erSale®

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Roswell, NM 8

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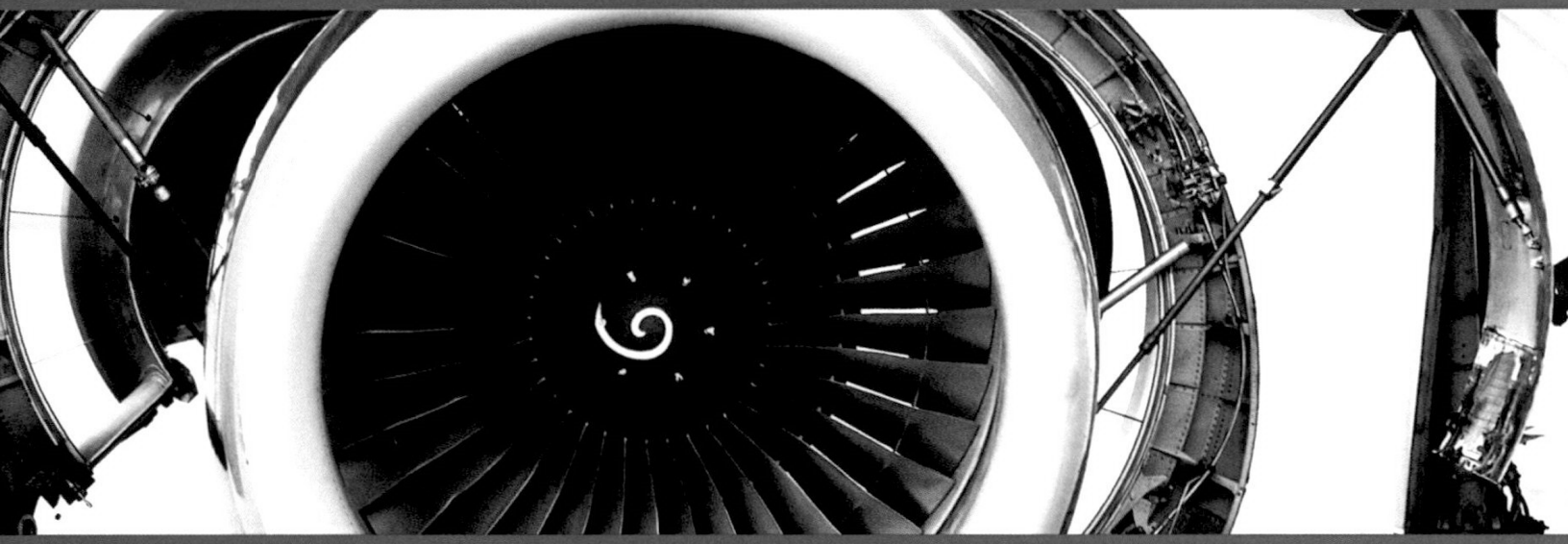
Email: jim.barker@aersale

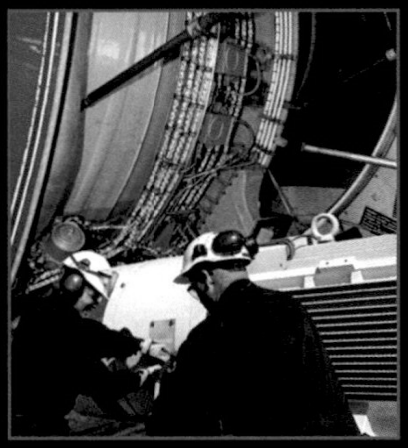
www.AerSale.

AerSale®

REACHING HIGHER™

EXPERIENCE THE AERSALE DIFFERENCE.





Knowing how to get it done, get it done right or make it right is
AerSale apart from its competitors. Our global team of professi
managed every aspect of the aviation aftermarket business
engines and components are our passion. We pride ourselves i
customer loyalty by consistently meeting our commitments.

- Aircraft & Engine Purchase, Sale and Lease
- Aircraft Heavy Maintenance and Reconfiguration
- Aircraft & Engine Preservation and Disassembly for Componen
- Component Repair Management, Supply Chain Solutions and C
- Aircraft Maintenance, Repair and Overhaul (MRO)

