

CONSENT TO SUBLEASE

THIS CITY OF SAN DIEGO CONSENT TO SUBLEASE ("Consent") is made by THE CITY OF SAN DIEGO, a California municipal corporation ("CITY"), to be effective as of the later date this Consent is signed by the respective parties hereto and approved by the Office of the City Attorney (the "Effective Date").

RECITALS

- A. CITY, as "LESSOR," and BROWN FIELD AVIATION VENTURES (sublet to LANCAIR CORP.), a California corporation ("LESSEE"), are parties to a certain Third Amended and Restated Flat Rate Lease Agreement ("MASTER LEASE") dated December 28, 2005, which relates to certain CITY-owned real property (the "PREMISES") located at Brown Field Municipal Airport in San Diego, California.
- B. LESSEE desires to enter into a sublease agreement ("SUBLEASE"), with Altitude Helicopters, Inc. ("SUBLESSEE"), for the purpose of SUBLESSEE operating a helicopter flight school business.
- C. Pursuant to the MASTER LEASE, LESSEE has requested the CITY's consent to LESSEE's sublease of a portion of the PREMISES to SUBLESSEE; the portion of the PREMISES sought to be subleased to SUBLESSEE is identified as Suite B of the office building located at 1760 Curran Street, San Diego, California 92154.

AGREEMENT

CITY hereby consents to LESSEE subleasing a portion of the PREMISES to SUBLESSEE, provided all of the following conditions are and remain true throughout the term of the SUBLEASE:

- 1. USE. LESSEE shall ensure that SUBLESSEE shall use the subleased area of the PREMISES solely and exclusively for a helicopter flight school.
- 2. SUBORDINATION. LESSEE acknowledges that the SUBLEASE shall be subordinate to the MASTER LEASE in all respects, notwithstanding any provision of this Consent which may be contrary or in conflict with the MASTER LEASE. LESSEE further acknowledges that CITY is not party to or subject to the SUBLEASE and shall not be bound by any term or condition in the SUBLEASE; that by this Consent, CITY is merely approving LESSEE's request to sublease a portion of the PREMISES to the SUBLESSEE, and to SUBLESSEE's proposed use of the PREMISES. LESSEE shall

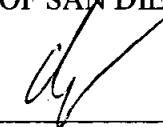
ensure that SUBLESSEE strictly complies with all the terms and conditions of the MASTER LEASE.

3. ASSIGNMENT AND SUBLEASING. LESSEE shall ensure that SUBLESSEE does not assign the SUBLEASE or sublet the PREMISES or any part thereof without prior written consent of CITY; any such unapproved assignment or sublease may result in termination of the MASTER LEASE and LESSEE's tenancy thereunder. An assignment by operation of law shall automatically terminate the SUBLEASE.
4. HOLD HARMLESS. LESSEE shall ensure that SUBLESSEE assumes the defense of CITY, and will release, indemnify and hold CITY harmless 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 PREMISES, the condition of the PREMISES, and from any act or omission of SUBLESSEE, its agents and invitees; provided, however, SUBLESSEE's duty to indemnify and hold CITY harmless shall not include any established liability arising directly from the gross negligence or willful misconduct of CITY, its elected officials, representatives, agents, officers or employees.
5. INSURANCE. LESSEE shall ensure that SUBLESSEE is insured by an insurance carrier(s) acceptable to CITY against loss from public liability arising from the use of, or condition of, or operation conducted on, the subleased PREMISES and shall comply with all of the insurance requirements set forth in the MASTER LEASE, including the requirements that LESSEE shall provide CITY with certificates evidencing proof of all required insurances, and separate endorsements naming "The City of San Diego, its elected officials, officers, representatives, agents and employees" as additional insureds. All insurance policies shall specify that the policy may not be terminated, altered or cancelled without thirty (30) days prior written notice to CITY by the insurance company.
6. DISCRETIONARY REVIEW. CITY is not hereby obligated to LESSEE, SUBLESSEE, or to any governmental agent, board, commission, or agency with regard to any discretionary action relating to the PREMISES, the SUBLEASE, or any activity to be done pursuant thereto.

IN WITNESS WHEREOF, this Consent is executed by CITY, acting by and through its Mayor or designee, and by LESSEE, acting by and through its lawfully authorized representative.

THE CITY OF SAN DIEGO

Dated 10/22/15

By: 
Cybele Thompson
Director, Real Estate Assets Department

Acknowledged and agreed to by LESSEE:

LANCAIR CORP.

Dated

9-10-15

By:

Name: Tom Ricotta

Title:

Pres: don A

Environmental Analysis Section Environmental Clearance:

This activity is categorically exempt from CEDA pursuant to
State CEDA Guidelines section 15301 (Existing Facilities)

Date:

10/13/15

By:

Name:

Title:

Myra Herrmann

Myra Herrmann

Senior Planner

Approved as to form this 30th day
of October, 2015.

JAN I. GOLDSMITH, City Attorney

By:

Name:

Title:

Debra J. Bevler

Deputy City Attorney