



6

CITY OF DANBURY

155 DEER HILL AVENUE

DANBURY, CONNECTICUT 06810

DANBURY MUNICIPAL AIRPORT
P.O. BOX 2299
DANBURY, CT. 06813-2299

AIRPORT ADMINISTRATOR
PAUL D. ESTEFAN
(203) 797-4624

July 26, 2010

Mayor Mark D Boughton

Honorable Members of the City Council

City of Danbury

Dear Mayor Boughton & Honorable Members;

The Airport Commission at its monthly meeting held on Thursday July 13, 2010 voted to forward to you the attached proposed lease. We are requesting that a committee be setup to discuss this proposed lease.

Sincerely,

Paul D Estefan

Airport Administrator

Cc: Estefan45

DANBURY AVIATION COMMISSION
SPECIAL MEETING
MINUTES

Danbury Aviation Commission -- 7:00 p.m.
Danbury City Hall: 155 Deer Hill Ave., Danbury, CT 06810
Third Floor / Room 3C / Thursday, July 13, 2010

- 01 Meeting Called to Order at 7:00 p.m. By Chairman Ashkar.
- 02 Roll Call:
- Present: Commissioners Ashkar, Zilinek, Opperman
- Absent: Frizzell, Baker
- 03 Public speaking session of items listed on agenda

Motion was made to open public speaking by Commissioner Zilinek, seconded by Commissioner Opperman, and unanimously approved.

No public speaking occurred.

Motion was made to close public speaking by Commissioner Zilinek, seconded by Commissioner Opperman, and unanimously approved.

Old Business

Westconn Aviation, LLC -- Purchase of Sadler Aircraft Center

Attorney Robin Kahn representing Westconn Aviation, LLC requested Category A, Fuel, and Category B, Charter-Rental-Instruction permits for Westconn Aviation, as stated in letter dated June 21, 2010 (copy attached). She stated the property will be reconfigured as condominiums with Sadler retaining small portion with present building who will relinquish his permits once the sale is finalized. A proposed lease was drafted with a 30 year lease term with a 30 year renewal option. An appraisal is now being completed. She also stated the leased area would need to be reduced due to airport restricted movement areas. Mr. Estefan advised he will review this matter with the FAA. Westconn Aviation will be the sole responsible party for all fees, lease payments, etc. for this property. Commissioner Opperman requested that the Commission see the final lease prior to getting Common Council approval. Mr. Estefan advised he will forward to the commission members a copy of the proposed final lease. Commissioner Opperman asked if there was any guarantee that the property will be improved as proposed; Mr. Orifici stated it would all depend on the banking that will be done but improvements will be made.

Motion was made by Commissioner Opperman to recommend to the City Council a lease of Airport property now or formerly leased to Sadler Aircraft Service, Inc., pursuant to general terms and conditions set forth in a lease represented to the Aviation Commission on July 13, 2010, and subject to review and/or final negotiation by the Department of Finance, Corporation Counsel and the Planning Commission, together with issuance of specified FBO permits to Westconn Aviation, LLC once all past and present fees, rents, and charges have been paid and upon the consummation of the lease agreement, seconded by Commissioner Zilinek, and unanimously approved.

Special Meeting
Danbury Aviation Commission
Page Two

New Business

Executive Air Service – Determination of Show Cause Hearing

Mr. Paul Estefan read into the minutes letter dated July 13, 2010 from Attorney Gerald Hecht regarding Executive Air Services, copy attached. Mr. Estefan advised for a Show Cause Hearing, Executive Air and/or their attorney would need to be present. Chairman Ashkar advised if the City is not paid within 90 days, the Show Cause Hearing will be scheduled. Attorney Pinter advised this matter will be forwarded to the collection agency. Mr. Estefan believes about 2 years ago Executive Air was in arrears for around \$16,000. Commissioner Opperman suggested the Show Cause Hearing be held in September.

Motion was made by Commissioner Opperman to reschedule the Executive Air Show Cause Hearing until the Danbury Aviation Commission meeting held on September 21, 2010, and recommend that the Corporation Counsel's office send notice of the hearing of revocation to Executive Air by certified letter, seconded by Commissioner Zilinek, and unanimously approved.

Motion made to adjourn, seconded, and unanimously approved.

