

EXHIBIT A
RUNWAY REALTY VENTURES LLC HANSCOM AGREEMENTS TERM
SHEET

Massachusetts Port Authority
October 20, 2022
Land Swap and Through-the-Fence Agreement Term Sheet

Runway Realty Ventures LLC
L.G. Hanscom Field
Bedford, Massachusetts

Land Swap (prerequisites, conditions and approvals, and principal business terms):

Design of Taxilane and Taxiway

Design (necessary to establish boundaries of parcels included in Land Swap). RRV shall undertake each of the following tasks:

- Construct or reconfigure an FAA approved taxilane providing RRV and its Tenants, as defined herein, access to and from the Navy Parcel to Hanscom Field via Taxiway Romeo;
- Define existing and future design group aircraft to determine conceptual design;
- Confirm Land Swap reflects findings of the geometry study underway by Massport;
- Review reconfigured Taxiway Romeo group IV object-free area (“*TOFA*”) (Taxiway Romeo currently supports up to design Group III aircraft with weight limits of up to 100,000 pounds);
- Work with Massport to obtain approval of design from FAA (Final Concept Plan, FAA Form 7460, ALP); and
- Establish force account(s) to finance Massport approval process and for reimbursement of expenses as further outlined below in the section captioned “Funding”.
- All design shall be subject to Massport’s Design Guidelines and its Tenant Alteration Application (the “*TAA*”) process.

Funding

- All costs for the Proposed Project, including but not limited to fees of Massport’s outside counsel, and fees for the design, permitting and construction of the taxilane from the Navy Parcel to Hanscom Field, and upgrades and improvements to the Hanscom Field taxiway infrastructure to support design Group III aircraft above 100,000 pounds and/or design Group IV aircraft, as requested by RRV, and the design and construction of the perimeter fence, including access gates, post-closing, shall be borne by RRV.

Swapped Parcels

Boundaries

- After completion of the design phase and approval by Massport and the FAA, determine the boundaries of the parcel(s) to be conveyed from RRV to the Authority and from the Authority to RRV. This item has been completed.

- Complete surveys of all involved parcels and obtain legal descriptions. This item has been completed.
- Coordinate and submit all survey information with Massport's Survey Unit. This item has been completed.

Valuations

- The FAA approved appraisal was performed by Boston Appraisal & Consulting. Boston Appraisal & Consulting appraised the Massport parcels being conveyed to RRV to be \$2,380,000.00 and the RRV parcel being conveyed to Massport to be \$1,450,000.00; and
- Considering that the appraised value of the Massport parcels exceeds that of the RRV parcel by approximately \$930,000.00, RRV shall assume the construction contract from Massport for construction of a vehicle service road running around a portion of the periphery of Hanscom Field (the "*VSR Project*"). Massport will issue requests for bids for the VSR Project, and the design of the VSR Project shall be subject to the review of RRV to confirm that the same does not adversely affect RRV's development project at Hanscom Field. Massport will enter into a contract with the selected bidder for construction of the VSR Project, and RRV will assume the contract and pay the amounts due under the construction contract for the VSR Project up to \$930,000.00. Massport will reimburse RRV for all construction costs in excess of \$930,000.00 on a timely basis.

Approvals

- Approval by the Members of the Authority (the "Authority's Board");
- Approval of Land Swap by the FAA;
- Approval of revised ALP by FAA; and
- Approval of the Land Swap by the Governor of the Commonwealth (required under Massport Enabling Act as original airport property).

Agreements

- Land Release from FAA – Parcels to be conveyed to RRV;
- Land Swap Agreement;
- Deeds and other closing documents; and
- Avigation Easement from RRV.

Post-Closing Requirements

- RRV shall design, subject to Massport's Design Guidelines and its TAA process, and construct a perimeter security fence in accordance with FAA and Massport rules and regulations.

Through-the-Fence Agreement prerequisites, conditions and approvals, and certain principal business terms (**Void if Land Swap Not Completed**):

Design of Taxilane/Modifications to Taxiway(s) (if needed)

Design (prerequisites to establishing boundaries of access by RRV and its Tenants to Hanscom Field (the "*License Area*"))

- See items listed above under Land Swap;
- Survey and legal description; and

- See funding category above under Land Swap.

