

Yucca Valley Airport, Inc.
57690 Sunnyslope Drive
Yucca Valley, Ca. 92284

86-151167

RECORDED IN
OFFICIAL RECORDS

1986 JUN 10 AM 10:43

SAN BERNARDINO
CO., CALIF.

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USA	FTD	DBP	GO

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LEASE

This lease is made this 6th day of June, 1986 by and between Yucca Valley Airport, a California Corporation, hereinafter "Lessor", and Yucca Valley Airport District, hereinafter "Lessee".

RECITALS

Lessor is the owner of certain real property in San Bernardino County, hereinafter known as Yucca Valley Airport, more specifically described on Exhibit A, attached and incorporated hereto.

Lessee desires to acquire the right to exclusive control and operation of Yucca Valley Airport, to qualify for state and federal grant funds, under the following terms and conditions.

Now, therefore, the parties agree as follows:

TERMS OF LEASE

1. This lease grants possession and full operating control of the airport to Lessee for a period of 25 years from the date set forth above. Lessee, during the term of the lease, shall assume all legal responsibility and liability for the airport and its relationship with the owners, tenants, users, and the community.
2. Lessee, at its cost, shall maintain public liability and property damage insurance with single combined liability limit of not less than \$2,000,000 against all liability of Lessee arising out of and in connection with Lessee's use or occupancy of the subject property. Such policy shall name Lessor as co-insured. Lessee shall, at its cost, provide fire insurance on any existing or future

on the 15th day of each month commencing on the 15th day of July, 1986. The sum of \$1500 per month set forth in this paragraph shall be adjusted annually in accordance with the Consumer Price Index or its governmental equivalent, in San Bernardino County, but it shall never be less than \$1500 per month.

- 3B. On the fifth anniversary of the signing of the lease, and on each anniversary thereafter, the monthly rent shall be recomputed in accordance with the following formula:

$$R = (D \times PR) / 12$$

Where R = Monthly lease payment, dollars.
 D = Total shareholder investment of the stockholders of the Yucca Valley Airport Corporation, dollars.
 PR = Bank Prime Rate at the time of recomputation.

- 3C. A penalty of 5% of the monthly lease payment will be charged for any payments received later than ten days after due date. Said late payment shall not be deemed a breach of this agreement.
4. Improvements. Lessee agrees to repair, refurbish, maintain and keep the asphalt runway, taxiways, and the remainder of the airport, including any structures which may be built on airport property, in neat and orderly condition, free of chuck holes and similar defects. Upon termination of this lease such improvements shall become the property of the Lessor.
5. Lessee agrees to insure, indemnify, and hold Lessor harmless from any and all damages and/or law suits that may arise from the use or occupancy of the subject property. Lessor shall hold Lessee harmless from all damage arising prior to the term of this lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on this 6th day of June, 1986, at Yucca Valley, California.

LESSOR

LESSEE

YUCCA VALLEY AIRPORT, INC. by YUCCA VALLEY AIRPORT DISTRICT. by

RECORDING REQUESTED BY:
Yucca Valley Airport, Inc.

WHEN RECORDED MAIL TO:
Yucca Valley Airport, Inc.
6724 Lindbergh Lane
Yucca Valley, CA 92284

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89-084031

RECORDED IN
OFFICIAL RECORDS

89 MAR -8 PM 3:10

SAN BERNARDINO
CO. CALIF.

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AMENDMENT TO LEASE

On this fifteenth day of February, 1989, the following amendment is made to the Lease between Yucca Valley Airport, a California Corporation, Lessor and Yucca Valley Airport District, Lessee dated June 6, 1986 and recorded as Document Number 86-151167 in the records of the County of San Bernardino.

Paragraph 1 of said Lease, add following the sentence:

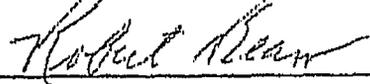
"Legal responsibility is to include the payment of property taxes."

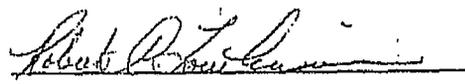
LESSOR

LESSEE

YUCCA VALLEY AIRPORT, INC., by

YUCCA VALLEY AIRPORT DISTRICT, by





President

President





Secretary

Secretary

Yucca Valley Airport District
P.O. Box 730
Yucca Valley, CA 92286

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RECORDED IN
OFFICIAL RECORDS

1987 MAY 12 AM 10:49

SAN BERNARDINO
CO., CALIF.

