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Melbourne International Airport Finalizes 30-Year Lease with Embraer

\$10 million annual payroll to start Jan. 2010

MELBOURNE, Fla. (June 18, 2008) – In a unanimous 6-0 vote today, the **Melbourne Airport Authority (MAA)** approved a land lease with one of the world’s largest aircraft manufacturers, **Embraer**.

The 30-year land lease agreement, which can be extended for a total of 50 years, locks in approximately 25 acres with an option for an additional 70 acres. Embraer’s approximate annual lease payment of \$286,000 will be waived the first year as incentive for a total initial leasing package of more than \$8 million. Annual payroll for the Melbourne Airport-based Embraer employees is expected to be in excess of \$10 million as soon as January 2010.

Airport Executive Director Richard Ennis said that the residual benefits of the agreement are not only well-paying jobs, but include the cluster of suppliers that are already seeking space in the area. According to Ennis, Embraer is encouraging its manufacturing suppliers to locate nearby. “Embraer is already a tremendous economic partner,” he said.

City of Melbourne Mayor Harry Goode, chairman of the MAA, publicly commended the airport staff for working quickly and diligently on the complicated agreement so that it could come before the board today. “I’m proud of you,” he said. **Embraer CFO Chris Appleton** also spoke highly of the agreement process at the meeting. “The Melbourne International Airport staff did a great job. They are great to work with, and we’re happy to be here.”

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Page 2/Melbourne International Airport Finalizes 30-Year Lease with Embraer

The company formerly referred to by the county's EDC as "Project Jaguar" promised an initial capital outlay of at least \$41 million, and has a backlog of firm orders totaling \$20.3 billion for its new Phenom 100 and Phenom 300 executive jets to be assembled and showcased at Melbourne International Airport.

"There was no way we were going to let this opportunity pass us by," said **Larry Wuensch, the airport's director of land development**. The community's failed 2005 attempt to bring the EADS North America KC45 advance tanker program was painful, Wuensch said, but it brought many lessons that helped the airport to land Embraer.

"They asked for a Phase I environmental study for the site. We had it. When they asked for additional soil borings, we provided the results within a week. We had the major infrastructure in place, from reinforced concrete aprons to a sophisticated underground drainage system."

But what seemed to make the greatest impression, said Ennis, was enlisting the expertise of Brevard County-based **BRPH Architects-Engineers**, a company respected worldwide for designing aviation manufacturing facilities. "We were able to provide a computer-aided design program that not only gave them a tour of the airport, but showed Embraer exactly how their simulated buildings would fit onto our site."

"Melbourne International Airport has long operated as a self-sustaining economic engine," said Ennis. "And this engine's heading for full throttle."

About Melbourne International Airport

Melbourne International Airport serves more than 300,000 passengers annually in east Central Florida, including Brevard, Indian River and St. Lucie counties, and is responsible for generating more than \$1 billion per year in economic activity. The airport, which has three runways and a 200,000-square-foot terminal, currently serves Delta Air Lines, Delta Connection, USA3000 Airlines, Baer Air, and Vintage Props & Jets. For more information, visit www.mlair.com.

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