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LEASE

THIS LEASE made this day of 2010, between **the CITY OF DANBURY**, a municipal corporation, organized and existing under and by virtue of the laws of the State of Connecticut, and **WESTCONN AVIATION, LLC** a Connecticut limited liability company having an office and principal place of business at Wallingford Road, Danbury, Connecticut, 06810, hereinafter referred to respectively as "LESSOR" and "LESSEE".

WITNESSETH:

That the LESSOR hereby leases to the LESSEE and the LESSEE hereby leases from the LESSOR, that certain piece or parcel of land hereafter referred to as "the premises", more fully described on Exhibit A attached hereto and made a part hereof, for the purpose of conducting business as a fixed-base operator (FBO) at Danbury Municipal Airport, as defined in the Minimum Standards for Lease and/or Use of Danbury Municipal Airport, effective May 10, 1988, as amended, a copy of which is attached hereto and made a part hereof as Exhibit B. IT IS FURTHER MUTUALLY AGREED between the parties as follows:

1. TERM.

The term of this lease (which lease automatically supercedes any other lease for the premises), shall be for thirty (30) years, commencing on the date hereof. There shall be one thirty (30) year renewal option given to the LESSEE (the "Renewal Term") conditioned on LESSEE providing four (4) months' written notice in advance to LESSOR.

2. RENT.

Rent shall be payable at the rate of \$ _____ & 00/100 DOLLARS (\$) **PER ACRE** per year, in advance for the first five years of this Lease. Thereafter, rent shall be adjusted in accordance with the formula set forth on Exhibit C attached hereto and made a part hereof.

3. WAIVER OF CLAIMS.

LESSEE, as a material part of the consideration to be rendered to LESSOR, hereby waives all claims against LESSOR for damages to goods, wares and merchandise in, upon or about the premises and for injuries to persons in or about the premises, from any cause arising at any time, and LESSEE will hold LESSOR exempt and harmless from any claim, damage or injury to any person, or to the goods, wares and merchandise of any person arising from the use of the premises by LESSEE, or from the failure of LESSEE to keep the premises in good condition and repair.

4. UTILITIES / INSURANCE / TAXES.

LESSEE will pay for all applicable water, gas, heat, light, power, sewer service, telephone service and all other similar service supplied to said premises. LESSEE will also maintain liability insurance in the amount of \$2,000,000 which amount may be increased from time to time upon notification to LESSEE by LESSOR, naming the City of Danbury as an additional

6-4

insured. Said insurance certificate shall be submitted to the LESSOR prior to the execution hereof. LESSEE will also pay such property taxes as may be assessed by the LESSOR.

5. TITLE TO STRUCTURES.

Title to all appurtenant structures as may be constructed by the LESSEE on the premises as a part of the improvements at the facility shall remain in the LESSEE during the term of this lease and any renewal thereof. At such time as this lease has terminated, title in and to all appurtenant structures not presently owned by the LESSOR shall revert to LESSOR.

6. OPERATIONS / COMPLIANCE / SUB-TENANCY.

During the term of this lease, the LESSEE shall be solely responsible for maintenance, repair, service and upkeep of the premises. The LESSEE shall have the right to use all appurtenant structures in the conduct of its business, provided, however, that such use shall at all times be in accordance with Exhibit B as amended from time to time, provided such amendment or amendments do not substantially adversely impact the conduct of LESSEE'S business or its use of the premises in a manner which substantially deviates from that applicable to other airport users or tenants. The LESSEE specifically recognizes that it may not sublease the premises or assign the lease except in accordance with the provisions of Exhibit B and without the approval of the Aviation Commission, which approval shall not be unreasonably withheld. In the event of a sublease of all or a portion of the premises, LESSEE agrees to assume responsibility for compliance with the terms of this lease by any such sub-lessee.

7. ON-SITE MANAGEMENT / ACCOUNTABILITY.

LESSEE specifically agrees to employ full-time an on-site manager which person or his designee shall be available during normal business hours in order to respond to any activity or action concerning this lease agreement. When such need arises, LESSEE further agrees to be fully accountable, as pertains to its obligations under this lease for any actions of its tenants, sub-lessees or other persons and entities operating on said premises or off by virtue of any agreement whether written or oral with LESSEE. LESSEESS further agrees to ensure the full compliance with all airport rules and regulations by all such tenants, sub-lessees or other persons or entities and agrees to directly respond to LESSOR on any issues concerning said parties and directly act concerning same.

