

# ASSIGNMENT OF A LEASE

SEE CHAPTER 45, TITLE 17 OF THE ALASKA ADMINISTRATIVE CODE (17 AAC 45)

## **17 AAC 45.260:**

- (a) This section applies to an assignment, other than an assignment for security purposes, of an interest in a lease, sublease, an airport boundary crossing permit issued under 17 AAC 45.285, or a concession. A permit issued under this chapter, other than an airport crossing boundary permit issued under 17 AAC 45.285, may not be assigned. For purposes of this section, any single or cumulative transfer of more than 50 percent interest in a joint venture, partnership, limited liability company, corporation, or other dual or multi-party entity that holds a lease, sublease, airport boundary crossing permit, or concession is an assignment of an interest subject to approval under this section.
- (b) Unless the lease, sublease, airport boundary crossing permit, or concession expressly provides otherwise, a lessee, sublessee, airport boundary crossing permittee, or concessionaire may not assign all or a portion of a lease, sublease, airport boundary crossing permit, or concession, including improvements, without the prior written consent of the department under 17 AAC 45.275. A sublessee may not assign a sublease without also obtaining the written consent of the sublessor. An assignment made contrary to the requirements of this section and 17 AAC 45.275 is void.

### **Definitions from 17 AAC 45.990**

#### **Assignor:**

A lessee or concessionaire that is the grantor in an assignment.

#### **Assignee:**

A person who receives an interest under an assignment of a lease or concession.

#### **Assignment:**

The transfer to another person of all or part of the interest of a lessee or concessionaire in a lease or concession; includes a transfer of a controlling interest in a lessee or concessionaire, including transfer of controlling interest through a merger, consolidation, or increase of any ownership interest to a majority interest.

#### **Assignment for Security Purposes:**

An assignment that grants an interest in a lease or concession, including improvements, as collateral to a creditor to ensure payment or performance of a debt, loan, or other obligation of the lessee or concessionaire.

A request for consent to an Assignment of Lease must be submitted in writing. An Assignee of a Lease may not occupy the premises before the department consents to the assignment in writing.

## **HOW TO APPLY FOR AN ASSIGNMENT OF A LEASE**

Mail the following items to the applicable regional office of Statewide Aviation Leasing below:

- a) A non-refundable processing fee of \$200, payable to the State of Alaska.
- b) **Assignment of Lease and Acceptance of Assignment of Lease documents** (pdf examples may be obtained from your regional office of Statewide Aviation Leasing).

These documents must:

- i) Be submitted in triplicate and be originals.
  - ii) Be signed and properly notarized.
  - iii) Include the name, address, telephone and email (if available) of the proposed Assignee. The name of the Assignor (Lessee) must match the name of the Lessee on the Lease.
  - iv) Include a description of the premises to be assigned, including the Lease ADA number.
  - v) Include a description of the proposed Assignee's intended use of the premises.
  - vi) Include a provision stating that the Assignee accepts responsibility for all of the Assignor's obligations under the Lease including environmental liability and responsibility.
  - vii) Include a provision stating that if there is a conflict between the Lease and the Assignment or its underlying documents, the Lease governs. (This provision is implied in all assignments whether stated or not).
  - viii) If one of the parties is a corporation, include the corporate seal applied to the documents, or a corporate resolution submitted showing that the person signing the documents is authorized to do so on behalf of the corporation.
- c) **Proof the Assignee now owns the improvements:**  
Proof that the new person or entity to be put on the Lease now owns the improvements on the land. Could be in the form of a Bill of Sale or other transfer document.
  - d) **Assignment of Lease for Security Purposes and Acceptance of Assignment of Lease for Security Purposes documents (if applicable):**  
If the improvements are being purchased over time and are being used as security on a loan, *Assignment of Lease for Security Purposes* and *Acceptance of Assignment of Lease for Security Purposes* documents are also required. Contact the applicable regional office of Statewide Aviation Leasing to obtain a copy of the Assignment for Security Purposes Guidelines and discuss what other documents may need to be submitted with these documents.
  - e) **Proof of release of any previous Assignment of Lease for Security Purposes (if applicable):**  
If the Assignor has any existing Assignment of Lease for Security Purposes under the Lease, proof must be provided (usually in the form of a letter from the bank or creditor involved) that this security interest has been released.

**f) Sublease revisions:**

Any existing subleases must be rewritten or revised and submitted for review and consent with the Assignment.

**g) Assignee's Financial Information:**

If requested by the Lessor (State), financial and other information must be submitted about the proposed Assignee, establishing the proposed Assignee's ability to carry out financial and other obligations under the Lease.

**THINGS TO NOTE:**

- Assignment documents cannot give greater rights than those granted by the Lease.
- It is highly recommended that an Environmental Baseline Assessment be conducted to determine a basis for assumption of environmental responsibility. If such a report is completed, please submit a copy to the appropriate regional office of Statewide Aviation Leasing.
- The State's consent to any assignment does not, in any manner, alter or infer potential alteration of the existing term/duration or any other covenant of the Lease.
- An Assignor may request that the department informally review a proposed assignment before the assignment documents are executed, however, an assignment of a lease is effective only if the department consents to the assignment in writing under 17 AAC 45.275 after receiving a written request for the assignment.
- An applicant may protest a denial of an assignment, assignment for security purposes, or sublease in accordance with 17 AAC 45.910.

**MAILING ADDRESSES FOR STATEWIDE AVIATION LEASING:**

NORTHERN REGION:  
2301 Peger Road  
Fairbanks AK 99709-5399

CENTRAL REGION:  
PO Box 196900  
Anchorage AK 99519-6900

SOUTHCOAST REGION:  
PO Box 112505  
Juneau AK 99811-2505

Ph: (907) 451-2216

Ph: (907) 269-0740

Ph: (907) 465-6893