

FORT WORTH AIR TERMINAL, INC.

Fort Worth Air Terminal, Inc., will be the lessee/operator of the Greater Fort Worth International Airport located midway between Fort Worth and Dallas, Texas, comprising 1567 acres which is now being constructed with Municipal and Federal funds. First phase investment on site is approximately \$6,000,000. Ultimate expenditures in excess of \$11,000,000. Corporation's lease and operating rights extend over a 36-year term.

Facility is a Fort Worth airport but geographical location is such that it can serve entire Dallas-Fort Worth area with one stop service. American Airlines, Braniff and Delta have made contracts covering use of facility at stipulated schedule of fees and rates consistent with going rates at major airports which are subject to periodical and appropriate review over the lease term. American will soon let construction contract for its hanger and office building, approximate cost to it of \$1,000,000 to start with. Braniff and Delta contemplate appropriate investments on site for their requirements. These three airlines already have approximately \$250,000 invested in airport land contributed to the airport. These investments, plus operating advantages, insure their maximum permissible use of facility and large income to operator. Feeder lines and private flyers will also use it.

Fort Worth Air Terminal, Inc., will build, operate, and maintain the air terminal and receive all airline and nonairline revenues therefrom. Airlines will build and maintain their own facilities. Terminal corporation will build terminal station building at an expense of approximately \$1,250,000, and acquire additional 223 acres of adjacent land, to be operated for revenue-producing concessions, on minimum cash rent and participation basis. Terminal building to be financed by real estate first mortgage on building and land, plus assignment of airport revenues with Fort Worth banks participating to approximately 66-2/3%, and major oil companies or insurance companies handling approximately 1/3, or 33-1/3%, on 10- or 15-year basis. Interest rate approximately 4%.

On basis of Fort Worth air traffic and general nonairline use only, estimated revenues for first operating year from nonairline sources \$262,400; airline \$93,600; total \$356,000; total expense before taxes \$333,620; net revenue before taxes \$22,380. Fifth operating year, non-airline revenue \$364,800; airline \$97,500; total \$462,300; total expense before taxes \$318,855; net revenue before taxes \$143,445. Tenth operating year, nonairline revenue \$444,800; airline \$101,500; total \$546,300; total expense before taxes \$323,155; estimated net revenue before taxes \$223,145.

Expense calculations include amortization of loan for terminal building, construction and acquisition of 223 acres of land, maintenance and operation, management fees, interest and amortization of pre-operating expenses.

It appears that the building and land acquisition costs can be completely recovered from net earnings over 12 to 15 years, even with $4\frac{1}{2}\%$ cash dividend on stock after first four years. If facility should also serve part of Dallas air traffic, the revenue picture is very much brighter and the investment would amortize the loan sooner. Situation lends itself to that distinct possibility. Studies have been made by Airlines Terminal Corporation, airlines and accredited national analysts over a period of years and reports are available for examination showing detail of uses, revenues and expenses.

\$250,000 capital for Fort Worth Air Terminal, Inc., will be provided by Fort Worth citizens and institutions. Will be used as cash flow for operations. Corporation being incorporated under laws of Texas with common stock only. Substantial stockholders will have representation on Board of Directors. Air terminal will be operated by experienced manager and staff. Assistance in fiscal affairs will be had from leading Fort Worth financial institutions.

Further, with respect to the operation of the Terminal company, many sources of revenue are available. The revenue from parking space alone would be large and continuing. There will be revenue from charge of reserved space for sightseers. This feature alone is one of the largest sources of revenue of the New York Airport. In addition, there will be revenue from shops, restaurants, transportation services, news stands, and every concession possible in connection with a terminal of this type.

It is estimated that there will be from 1,000 to 1,500 people located at this airport working for the American, Braniff and Delta. This does not include pilots, stewardesses and transportation crews. The estimated public utility requirements of the field would be approximately \$80,000 a year, and that, in time, there would be a population of from 15,000 to 25,000 located in and around the airport, which, incidentally, is now in the City of Fort Worth.

Your investment in the Terminal Company will represent participation in a growing industry and a growing section of the United States, and that should be good foundation for a highly successful operation.