Terms and Conditions

Terms and Conditions

- Proposed use of the Navy Hangar and Navy Parcel;
 - General Aviation Hangar Use
 - Museum (Navy Hangar)
 - Hangar operations including: the provision of aviation products and services, aircraft maintenance and ground handling services, associated office and business support space, and passenger, employee and crew services. Additional operations may be approved by Massport in advance in its reasonable discretion.
 - Ancillary parking associated with aeronautical use also permitted
 - Leasing of space for an Aeronautical Use, as that term is defined herein, to an entity or individual, which may be coupled with the right to use office and shop space, provided such lease term is not less than six months (singularly “*Tenant*” and collectively “*Tenants*”)
 - Self-fueling (fuel sales only to RRV’s owned aircraft and aircraft owned or leased by its Tenants)
 - All other uses not expressly stated are prohibited;
- Duration of initial term– 20 years;
- Option terms – four (4) five (5) year options (each an “*Option Term*”), subject to FAA approval;
- Access Fee – Rate is \$3.25 per square foot per year (“*psfpy*”) and applies to square footage of the Navy Hangar and all area developed on the Navy Parcel in connection with aeronautical use, including, but not limited to apron, ramp, auto parking, etc. (“*Aeronautical Use*”);
- Access Fee commences upon the earlier of (i) the date RRV commences business operations on the Navy Parcel and (ii) eighteen (18) calendar months after execution of the TTF Agreement;
- Annual Access Fee adjustments – the greater of 100% of CPI or 3%;
- Facility Fee – the prevailing market rent rate for similar facilities located at Hanscom Field beginning upon the commencement date of the 3rd option term, if exercised;
- Annual Facility Fee adjustments - the greater of 100% of CPI or 3%;
- Commissions paid to the Authority by RRV:
 - 2.5% of its Gross Revenues received or receivable by RRV, its parent corporation, subsidiary or affiliate, in connection with or at the Navy Parcel, including, but not limited to, fees for aircraft maintenance and repair, aircraft rentals, sales of aircraft parts and supplies, aircraft cleaning services, and catering; and
 - 7.5% of its Gross Revenues received or receivable from aircraft storage arrangements for hangar space at the Navy Parcel; and
 - 10% of Gross Revenues received or receivable from tenant fees; and
 - The fuel flowage fee, at the then current rate as determined by the Authority’s Board, for each gallon of jet aviation fuel, avgas and automotive fuel delivered to the Navy Parcel for self-fueling (aircraft owned by RRV and aircraft owned or leased by its Tenants); and

- Any other fees and charges relating to the Authority’s operation and maintenance of Hanscom Field, provided such fees and charges are assessed on a non-discriminatory basis in accordance with standard rates established by the Authority from time to time for all similarly situated tenants leasing hangar space at Hanscom Field. Such other fees and charges shall include, but not be limited to, State Police charges, and fees for security badges, parking stickers and ramp permits;
- Security Deposit – 3 months Access Fee; adjusted to reflect the increases in the Access Fee;
- Improvements and Maintenance – the design, build, repair and maintenance of the Navy Parcel and the License Area (including the taxilane) and any improvements thereto, including cleaning, landscaping (as applicable), removal of snow and ice, and compliance with all laws, the Authority’s Design Guidelines and TAA process shall be RRV’s obligation, as well as provision of any marking and signage at Hanscom Field required by RRV and approved by Massport; and
- Insurance – in amounts required of similarly situated tenants at Hanscom Field.

Restrictions/Limitations of and Compliance by RRV

- Environmental – prevent migration of hazardous material from the Navy Parcel onto Hanscom Field, or a release from the Navy Parcel in, on or under Hanscom Field (or any part thereof), including, without limitation, hazardous materials in the air, soil or groundwater;
- Non-transferable/Non-assignable;
- No interference with airport operations;
- Subordinate to FAA grant assurances; and
- Compliance with laws and regulations of the FAA, TSA and those of the Authority.

Improvements to Navy Hangar and Navy Parcel

- Compliance with the Authority’s Design Guidelines, Massport’s TAA process, the Airport Security Plan and applicable laws; and
- Secure construction area (landside status).

Approvals

- FAA; and
- Massport Board

Easement to North Airfield Ventures, LLC (“NAV”)

- RRV shall grant NAV, its successors and assigns and all future tenants of the North Airfield parcel located on Hanscom Field (collectively, the “North Airfield Tenants”) a perpetual access and egress easement across the Navy Parcel which will permit the North Airfield Tenants access to and from Hanscom Field.

Members Evangelidis, Jacobs, Nucci, O’Brien, Sen, and Tesler voted Yes.