8. NOTICES.

All notices to be given to the LESSEE shall be given in writing by hand delivery or by depositing the same in the United States mail, postage prepaid, certified mail, return receipt requested and addressed to the LESSEE at Wallingford Road, Danbury, Connecticut, 06810. All notices to the LESSOR shall be given in writing to the City Clerk by hand delivery or by depositing same in the United States mail, postage prepaid, certified mail, return receipt requested addressed to the

6-5

LESSOR, c/o City Clerk with copies to the Corporation Counsel, City of Danbury, 155 Deer Hill Avenue, Danbury, Connecticut, 06810 and to the Airport Administrator, P.O. Box 2299, Wibling Road, Danbury, Connecticut, 06813.

9. ADHERENCE TO AIRPORT REGULATIONS.

The LESSEE will observe all existing municipal regulations and state and federal laws including Part 139 Compliance procedures set forth in Exhibit E as may affect the operation of its business and the use of the premises, and further will observe and abide by the rules, regulations and guidelines as may be set forth from time to time by the Aviation Commission or the appropriate governing body, provided that such rules, regulations and guidelines as applied to LESSEE shall not be in a manner which substantially deviates from that applicable to other airport users or tenants.

10. RIGHT TO INSPECT.

LESSEE acknowledges the right of the LESSOR to inspect the premises, upon reasonable notice, during normal business hours for purposes of FAA compliance with any other federal or state law or local rules or regulations.

11. AIRPORT RULES AND REGULATIONS.

All applicable provisions of Exhibit B attached hereto and made a part hereof and as may be amended are incorporated herein and made a part hereof.

12. SUCCESSORS AND ASSIGNS.

The covenants and conditions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all the parties hereto.

13. QUIET ENJOYMENT.

LESSOR has good right to lease the premises and LESSOR will suffer and permit LESSEE to occupy, possess and enjoy the premises during the term without hindrance or molestation from the LESSOR or any person claiming by, from or under LESSOR.

14. WASTE.

LESSEE leases the premises and will pay the rent therefor as aforesaid; and LESSEE will commit no waste, nor suffer the same to be committed thereon, nor injure nor misuse the same; but will deliver up the same at the expiration or sooner termination of its tenancy in as good condition as now existing; except as herein stated, ordinary wear and tear and other unavoidable casualties excepted.

15. TERMINATION / RE-ENTRY / NO NOTICE.

If rent shall remain unpaid thirty (30) days after the same shall become payable as aforesaid, or the LESSEE shall commit waste or suffer the same to be committed on the premises, or shall injure or misuse the same, or shall violate any of the terms, provisions, or conditions herein contained and shall not cure the same after thirty (30) days written notice from LESSOR, or if the LESSEE commits an act of bankruptcy, or if the LESSEE makes an application to its creditors for the

composition of its debts or executes an assignment for the benefit of creditors, or files a voluntary petition of bankruptcy or an involuntary petition in bankruptcy is filed against the LESSEE and not discharged within sixty (60) days; or if a receiver is appointed for any material or substantial portion of the assets of the LESSEE; then this lease shall thereupon, by virtue of this express stipulation herein, expire and terminate; and the said LESSOR may at any time thereafter re-enter the premises, and the same have and possess as of its former estate, and without such re-entry, may recover possession hereof in the manner prescribed by statute relating to summary process; it being understood that no demand for rent, and no re-entry for condition broken as at common law, shall be necessary to enable the LESSOR to recover such possession pursuant to said statute relating to summary process, but that all right to any such demand, or any such re-entry it hereby expressly waived the LESSEE.

Whenever this lease shall terminate, either by lapse of time or by virtue of any of the expressed stipulations herein, LESSEE hereby waives all rights to any notice to quit possession, as prescribed by the statute relating to summary process.

16. FAA COMPLIANCE / OPERATIONS.

The LESSEE will conduct its operations on the airport in accordance with the obligations of the LESSOR contained in any pre-existing agreements between the LESSOR and the United States; and in furtherance of this general covenant but without limiting its general application, the LESSEE specifically agrees:

- a. to conduct its operations on the airport for the use and benefits of the public;
- b. to make available for the use and benefit of the public all of its aeronautical facilities and services on fair and reasonable terms and without discrimination on account of race, creed, color or national origin;
- c. to continue its service and operations in common with such other qualified persons desiring to conduct aeronautical operations on the airport in the event the LESSOR provides space therefor.

