

**SUB-LEASE OF A PORTION OF A LEASED PREMISES SUBJECT TO
THE TERMS AND CONDITIONS OF THE CITY OF MARSHALL
COMMERCIAL LEASE AND FIXED BASE OPERATOR'S AGREEMENT
WITH SOUTHWEST AVIATION, INC.**

This sub-lease of a portion of Commercial Lease premises is made by and between Southwest Aviation, Inc. (a Minnesota Corporation) doing business under the name of Midwest Aviation, herein after referred to as ("Tenant") and Midwest Aerial Ag, LLC (a Nebraska Limited Liability Company) herein after referred to as ("Sub-Tenant"), as follows:

RECITALS

City of Marshall owns and/or controls real property in the City of Marshall which is known as the (airport) which is all located in the City of Marshall, County of Lyon, State of Minnesota; and located upon said airport are certain airport facilities, some of which the Tenant presently leases from the City.

The City has leased a portion of the "airport" premises to Tenant/Fixed Base Operator pursuant to the terms and conditions of a commercial lease and Fixed Base Operator Agreement dated January 1, 2015. A copy of the fixed base operator's agreement is attached hereto, marked Exhibit A, and is made a part hereof. The terms and conditions of this sub-lease include the obligation of Tenant and Sub-Tenant to abide by and hereto the conditions of said Fixed Base Operator's Agreement.

That a portion of business operated by Tenant on said airport premises includes the operation of an aerial spraying application service consisting of the aerial application of the agricultural type chemicals and includes the lading and storage of said chemicals and other additional associated operations including but not limited to the following:

- a. Aircraft rental along with associated activities;
- b. Sales along with the associated activities;
- c. A flight school to train and test aircraft pilot; and
- d. An aircraft repair and maintenance service.

Tenant operates its commercial spraying application service out of the airport premises identified as the 1985 Hangar. Tenant desires to sub-lease that property (1985 Hangar) of the premises so as to allow Sub-Tenant to operate an aerial spraying application service at that location.

Sub-Tenant, Midwest-Aerial Ag, LLC is willing to sub-lease said property (1985 Hangar) and is further willing to operate an aerial spraying application service at that location.

The Sub-Tenant is an experienced and ongoing business owned and operated by a 30-year leader in the aerial spraying application service business and said business intends to employ approximately 3-10 employees throughout the aerial spraying application service time period and is insured for operating and aerial spraying application service. A copy of the Certificate of Insurance has been provided to Tenant and to the City of Marshall.

NOW, THEREFORE, in consideration thereof, the parties hereto agree as follows:

1. Tenant hereby leases to Sub-Tenant, the premises identified as the "1985 Hangar" and Sub-Tenant takes said 1985 Hangar for the purpose of operating an aerial spraying application service and associated operations at that facility.
2. That said sub-lease of said premises and operation of said Sub-Tenant's business from Tenant is subject to and conditioned upon the terms and conditions of the Fixed Based Operator Agreement dated January 1, 2015.
3. The term of the sub-lease shall commence April 15, 2021 and shall run through the term of the FBO agreement December 31, 2024 unless previously terminated by either party. That Sub-Tenant shall pay to Tenant the monthly rental for the 1985 Hangar as outlined in said FBO agreement. Tenant is obligated to remit the rental payments to the City of Marshall as outlined in the FBO agreement.
4. That pursuant to the terms and conditions of the FBO agreement, the City of Marshall must give its written consent to the sub-lease agreement outlined herein.
5. All terms and conditions of the FBO agreement attached hereto are incorporated herein and made apart hereof.
6. That Sub-Tenant's operation of its' aerial spraying application service is subject to compliance with all local, state and federal chemical spraying and clean-up regulations.
7. Any notice required under this agreement or under the FBO agreement shall be in writing and shall be delivered in person or currier or mailed by certified mail, return receipt requested by United States Mail, postage prepaid, addressed as follows:

Tenant: Southwest Aviation Inc.
C/O Midwest Aviation
1650 W College Drive, Ste 100
Marshall, MN 56258

Sub-Tenant: Midwest Aerial Ag, LLC
P.O Box 67
Tekamah, NE 68061

Identified Landlord: City of Marshall
Attn: City Administrator
344 W Main Street
Marshall, MN 56258

IN WITNESS WHEREOF, Tenant and Sub-Tenant have executed this Agreement as of the dates indicated below:

Tenant: Southwest Aviation, Inc. dba Midwest Aviation

By: 

Pete Johnson

Its: President

Date: 5-03-, 2021

Sub-Tenant: Midwest Aerial Ag, LLC

By: 

Its: member

Date: 5-3, 2021

The City of Marshall hereby consents to the terms and conditions and accepts the sub-lease of the 1985 Hangar to Midwest Aerial Ag, LLC.

By: _____

Robert J. Byrnes
Mayor

Its:

By: _____

Kyle Box
City Clerk

Its: