT)
) ss.
COUNTY OF FAIRFIELD)

The foregoing Lease was subscribed and sworn to before
me, the undersigned notary public, this 8th day of January,
1990, by Samuel A. Lockwood, the Vice President
of UNITED PARCEL SERVICE, INC.

Robert G. Dixon
Notary Public

My Commission Expires: 3/31/93

BRUNO. WEISBERG & BROOKS, P.C.
ATTORNEYS AT LAW
730 EAST BEALE STREET
KINGMAN, ARIZONA 86401
602-753-6115

EXHIBIT "A"

PARCEL II-H-B as delineated on Record of Survey: Book 6, Page 88 records of Mohave County, Arizona situate in the NE 1/4 of Section 26, T.22 N., R.16 W., G. & S.R.M., Mohave County, Arizona. This parcel contains 1.09 Acres More or Less.