17. TERMINATION BY LESSOR.

In the event that this lease is terminated by the LESSOR prior to the expiration of the term, for any reason except LESSEE'S default or LESSEE'S breach of this lease, which termination except for such default or breach shall only be made upon an expressed finding by the LESSOR that such termination is required by the public good and necessity, LESSEE shall thereupon be reimbursed by LESSOR in an amount representing that sum to which LESSEE would be entitled had the LESSOR exercised its power of eminent domain which may result from any termination, interruption or inconvenience to LESSEE'S business, and upon such payments LESSEE shall have no further claim to any such payments nor any such structure or improvements. The term "Lessee's interest" as used in this paragraph shall include the interest of any party having interest in the LESSEE'S personal property or building(s) as mortgagor, lienor or the like. Further, in the event of such termination for the public good and necessity, LESSOR shall execute and deliver to LESSEE a release, in recordable form, of the restrictive covenants affecting LESSEE'S property which lies adjacent to the leased premises, which restrictive covenants

are contained in a Deed dated December 29, 1948 and recorded in Volume 235 at Page 510 of the Danbury Land Records and in a Deed dated June 5, 1956 and recorded in Volume 314 at Page 10 of said Land Records.

18. HOLD OVER.

In case the said LESSEE, with the written consent of the LESSOR endorsed hereon, or on the duplicate hereof, at any time holds over the said premises beyond the period above specified as the termination of this lease, then the LESSEE will hold said premises upon the same terms and under the same stipulations and agreements as are in this instrument contained, and no holding over by LESSEE shall operate to renew this lease without such written consent of said LESSOR.

19. ADMINISTRATIVE APPROVALS.

No building(s) or structure(s) will be constructed on the premises without obtaining the prior written permission(s) of the Building Department and Planning Commission and/or the Planning Department, as applicable, of the City of Danbury, which approval(s) and permit(s) shall be a condition precedent to LESSEE'S obligations hereunder. In addition, LESSEE will simultaneously to said permission(s) submit a full set of plans to the Airport Administration.

20. FAA SECTION 308 REFERENCE.

The covenants and provisions herein contained are in no way intended as authorizing the grant of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958, as amended.

21. LESSOR RESERVATION OF RIGHTS.

The LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches, clear zones, transition and turn zones of the airport against obstructions to aircraft, together with the right to prevent the LESSEE from erecting or allowing any additional structures or growth on the leased premises which in the opinion of the LESSOR would limit the usefulness of the airport or otherwise constitute a hazard to aircraft.

22. LESSOR DEVELOPMENT RIGHTS.

The LESSOR reserves the right to develop or improve the airport, or any part thereof, or adjacent thereof, within its discretion regardless of the desires or opinions of the LESSEE and without interference or hindrance by the LESSEE; and to grant operational rights and privileges to others on available space elsewhere on the airport.

23. SUBORDINATION.

This lease will be subordinate to the provisions of any existing or future agreement entered into between the LESSOR and the United States to obtain federal aid for the improvement or operation and maintenance of the airport.

24. COMPLETE AGREEMENT.

This lease is the complete agreement between the parties and may not be waived, changed, modified, amended or terminated orally, but only by a writing signed by the party to be charged.

25. GOVERNING LAWS.

This lease shall be governed by, interpreted and construed under and in connection with the laws of the State of Connecticut.

26. FEES.

During the initial term of this lease and any renewal thereof, the LESSEE shall pay fees in accordance with Exhibit B, as the same is in force as of the date of this lease and as thereafter may be amended.

27. NON-DISCRIMINATION.

The LESSEE agrees not to discriminate on account of age, sex, race, creed, color or national origin in the use of the premises.

28. PERMISSION.

Wherever used herein, the terms "Permission" or "Consent of the LESSOR shall be obtained which shall not be unreasonably withheld", the parties hereto agree that the Aviation Commission of the City of Danbury shall have authority to grant such approval or consent on behalf of the LESSOR on proper application or petition to said Aviation Commission by LESSEE unless otherwise specified in the charter or ordinances of the LESSOR municipality or pursuant to the laws of the State of Connecticut or the regulations of the FAA.