87-157838

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AMENDMENT TO LEASE

The lease dated on the 6th day of June, 1986 by and between Yucca Valley Airport, a California Corporation (Lessor) and Yucca Valley Airport District (Lessee) is hereby amended this 5th day of MAY, 1987 to include without additional consideration the hereinafter described parcel:

PARCEL NO 4:

THAT PORTION OF THE NORTHWEST ONE-QUARTER OF SECTION 31, TOWNSHIP 1 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICE PLAT THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH ONE-QUARTER CORNER OF SAID SECTION 31, THENCE SOUTH 0 DEGREES 57 MINUTES 05 SECONDS WEST ALONG THE WESTERLY LINE OF TRACT 6646, AS RECORDED IN MAP BOOK 92, PAGES 69 AND 70 OF THE RECORDS OF SAID COUNTY, A DISTANCE OF 1726.09 FEET; THENCE NORTH 89 DEGREES 02 MINUTES 55 SECONDS WEST, A DISTANCE OF 40.00 FEET TO THE WEST LINE OF BALS A AVENUE; THENCE SOUTH 0 DEGREES 57 MINUTES 05 SECONDS WEST, ALONG SAID WEST LINE A DISTANCE OF 70.00 FEET TO THE BEGINNING OF A CURVE TO THE LEFT HAVING A RADIUS OF 540.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE A DISTANCE OF 137.11 FEET THRU A CENTRAL ANGLE OF 14 DEGREES 32 MINUTES 52 SECONDS TO A POINT OF REVERSE CURVE, HAVING A RADIUS OF 20.00 FEET; THENCE ALONG SAID REVERSE CURVE A DISTANCE OF 29.63 FEET, THRU A CENTRAL ANGLE OF 84 DEGREES 52 MINUTES 39 SECONDS; THENCE SOUTH 71 DEGREES 16 MINUTES 52 SECONDS WEST, ALONG THE NORTHERLY LINE OF SUNNYSLOPE DRIVE (BEING ALSO THE NORTHERLY LINE OF TRACT NO. 6572, AND RECORDED IN MAP BOOK 82 ON PAGES 62 AND 63 OF RECORDS OF SAID COUNTY) A DISTANCE OF 191.14 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1270.00 FEET; THENCE WESTERLY ALONG SAID NORTHERLY LINE, ALONG SAID CURVE TO THE RIGHT THRU A CENTRAL ANGLE OF 4 DEGREES 30 MINUTES 07 SECONDS A DISTANCE OF 99.79 FEET; THENCE CONTINUING ALONG SAID NORTHERLY LINE SOUTH 75 DEGREES 46 MINUTES 59 SECONDS WEST, A DISTANCE OF 1150.00 FEET TO THE BEGINNING OF A CURVE TO THE LEFT HAVING A RADIUS OF 20.00 FEET AND FROM WHICH THE RADIUS POINT BEARS NORTH 14 DEGREES 13 MINUTES 01 SECOND WEST, SAID POINT BEING THE SOUTHEAST CORNER OF PARCEL NO. 2, DESCRIBED IN DEED TO FREEMAN A. PARSONS, TRUSTEE, RECORDED APRIL 25, 1973 IN BOOK 8169, PAGE 77 OF OFFICIAL RECORDS; THENCE ALONG THE EASTERLY LINE OF SAID PARSONS PROPERTY AND ALONG SAID CURVE TO THE LEFT THRU A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 11 SECONDS, A DISTANCE OF 31.42 FEET; THENCE CONTINUING ALONG SAID EASTERLY LINE NORTH 14 DEGREES 13 MINUTES 12 SECONDS WEST, A DISTANCE OF 379.53 FEET TO THE SOUTHERLY LINE OF THAT EASEMENT GRANTED TO THE COUNTY OF SAN BERNARDINO AS PARCEL "A" BY DEED RECORDED SEPTEMBER 25, 1968 IN BOOK 7100, PAGE 169, OFFICIAL RECORDS OF SAID COUNTY. THENCE NORTHEASTERLY ALONG SAID SOUTHERLY LINE TO ITS

87-157838

SOUTHEAST CORNER OF THE LAND CONVEYED TO JACK WORMSER AGENCY, INC., BY DEED RECORDED FEBRUARY 6, 1962, IN BOOK 5642, PAGE 37, OF OFFICIAL RECORDS; THENCE ALONG THE EASTERLY LINE OF SAID WORMSER PROPERTY THE FOLLOWING COURSES AND DISTANCES, NORTH 27 DEGREES 02 MINUTES 20 SECONDS EAST, A DISTANCE OF 223.54 FEET; THENCE NORTH 53 DEGREES 45 MINUTES 00 SECONDS EAST, A DISTANCE OF 880.00 FEET; THENCE NORTH 0 DEGREES 26 MINUTES 30 SECONDS EAST, A DISTANCE OF 300.00 FEET TO THE NORTH LINE OF SAID SECTION 31; THENCE SOUTH 89 DEGREES 33 MINUTES 30 SECONDS EAST, ALONG SAID NORTH LINE, A DISTANCE OF 866 FEET TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION CONVEYED TO MI-DESERT COUNTY WATER DISTRICT IN DEED RECORDED JANUARY 4, 1973 IN BOOK 8093, PAGE 519, OFFICIAL RECORDS.

