PROSPECT TENANT: OLM Hangar and FBO LLC (Vesper Aviation)

Proposed Lease and Purchase Agreement Term Sheet

This Term Sheet does not constitute a legally binding contract of either party, and no binding agreement will arise or exist until the parties have both executed a written Lease Agreement.

Contemplated Ground Lease Terms

Term:	Thirty (30) years, commencing on the Effective Date of the Lease.
Option to Renew:	Two ten (10) year options Each option is exercised by written notice to the Port at least 180 days before expiration of the then-current term, and only if Tenant is not in default beyond applicable notice and cure periods. Ground rent will be revised to the then-current Commission adopted rate per square foot at the time of execution of the renewal option.
Premises:	Approximately 124,000 square feet (2.85 acres), comprising Site 1 (Lease Area, approximately 114,000 square feet) and Site 2 (Stormwater Area, approximately 10,000 square feet), for the exclusive use of Tenant as an aeronautical business campus in the area identified in attached Exhibit A. The Premises are currently being professionally surveyed, and the final square

	footage and legal description in the Lease will be conformed to the survey.
Use:	Operation of an aviation business campus, with aeronautical activities as the primary use, which will include a mix of offices and hangars hosting businesses such as a Fixed Base Operator, Helicopter/Flight Training School, Emergency Flight Services, special-event space, and other aeronautical related and aeronautically supported businesses, subject to the Port's Minimum Standards for Aeronautical Activities. Special events: Tenant may use Hangar 51 and other portions of the Premises for special events without a separate agreement for each event, provided aeronautical use remains the primary use and event use remains subordinate to aeronautical operations. Tenant will give the Port reasonable notice of event dates and times and, within 90 days of the Effective Date, will provide the Port an event parking plan. The Port may condition or restrict any event that would affect airfield safety, security, or federal compliance, and may require a separate agreement for unusually large or higher-risk events.
Rent Commencement Date:	Rent commences on the Effective Date of the Lease. Commencement of the term is conditioned on the Port's receipt of the first month's rent, the Lease Security, and a certificate of insurance.
Annual Rent:	$67,260.00 per year ($5,605.00 per month), based on $0.59 per square foot per year on the 114,000 square foot Lease Area, with the Stormwater Area at $0.00, as shown in the schedule in Exhibit A. Rent is payable monthly in advance, plus Washington State Leasehold Excise Tax (currently 12.84%). The Lease is triple-net: Tenant also pays all insurance, utilities, maintenance, and other property expenses.

Rent Revisions:	The rental rate shall be increased every five years, effective on each fifth anniversary of the Rent Commencement Date, based on a 3 percent increase of the annual rent for each of the previous five years. No adjustment will decrease the rent.
Additional Fees:	Tenant will collect and remit transient aircraft landing fees at the Port-adopted rate (retaining an administrative fee, with the percentage still under negotiation), pay a fuel throughput fee at the Commission-adopted per-gallon rate on all fuel sold or dispensed from the Premises, and pay applicable concession fees and charges under the Minimum Standards. Landing fees and throughput fees are reported and paid monthly.
Costs:	Tenant is responsible for all the costs associated with the development of the parcel, and such development will meet all local, city, and state code as required.
Lease Agreement Security:	The surety is equal to one year of rent plus Washington State Leasehold Excise Tax, initially $75,896.18 ($67,260.00 plus 12.84%). It may be provided as a bond, letter of credit, or cash deposit, must be posted no later than the Effective Date of the Lease, and will be adjusted as the rent is adjusted. This is a requirement of RCW 53.08.085 and cannot be waived or reduced.
Insurance:	Tenant will carry the coverages specified in the Lease for each activity conducted on the Premises (for example, fueling, maintenance, aircraft storage, flight training, and charter operations), plus Pollution Legal Liability and Umbrella/Excess Liability, with the Port named as additional insured. Final coverage limits are under negotiation. Subtenants must carry comparable coverage.
Fuel Farm:	The Lease transfers the existing tenant's rights to own and operate the specified Jet A and Avgas tanks at the Port's above-ground fuel

farm. Tenant is responsible for their operation, maintenance, inspection, and replacement in compliance with applicable regulations, and will cooperate with the Port on the transition to unleaded avgas and Sustainable Aviation Fuel. Tenant is not required to incur material capital costs for that transition unless the Port requires the same of similarly situated tenants. Tenant also commits to serve electric and hydrogen aircraft when those operations begin.

Assignment and Financing: Assignment or sublease requires the Port's prior written consent, which will not be unreasonably withheld; a transfer of more than 50% of the ownership of Tenant is treated as an assignment. Tenant may assign the leasehold as security to an institutional lender under the Port's form of Consent to Financing. Each request to assign, sublease, or amend the Lease is subject to a $650 minimum fee plus the Port's actual review costs, up to $2,500.