29. MORTGAGE / ENCUMBRANCE.

The LESSEE will not mortgage or otherwise encumber this lease without the prior written consent of the LESSOR, which consent shall not be unreasonably withheld.

30. RIGHT OF FLIGHT / AIRSPACE.

The LESSOR reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the real property (hereinafter described) together with the right to cause in said airspace such sound as may be inherent in the operation or aircraft, now known or hereafter used for the navigation of or flight in said airspace, together with the emission of fumes or particles incidental to aircraft navigation, and for the use of said airspace for the landing on, taking off from or operating on Danbury Municipal Airport.

31. HAZARDS.

The LESSEE expressly agrees for itself, its successors and assigns to prevent the use of the premises for the purpose which will create or result in hazards to flight such as, but not limited to, purposes which will (a) produce electrical interference with radio communications, (b) make it difficult for pilots to distinguish between airport lights and others, (c) project glare in the eyes of pilots, (d) impair visibility in the vicinity of the airport, or (e) otherwise endanger the landing, take-off or maneuvering of aircraft.

32. HEIGHT RESTRICTIONS.

The LESSOR retains the continuing right in the subject property to prevent the erection or growth of any building, structure, tree or other object extending into the airspace above the limits set forth in the overlay map as amended from time to time entitled "FAA Part 77 Surfaces" drawing No. 7 prepared by Edwards & Kelcey, Inc. Dated June 17, 1985 on file with LESSOR, and to remove from said airspace, at the LESSEE'S expense or at the sole option of the LESSOR, as an alternative, to mark and light as obstructions to air navigation, any such building, structure, tree, or other object now upon, or which in the future may be upon the property together with the right of ingress to, passage over, and egress from LESSEE'S property for the above purpose.

33. COVENANTS RUNNING WITH LAND.

The LESSEE expressly agrees for itself, its successors and assigns, that the reservations and restrictions set forth in this instrument shall run with the land which shall be the servient tenement, it being intended that the lands now and hereafter comprising the airport shall be the dominant tenement; excepting, however, that such reservations and restrictions shall become void and of no force and effect on such date as the lands comprised in the aforesaid airport shall cease to be used for airport purposes.

34. SPONSOR ASSURANCE.

The LESSEE for itself, its personal representatives, successors in interest and assigns does hereby agree that if any aeronautical services or activities are to be offered, performed or conducted upon the Premises that:

In the exercise of the rights and privileges granted for the furnishing of aeronautical services to the public, LESSEE will:

- (1) furnish said service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and
- (2) charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; provided that the LESSEE may be allowed to make reasonable and non-discriminatory discounts, rebates or all other similar types of price reductions to volume purchasers.

35. NON-DISCRIMINATION; D.O.T.

The LESSEE for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease or a purpose for which a D.O.T. program or activity is extended or for another purpose involving the provisions of similar services or benefits, the LESSEE shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said Regulations may be amended.

36. NON-DISCRIMINATION / FEDERAL; 49 CFR PART 1.

The LESSEE for itself, its personal representatives, successors in interest, and assigns as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and in the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the LESSEE shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date and year first above written.

*Signed, sealed and delivered
in the presence of:*

CITY OF DANBURY

By: _____
Mark D. Boughton
Its Mayor, Duly Authorized

WESTCONN AVIATION, LLC

By: _____
Christopher Orifici, Its Member

STATE OF CONNECTICUT)
) ss: Danbury
COUNTY OF FAIRFIELD)

On this the ____ day of _____, 2010, before me, Laszlo L. Pinter, the undersigned officer, personally appeared Mark D. Boughton, who acknowledged himself to be the Mayor of the City of Danbury, a municipal corporation, and that he as such Mayor, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Mayor.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Laszlo L. Pinter
Commissioner of the Superior Court

Exhibit C

Commencing on _____, 2015, and every five years thereafter, the Rent during the first thirty (30) year lease term shall be adjusted as follows:

(a) The amount of Rent shall be increased for the 6th through 10th lease years on the first day of the 6th lease year by an amount equal to the product obtained by multiplying the Rent in effect for the 5th lease year by a fraction, the numerator of which is the Consumer Price Index (the "CPI", as defined below) for the last month of the 5th lease year and the denominator of which is the CPI for the first month of the 1st lease year.

