

ORIGINAL

CONSENT TO SUBLEASE AGREEMENT

The City of San Diego (CITY), as LESSOR under that certain Lease Agreement (Master Lease) entered into with National Air College, a California Corporation, (LESSEE) and filed in the Office of the City Clerk as Document R-256396, hereby consents to that certain Sublease Agreement between the LESSEE (SUBLESSOR) and Exec Air (SUBLESSEE), executed on September 24, 1997, attached hereto. Said Sublease shall subordinate to the Master Lease, as amended, in all respects.

The CITY is merely approving the SUBLESSEE, and all terms and conditions of the Master Lease shall control and supersede any inconsistent or contrary provisions in the Sublease, which in any way conflicts with, or is additional to, the provisions of the Master Lease.

In addition, this Consent is subject to the following conditions:

(1) The percentage rates stated in the Master Lease were updated to the 1986 Percentage Rate Schedule, filed in the office of the City Clerk as Document C-06010, and these are the percentage rates that must currently be used in calculating the percentage rents due City, regardless of any contrary percentage rate stated in the Sublease Agreement.

(2) By November 23, 1997, SUBLESSEE shall remove its office trailer from the airport and disconnect the utilities to it or CITY may, at its sole option, cancel this Consent to Sublease agreement.

CITY OF SAN DIEGO

Dated: 10-1-97

By: *David Williams*
Airports Deputy Director

APPROVED AS TO FORM:
CASEY G. GWINN, City Attorney

Dated: 10-6-97

By: *Casey G. Gwinn*
-Chief Deputy City Attorney

file: a:sub.exec.

DOCUMENT NO. *RR* 256396-1
FILED OCT 13 1997
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

National Air College

Montgomery Field
3760 Glenn Curtis Road
San Diego, California 92123
279-4595 • 279-4901

SUBLEASE CONDITIONS

ASSIGNMENT AND SUBLEASING: Sublessee shall not assign this lease or sub-lease the premises or any part thereof without the prior written consent of National Air College, Lessee, and The City of San Diego, hereinafter, "City." An assignment by operation of law shall automatically terminate this lease.

HOLD HARMLESS: Sublessee shall assume the defense of, indemnify and save harmless Lessee and City from all claims, expenses and liability of every nature, directly or indirectly arising from, or alleged to have arisen from the operations conducted on the leased premises or from any act or omission of Sublessee, his agents and invitees.

INSURANCE: Sublessee shall be insured by an insurance carrier acceptable to the Lessee and City against loss from public liability arising from the use or condition of or operation conducted on the leased premises. Minimum coverage shall be \$1 million COMBINED SINGLE LIMIT LIABILITY. A copy of the policy of insurance shall be filed with City and shall name "THE CITY OF SAN DIEGO" as an additional insured. Said policy shall specify that the policy may not be terminated, altered or canceled without 30 days prior written notice to City by the insurance company.

LEGAL PROCEEDINGS: Should it become necessary for Lessee or City to commence legal proceedings to collect rent, to recover possession or enforce any other provision of this lease, Sublessee agrees to pay all legal costs in connection therewith, including a reasonable sum as attorney's fees.

SUBORDINATION: This agreement is in effect a sublease of a portion of the premises covered by that certain Lease Agreement dated 4-28-70 (R-256396) as amended between the sublessor herein and The City of San Diego. This sublease is subject and subordinate to the covenants and conditions of said Lease Agreement notwithstanding any provision hereof contrary to or in conflict with said agreement.

ASSESSMENTS: Sublessee agrees to pay sublessor the amount of 5 percent of all sublessee's gross receipts each month in addition to any rental payments. The aforesaid payment is to be applied to assessments by the City for sales and labor associated with the sublease.

Sublessee has received and reviewed a copy of the City of San Diego Master Lease agreement before signing this Hangar Lease (sublease) Agreement.

NOTE: This addendum is part of the original Hangar Lease Agreement between National Air College (Lessor) and Exec Air (Lessee) dated 9/24/97.

LESSOR (Sublessor)

LESSEE (Sublessee)

By [Signature]

By [Signature] 09-24-97

Beech
Aircraft Sales

Beech
Aero Center

Beech
Aero Club

LESSOR BY [Signature] LESSEE BY [Signature] 09-24-97