Disposition of Improvements: At expiration or earlier termination, title to all improvements (excluding personal property, trade fixtures, and Tenant-installed fuel storage tanks) passes to the Port without compensation, unless the Port elects, with at least 180 days' notice, to require removal and site restoration at Tenant's expense. Treatment of the FBO Building at the end of the term is under negotiation.

Holdover: If Tenant remains after the Lease ends without Port consent, the tenancy is month-to-month at 150% of the then-current rent.

Environmental: The Port will fund an environmental baseline of the Premises within 90 days of the Effective Date. A Phase I Environmental Site Assessment has been completed, and a limited Phase II at a possible former underground tank location is under evaluation. Tenant's environmental responsibility is measured against the baseline. Final indemnity language,

including Tenant's obligations for the Stormwater Area, is under negotiation.

Contemplated Purchase and Sale Agreement Terms

Properties:	*Building address*: 7645 Old Hwy 99 SE, Tumwater, WA 98501 The sale is of the FBO Building improvements only, including the backup generator facility and all associated equipment. The Port retains fee title to the underlying land. The generator also provides backup power to the current airport office, which will become future Port leasehold property.
Purchase Price:	$102,000 Calculated at $60 per sq ft The building is approximately 1,700 square feet. The $60 rate is based on the Thurston County Assessor's 2026/2027 assessed value per square foot of the comparable FBO office building at 7825 Old Hwy 99 SE, because the Assessor does not separately assess the Port-owned FBO building.
Payment:	Tenant pays the full purchase price when it signs the Purchase and Sale Agreement. The Port holds the funds until closing, and 5% ($5,100) serves as earnest money.
Use Restriction:	Title will be conveyed by Quit Claim Deed (Improvements Only), which will have a use restriction limiting the building to aeronautical or aviation related or complementary uses and will reserve the Port's airspace and 14 CFR Part 77 rights.
Closing:	The Purchase and Sale Agreement will be executed concurrently with the Lease. Closing to occur within 30 days of the Rent Commencement Date of the underlying ground lease, subject to ratification by the Port Commission and a Commission resolution under RCW 53.08.090 declaring the building no longer needed for port district purposes.

	Tenant takes possession of the building on the Lease Commencement Date. Conveyance is AS-IS, WHERE-IS, and the transfer is exempt from real estate excise tax. FAA approval is not required because the land remains with the Port, and sale proceeds are airport revenue.
Failure to Close:	If the Purchase and Sale Agreement fails to close, the Lease terminates.

Additional Provisions

- **Expenses**: Upon execution of the Lease Agreement, Vesper shall be responsible for all expenses related to the property during its development and remainder of the term, this includes the maintenance of all stormwater facilities, campus landscaping, and striping of drive lanes, parking lots, and access points.

- **Parking Lot Sealcoat**: Within twelve (12) months of lease execution, Vesper shall crack seal, sealcoat, and restripe the Airlift NW leasehold parking lot.

- **Exterior Lighting**: Within twelve (12) months of lease execution, Vesper shall install exterior lighting to safely illuminate the parking lots within the leasehold, including the leasehold electric gate and keycard access control. Lighting shall be shielded to avoid distracting adjacent ramp aircraft operations and shall comply with 14 CFR Part 77 and the City of Tumwater Municipal Code.

- **Port Cooperation**: Port shall cooperate with Vesper and related business partners necessary to obtain any permits and related due diligence to finalize transaction and proceed with contemplated site activity.

- **Lease Negotiations**: Vesper shall also have the rights to negotiate with potential tenants with regard to leasing and/or assigning portions of this project, subject to the assignment and sublease provisions of the Lease and Port consent.

- **Glacier Aviation Leases**: Glacier Aviation's three existing leases, including the Airlift NW lease in holdover, terminate on the Lease Effective Date under a separate termination agreement. Glacier's fuel tank rights transfer to Vesper, and Glacier's obligations for conditions arising during its occupancy survive.

- **Event Parking**: Event parking that exceeds the amount capable of fitting inside the leased Premises will require an additional license agreement.

An annual license agreement for overflow parking can be obtained by contacting the Port's Property Manager.

- **Commission Approval – Public Record**: Upon execution of the Lease Agreement and Purchase and Sale Agreements by Vesper and Port, and subsequent Ratification by Port Commission, such documents, reports, studies, and Lease Agreement will become public records.

- **Use of Port Standard Lease Template** – The contemplated lease has been drafted on the Port's standard lease template, provided as Exhibit B.



Site ID	Parcel	Size (SQFT)	Rent: Annual	Rent: Monthly	PPSQFT
1	Lease area	114000	$67,260.00	$5,605.00	$0.59
2	Stormwater Area	10000	$0.00	$0.00	$0.00
	Total	124000	$67,260.00	$5,605.00	$0.54