(b) The amount of Rent shall be increased for the 11th through 15th lease years on the first day of the 11th lease year by an amount equal to the product obtained by multiplying the Rent in effect for the 10th lease year by a fraction, the numerator of which is the CPI for the last month of the 10th lease year and the denominator of which is the CPI for the first month of the 6th lease year.

(c) The amount of Rent for the 16th through 20th lease years shall be reset to be equal to the then established "rent per acre" rate, as established by the City of Danbury.

(d) The amount of Rent shall be increased for the 21st through 25th lease years on the first day of the 21st lease year by an amount equal to the product obtained by multiplying the Rent in effect for the 20th lease year by a fraction, the numerator of which is the CPI for the last month of the 20th lease year and the denominator of which is the CPI for the first month of the 16th lease year.

(e) The amount of Rent shall be increased for the 26th through 30th lease years on the first day of the 26th lease year by an amount equal to the product obtained by multiplying the Rent in effect for the 25th lease year by a fraction, the numerator of which is the CPI for the last month of the 25th lease year and the denominator of which is the CPI for the first month of the 21st lease year.

The "CPI" shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York - Northern New Jersey - Long Island, NY-NJ-CT area, All Items (1982 - 1984 =100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and there is no successor thereto, such other index as Lessor and Lessee agree upon, each acting reasonably, as appropriately adjusted, shall be substituted for the Consumer Price Index. If the Consumer Price Index ceases to use 1982 - 1984 = 100 as the basis of calculation the Consumer Price Index shall be adjusted accordingly.

The parties agree to meet and negotiate in good faith the fair market rental (the "Fair Market Rental") applicable to the Renewal Period commencing , 2040. If the parties are unable to agree to Fair Market Rental by , 2040, then the parties hereby agree that the Fair Market Rental shall be set by appraisal as set forth below ("Appraised Market Value").

In determining Fair Market Rental value and "Appraised Market Value" of the premises as of the commencement of the thirty first (31st) lease year, the appraisers shall take into account the then current annual rental charges for comparable properties, taking into account the quality, size, configuration, location and comparable values of such properties, but shall not include in such market value the value of any leasehold improvements.

Upon timely receipt by Lessor of a notice from Lessee requesting Appraised Market Value, each party shall have ten business (10) days from the receipt of such notice to designate an appraiser by written notice to the other. If either party shall fail to designate an appraiser within the time specified, the other party shall have the right to and shall designate the appraiser for such party. If the two appraisers so named cannot agree upon an appropriate Appraised Market Value of the premises within thirty (30) days after their designation, the two appraisers, provided such failure continues after such thirty (30) day period, shall designate a third appraiser. If the two appraisers are unable or fail to designate a third appraiser within the time specified, either party may apply to any Judge of the Connecticut Superior Court Judicial District of Danbury at Danbury for the designation of the third appraiser, who shall have the minimum qualification specified below. The designation of the third appraiser shall be final and binding.

Such third appraiser shall make his or her decision by the following method: (a) within ten business (10) days of the third appraiser being named and accepting his or her appointment, the appraiser for each party shall submit to the third appraiser their then Appraised Market Value; (b) the third appraiser shall then only select either the Lessor's appraiser's Appraised Market Value or the Lessee's appraiser's Appraised Market Value within twenty (20) days and his or her decision of Appraised Market Value shall be final and binding upon the parties. The third appraiser shall have no right, power or authority to make an independent appraisal or judgment of fair market rental or Appraised Market Value, but shall be limited to accepting either the Lessor's appraiser's or Lessee's appraiser's Appraised Market Value, whichever in the opinion of the third appraiser most closely approximates the Appraised Market Value for the Demised Premises for the first renewal term. Each Appraiser appointed hereunder shall be an M.A.I. Appraiser and a member of the American Institute of Real Estate Appraisers for at least ten (10) years with at least ten (10) years full-time commercial appraisal experience in the Danbury, Connecticut area. Each party shall pay all costs and expenses of the appraiser(s) named by or for it, and both parties shall share the cost of any third appraiser. The decision of the appraiser or appraisers, as specified above, shall be final and binding upon the parties, and shall be the sole method of settling any disputes as to fair market rental and Appraised Market Value.