



**RENO-STEAD AIRPORT  
PROPOSED GROUND LEASE TERMS  
WASHOE COUNTY SHERIFF**

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| <b>Premises</b>                           | <p>West Flight Line (see attached Exhibit A)</p> <p>1.70+/- acres (74,000 SF)</p> <p>Washoe County Sheriff (Lessee) accepts the Property in As-Is Condition</p> <p>Availability of Premises subject to Master Developer land and water rights release. If water rights are not released, Lessee is responsible for acquiring.</p>   |
| <b>Permitted Use</b>                      | <p>Lessee is permitted to use the Premises for the purpose of siting a sprung structure for RAVEN operations, Special Operations Assets and general office related activities, and for no other purpose.</p>  |
| <b>Tenant Capital Investment</b>          | <p>Lessee is solely responsible for all required capital expenditure for utilities, pavement, apron, grading, taxiway connector and all other improvements required to site sprung structure and conduct Permitted Uses. Investment is TBD.</p>   |
| <b>Ground Lease Term</b>                  | <p>Term: 20 Years, Commencing upon execution of Ground Lease.</p>   |
| <b>Ground Rent &amp; Rent Adjustments</b> | <p>Ground rent: \$0.02167 psfpm (\$1,603.33/mo.) or \$0.26 psfpa (\$19,240.00/yr.) based on FMV appraisal dated April 23, 2019.</p> <p>Rent will be received as mutually agreeable in-kind services provided to RTAA by Lessee negotiated annually equal to or greater than annual Ground Rent of \$19,240.00. Lessee will provide an exhibit of said in-kind services. Annually, Lessee to provide a statement of services provided to include the total estimated monetary value of those services.</p>               |
| <b>Utilities/Taxes/ License</b>           | <p>Lessee is responsible for the cost of all utilities including electrical, water and water rights, natural gas and telecom service.</p> <p>Lessee is responsible for all taxes, fees, assessments and any other services.</p>   |
| <b>Improvements</b>                       | <p>Lessee is responsible for the permitting, installation and cost of all RTAA approved improvements.</p> <p>Lessee shall comply with Lessor's policies and procedures for review, modification, and approval of tenant land development projects including Landlord's Land Development Tenant Improvement Permit process.</p> <p>Improvements constructed, installed or erected on the Premises become part of Lessor's property upon expiration or termination at which time all improvements revert to the RTAA.</p> |



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|  | RTAA reserves the right to require Lessee, at Lessee's sole cost and expense, to remove all improvements upon lease termination and restore Premises to previously existing condition.  |
| <b>Mid-Term Refurbishment Requirements</b> | During the Term, Lessee shall develop, fund, execute and complete, in consultation with and upon the approval of the Authority, a refurbishment program to extend the useful life of the new Improvements throughout the Term, including but not limited to, pavement refurbishment.  |
| <b>Maintenance and Repair</b>              | Lessee solely responsible for complete maintenance and repair of Premises and improvements thereto, including, but not limited to regular ground maintenance (sweeping, weed and dust control, trash and debris pickup) and snow removal.   |
| <b>Insurance</b>                           | <p>A. All Risks Hull Physical Damage in an Agreed Amount, not less than the fair market value of each aircraft.</p> <p>B. Aircraft Liability (Owned &amp; Non-Owned) in an amount not less than \$5,000,000 each occurrence, bodily injury and property damage, including passenger liability, each occurrence.</p> <p>C. Aviation Comprehensive General Liability Insurance coverage in an amount not less than \$5,000,000 each occurrence bodily Injury and property damage each occurrence (aggregate where applicable), which shall include, but not be limited to the following extensions:</p> <ol style="list-style-type: none"> <li>1. Products/Completed Operations &amp; Grounding Liability</li> <li>2. Personal Injury &amp; Advertising Injury</li> <li>3. Contractual liability</li> <li>4. Independent Contractors Liability</li> <li>5. Fire Legal Liability in an amount not less than \$100,000 each occurrence</li> </ol> <p>D. Environmental Liability/Pollution Liability with a minimum limit of \$1,000,000 per occurrence/annual aggregate</p> <p>E. Business Auto Liability - \$1,000,000 each occurrence if operating airside</p> <p>F. Workers' Comp &amp; Employers Liability – Statutory Nevada Limits; \$1,000,000 with respect to Employer's Liability</p> <p>G. Commercial Property insurance covering Replacement Cost of Real Property, Business Personal Property and Improvements. Such coverage shall include Course of Construction relative to any construction activities.</p> |



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| <b>Airport Events</b> | The National Championship Air Races (NCAR) and Pylon Racing School (PRS) are held at Reno-Stead Airport (RTS) each year and inconveniences, such as lack of parking and restricted access, will occur. Lessee shall relinquish operational use of any common area (aprons, taxiways, taxi lanes, and runways) of RTS during closure of airport for NCAR and PRS or other such event. Lessee shall not be entitled to any abatement or reduction of rent or any other compensation, recourse or remedy as a result of Lessee's inconvenience. Lessee is not obligated to release exclusive Premises during NCAR or PRS. |
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*This Term Sheet is non-binding and merely expresses the terms the parties are prepared to incorporate into a Lease which will be binding only upon its signature by duly authorized representatives of both parties. If you agree with the terms please sign below.*

**ACKNOWLEDGED AND ACCEPTED:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_