

# LEASE SUMMARY

**TEAM: Kansas City CHIEFS**

**Team Owner:** Hunt Family

[Team Website](#)

**FACILITY:** Arrowhead Stadium

[Facility Website](#)

**Year Built:** 1972

**TITLE OF AGREEMENT:** 2006 Lease Amendment

**Lessor:** Jackson County Sports Complex Authority

**Lessee:** Kansas City Chiefs Football Club, Inc.

**TERM OF AGREEMENT:**

“The term of the Original Lease is currently scheduled to expire on January 31, 2015 but the parties wish to extend the term to January 31, 2031 subject to certain terms and conditions set out in this Amendment for an Amended Lease.” Recital F, page 1.

**ANNUAL FIXED PAYMENT:**

“The Basic (\$450,000 per year) and Percentage Rent payable by Tenant to Landlord under Sections 6.02 and 6.03 of the Original Lease shall continue to be paid to Landlord for deposit by Landlord into the Football Stadium RMMO Fund . . . At Landlord’s option to allow Landlord flexibility, Landlord may require Tenant to reduce Rent to the extent that Landlord develops a funding source equal to or greater than the dollar amounts paid to Landlord for the required Rent.” Section 6.1, pages 14-15.

**TERMINATION OF LEASE:**

*From Original Lease:*

An event of default by Tenant shall be deemed to have occurred hereunder if:

- (i) Tenant defaults in the making of any payment of rent or of any other payment required to be made by the Tenant to the Landlord when such payment is due and payable and such default continues for a period of thirty days after written notice thereof.
- (ii) Tenant defaults in the observance or performance in any material respect for any covenant, agreement, condition, or provision of Lease if such failure shall continue for thirty days after notice thereof.
- (iii) A petition in bankruptcy or insolvency, or for reorganization or for the appointment of a receiver or trustee of all or substantially all of the Tenant’s property and within one hundred twenty days of such filing the Tenant fails to secure a discharge of such petition or the dismissal of such proceedings, or the Tenant files a voluntary petition in bankruptcy or insolvency or for such reorganization or for the appointment of such a receiver or trustee or makes an assignment for the benefit of creditors or petitions for or enters into an arrangement.

Section 27.01, page 37

*The 2006 Amendment to Lease added this provision to be included in defaults by Tenant:*  
“Tenant defaults in the performance or observance of any term, covenant, condition or provision of the Arrowhead Stadium Development Agreement.” Section 27.1, page 34.

**USE OF FACILITY:**

Tenant covenants to play its Home Games in the Stadium, Tenant will not charge Landlord for office space and suite use, and Tenant shall offer public tours of the Stadium. Article 7, pages 15-17.

**MAINTENANCE:**

“Tenant, at its sole cost and expense, will maintain and be responsible for the ordinary repair of all the Leased Premises.” Section 10.3.1, page 18.

**INSURANCE:**

Landlord Insurance:

“Landlord/County shall include ‘acts of terrorism’ or similar coverage in the ‘all-risk’ casualty insurance required to be carried for the Leased Premises.” Section 17.1, page 31.

Tenant Insurance:

“Minimum limits of liability of such insurance to be carried by Tenant referred to in said Sections are \$2,000,000.” Section 17.2, page 31.