IN WITNESS WHEREOF, the parties hereto have executed this lease amendment on this 8th day of May, 1987, at Yucca Valley, CA

LESSOR

LESSEE

YUCCA VALLEY AIRPORT, INC., by

YUCCA VALLEY AIRPORT DISTRICT, by

[Signature]
President

[Signature]
President

[Signature]
Secretary

[Signature]
Secretary

STATE OF CALIFORNIA

COUNTY OF San Bernardino

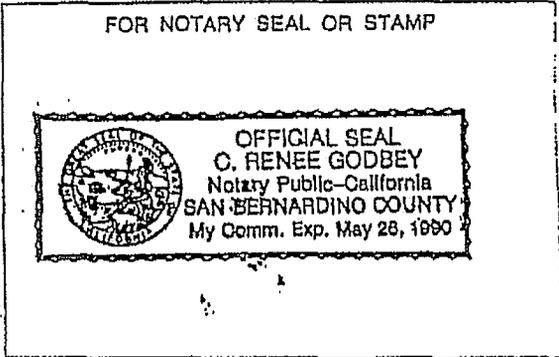
SS.

On this the 8th day of May 19 87 before me, the undersigned Notary Public, in and for said County and State personally appeared KENNETH M. FERRY

~~XXXXXXXXXXXX~~
proved to me on the basis of satisfactory evidence to be the _____
President, and RICHARD M. STROUD
Secretary

proved to me on the basis of satisfactory evidence to be _____
Secretary of the corporation that executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

Signature C. Renee Godbey



STATE OF CALIFORNIA
COUNTY OF San Bernardino

SS.

On May 8, 1987 before me, the undersigned, a Notary Public in and for said County and State, personally appeared ROBERT C. TOMLISON

87-157838

SAFE

FOR NOTARY SEAL OR STAMP

RECORDING REQUIRED BY:

90-272111

AND WHEN RECORDED
MAIL TO:

C.A. Gross
6761 Lindburgh Dr
Yucca Valley, CA
92284

1FEE	2MSYS	3PCOR	4LNNT
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RECORDED IN
OFFICIAL RECORDS
1990 JUL 12 PM 2:03
SAN BERNARDINO
CO., CALIF.

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SECOND AMENDMENT TO LEASE

WHEREAS:

1. On June 6, 1986, a lease was entered into between Yucca Valley Airport, a California corporation, as Lessor, and Yucca Valley Airport District, as lessee, providing for lease of certain real property in San Bernardino County, known as the Yucca Valley Airport and more specifically described on Exhibit A attached hereto and incorporated herein, for a period of 25 years running from June 6, 1986, to June 5, 2011.

2. On February 15, 1989, the parties entered into the first amendment to the said lease that was in the nature of a clarification.

3. The lessee has found itself with insufficient funds to pay in full the rent stated in the lease with the result that, as of the date hereof, it is substantially in arrears in the payment of rent and related late-payment penalties.

4. In order to meet the realities of the situation, the parties now wish to amend the lease further.

NOW THEREFORE, in consideration of the mutual covenants hereof and other good and valuable considerations, receipt whereof is hereby acknowledged, the parties agree that the lease shall be amended ab initio to read as follows:

Attorney and Counsel at Law
7211 JOSHUA LANE, SUITE 5
YUCCA VALLEY, CA 92284-2937
(619) 369-2500

1. This lease grants possession and full operating control of the airport to Lessee for a period of 25 years from June 6, 1986. Lessee, during the term of the lease, shall assume all legal responsibility and liability for the airport and its relationship with the owners, tenants, users, and the community. As used herein, the term "legal responsibility" is agreed to include, without limitation, the payment of property taxes.

2. Lessee, at its cost, shall maintain public liability and property damage insurance with single combined liability limit of not less than \$2,000,000 against all liability of Lessee arising out of and in connection with Lessee's use or occupancy of the subject property. Such policy shall name Lessor as co-insured. Lessee shall, at its cost, provide fire insurance on any existing or future structures on the airport property.

3A. In consideration of this lease, Lessee shall pay a monthly rent of \$1,500 to the Lessor, except that Lessee shall retain 40% of all income from airport operations and shall remit the remainder, up to the maximum of \$1,500 per month, to Lessor. Monthly rent shall be due on the 15th day of each month commencing on the 15th day of June, 1986. As used herein, the term "income from airport operations" shall encompass income of every kind and nature directly from operation of the airport, including, without limitation, tiedown fees from other than property owners, transit fees, profit from gasoline sales, and rent or fees charged to concessionaires located on airport property, but shall not include any amount in the nature of a subsidy received from any governmental agency.

3.B Not later than 90 days after the end of each fiscal year of the Lessee beginning with that ending during 1990, the officers of the Lessor shall be entitled to review with the officers of the Lessee the financial operations of the Lessee for the year with a view toward a mutual determination as to whether or not the income of the Lessee is sufficient to meet its legal obligation. Based on such review, the parties hereto obligate themselves to adjust the percentage of the

IRA N. TUCK
Attorney and Counselor at Law
7211 JOSHUA LANE, SUITE 5
YUCCA VALLEY, CA 92284-2937
(619) 369-2550

income from airport operations payable to the Lessor to a percentage estimated to be appropriate in the circumstances.

3C. A penalty of 5% of the monthly lease payment of \$1,500 will be charged for any payments received later than ten days after due date. Said late payment shall not be deemed a breach of this agreement. In addition Lessee shall be charged simple interest at 8 per cent per annum on any rents in arrears.

4. Improvements Lessee agrees to repair, refurbish, maintain and keep the asphalt runway, taxiways, and the remainder of the airport, including any structures which may be built on airport property, in neat and orderly condition, free of chuck holes and similar defects. Upon termination of this lease such improvements shall become the property of the Lessor.

5. Lessee agrees to insure, indemnify, and hold Lessor harmless from any and all damages and/or lawsuits that may arise from the use or occupancy of the subject property. Lessor shall hold Lessee harmless from all damage arising prior to the term of this lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on this 14 day of June, 1990, at Yucca Valley, California.

YUCCA VALLEY AIRPORT

YUCCA VALLEY AIRPORT DISTRICT

By:

[Signature]
President
[Signature]
Secretary

By:

[Signature]
President
[Signature]
Secretary

IRA N. TUCK
Attorney and Counselor at Law
7711 JOSHUA LANE, SUITE 2
YUCCA VALLEY, CA 92284-2957
(619) 369-2500

WHEN RECORDED MAIL TO:

YUCCA VALLEY AIRPORT, INC.
6728 LINDBERGH LANE
YUCCA VALLEY, CA 92284

Recorded in Official Records, County of
San Bernardino, Errol J. Mackzum, Recorder
25.25

Doc No. 19980011361
4:44pm 01/13/98

3142

RECORDING REQUESTED BY:

IRA N. TUCK
Attorney at Law
7024 Airway Ave., Suite F
Yucca Valley, CA 92284

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THIRD AMENDMENT TO LEASE

WHEREAS:

1. On June 6, 1986, a lease was entered into between Yucca Valley Airport, a California corporation, as Lessor, and Yucca Valley Airport District, as lessee, providing for lease of certain real property in San Bernardino County, known as the Yucca Valley Airport for a period of 25 years running from June 6, 1986, to June 5, 2011. The said lease was recorded June 10, 1986, as Instrument No. 86-151167, Official Records of San Bernardino County, California.

2. On May 8, 1987, the parties entered into an (unnumbered) amendment to the said lease in order to include additional property subject thereto. This amendment was recorded May 12, 1987, as Instrument No. 87-157838, Official Records of San Bernardino County, California.

3. On February 15, 1989, the parties entered into the first amendment to the said lease that was in the nature of a clarification. This amendment was recorded March 8, 1989, as Instrument No. 89-084031, Official Records of San Bernardino County, California.

4. On June 14, 1990, the parties entered into the second amendment to the said lease that was recorded July 12, 1990, as Instrument No. 90-272111, Official Records of San Bernardino County, California.

5. The parties now wish to amend the lease further.

NOW THEREFORE, in consideration of the mutual covenants hereof and other good and valuable considerations, receipt whereof is hereby acknowledged, the parties agree that the lease shall be amended as follows:

A. Paragraph 1 of the lease, as amended by the aforesaid Second Amendment, is hereby further amended to provide that the term of the lease shall be a period of thirty-five year beginning January 1, 1998, and ending December 31, 2032.

IRA N. TUCK

Attorney and Counselor at Law

7024 AIRWAY AVE., SUITE F

XXXXXXXXXXXXXXXXXXXX 7024 AIRWAY AVE., SUITE F

YUCCA VALLEY, CALIFORNIA 92284-2937

TEL: 308-2503

IRA N. TUCK

Attorney and Counselor at Law

XXXXXXXXXXXXXXXXXXXX 7024 AIRWAY AVE., SUITE F

YUCCA VALLEY, CALIFORNIA 92284-2937

(760) 369-2500

B. All other terms and conditions of the lease as contained in the aforesaid Second Amendment shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on this 31st day of December, 1997, at Yucca Valley, California.

YUCCA VALLEY AIRPORT

YUCCA VALLEY AIRPORT DISTRICT

BY:

Robert C. Louisa
Robert C. Louisa

President

Robert W. Bean

Secretary

Robert W. Bean

Leon J. Malin
Leon J. Malin

President

Albert E. Hayes Jr.

Secretary

Albert E. Hayes Jr.

RECORDING REQUESTED BY:

Yucca Valley Airport, Inc.
&
Yucca Valley Airport Dist.

PO Box 2592
Yucca Valley, Ca. 92286

FOURTH AMENDMENT TO LEASE

WHEREAS

1. On June 6, 1986, a lease was entered into between Yucca Valley Airport, INC., a California corporation, as Lessor, and Yucca Valley Airport District, a San Bernardino County Special District, as Lessee, providing for a lease of certain real property in San Bernardino County, known as the Yucca Valley Airport, for a period of 25 years beginning June 6, 1986, until June 5, 2011. The said lease was recorded June 10, 1986, as Instrument No. 86-151167, Official Records of San Bernardino County, California.
2. On May 8, 1987, the parties entered into an (unnumbered) amendment to the said lease in order to include additional property subject thereto. This amendment was recorded May 12, 1987, as Instrument No. 87-157838, Official Record of San Bernardino County, California.
3. On February 15, 1989 the parties entered into the first amendment to the said lease that was in the nature of a clarification. This amendment was recorded March 8, 1989, as Instrument No. 89-084031, Official Records of San Bernardino County, California.
4. On June 14, 1990, the parties entered into the second amendment to the said lease that was recorded July 12, 1990, as Instrument No. 90-272111, Official Record of San Bernardino County, California.

5. On the 31st day of December, 1997 the parties entered into the third amendment to said lease that was recorded January 13, 1998, as Instrument No. 19980011361, Official Record of San Bernardino County, California.
6. The parties now wish to amend the lease further.

NOW THEREFORE, in consideration of the mutual covenants hereof and other good and valuable consideration, receipt whereof is hereby acknowledged, the parties agree that the lease shall be amended as follows:

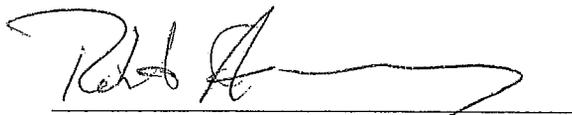
- A. Paragraph 1 of the original lease dated June 16, 1986, along with paragraph 1 of the Second Amendment dated June 14, 1990 and paragraph "A" of the Third Amendment dated December 31, 1997, relating to term of said lease are all amended to provide that said term of said lease shall be from June 1, 2005 and ending May 31, 2040. The term of the lease and its amendments relating to term shall remain in force until the new term becomes effective.
- B. Paragraphs 3A and 3B of both this lease and the Second Amendment shall be amended to provide that monthly rental for the premises described in said lease shall be Five Hundred (\$500.00) dollars per month, due and payable not later than the 15th day of each calendar month this lease and its amendments are in effect. Lessor shall notify Lessee in writing of place of payment and any late payment shall bear a charge of 8% (Eight Percent) until paid.
- C. The provisions of paragraph 3C in the lease dated June 6, 1986 and 3C in the Second Amendment are by this Fourth Amendment deleted and of no further force and effect.
- D. The provisions of paragraph 4 of the lease and paragraph 4 of the Second Amendment shall remain in full force and effect. A Paragraph 4A shall be added which will be as follows:
 - 4A. Lessee may apply for and receive loan or grants from governmental agencies to be specifically used on repair, maintenance, upkeep and capital improvements on the leased premises. Any violation of the terms of any loan or grant shall be deemed a breach of this lease.

E. Except as otherwise amended by this Fourth Amendment, all of the terms of the lease dated June 6, 1986 and all of its amendments shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Amendment Number 4 at Yucca Valley, California on this 4 day of June, 2005.

LESSOR

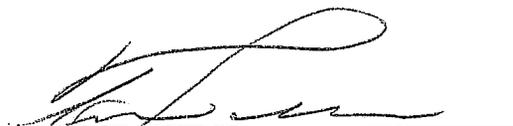
LESSEE



President



President



Secretary



Secretary