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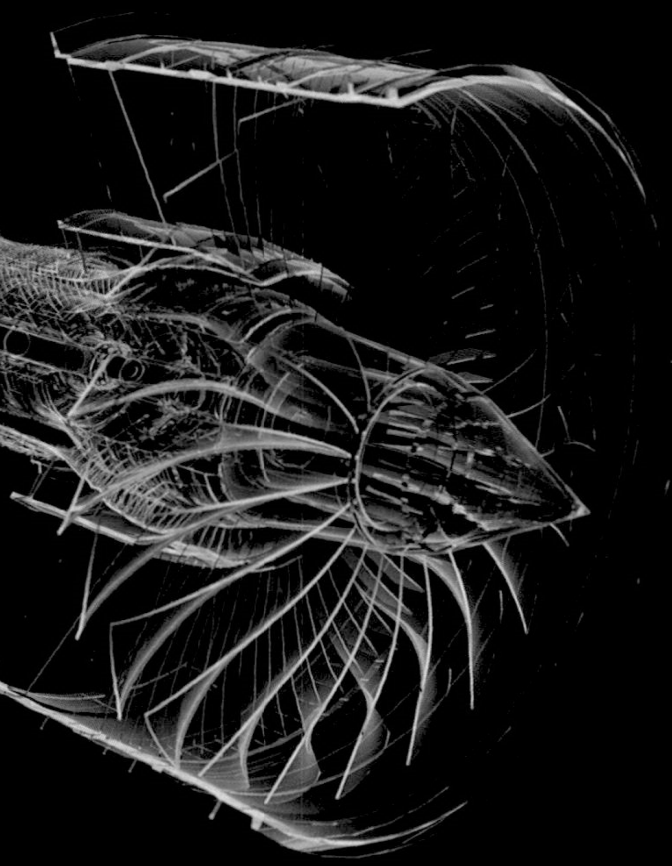

AerSale®

REACHING HIGHER™

ft & Engine Operations Center Roswell, NM
200,000 sq. ft. aircraft hangar space
200,000 sq. ft. warehousing inventory storage
35,000 sq. ft. engine center
500 aircraft storage center (all paved surface)

es Provided
raft Heavy Maintenance
raft & Engine Long Term/Short Term Preservation & Storage
raft Lease Return, Reconfiguration and Activation
raft, Engine & Component Partout and Asset Management
ntory Consignment and Logistics
raft/Records Inspection and Presentation

ved Aircraft MRO and Storage Programs
EASA • ISO 9001:2008 • AS 9100 • AFRA

Aircraft & Engine MR
Operations
703 East Challenger
Roswell, NM 8820
USA
(T) +1 575 208 082

Warehouse & Distrib
511 East Challenge
Roswell, NM 882
USA
(T) +1 575 347 21

Corporate Headquar
121 Alhambra Plaz
Suite 1700
Coral Gables, FL 331
USA
(T) +1 305 764 320

AerSale.com

State of New Mexico

Legislative Council Service

Growth Potential for Aviation/Aerospace Industry

SIXTH MEETING

of the

JOBS COUNCIL

November 12, 2014

Room 307, State Capitol

Santa Fe

Introduction

Corporate Headquarters
121 Alhambra Plaza, Suite 1700
Coral Gables, Florida 33134

Reaching Higher ™

Presentation Contents

Background
Financial Strength
Leadership
Business Focus
Capabilities
Phases of Value Creation
Key Transactions
Customers
Facilities
Services & Programs
Commercial Discussion

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Background

- founded in 2009 privately held aftermarket aviation company
- management team with over 200 years of combined industry experience
- aircraft and engine portfolio valued in excess of $1B within 5 years
- 200+ employees focused on flight equipment leasing, sales, maintenance, storage and distribution
- global reach with 6 strategically located facilities

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Financial Strength

- initial equity raise of $250M to fund purchases of aircraft fleets through Leonard Green and Partners ($16B private equity firm: including investments in Sports Authority, Petco, Equinox and BJ's Wholesale Club and others)
- Wells Fargo senior credit facility $270M expandable to $300M
- strong balance sheet and financial capacity - KPMG audited
- $500MM aviation products liability insurance coverage

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Leadership

Nicolas Finazzo
- Chief Executive Officer
- 30+ years aviation experience
- airlines, aircraft leasing and MRO

Robert B. Nichols
- Chief Operating Officer
- 30+ years aviation experience
- engine leasing and MRO

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Leadership

Nicolas Finazzo
- Chief Executive Officer
- 30+ years airlines, aircraft leasing and MRO experience (Southern Express Airways, Air Leases, AeroThrust, Aero Turbine, Inc.)

Robert B. Nichols
- Chief Operating Officer
- 30+ years engine leasing and MRO experience (Aviall, Braniff Airways, Greenwich Air Services, AeroThrust, AeroTurbine

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Business Focus

- achieve superior returns by optimizing flight equipment value extraction
- sale, lease and MRO of aftermarket jet aircraft, their engines and related parts
- specialize in acquisitions of mid-life aircraft (circa 12+ years); aircraft and engine leasing all the way through part out and aftermarket parts sales and distribution
- provide exceptional value and customer satisfaction through an integrated platform to offer comprehensive array of products and services

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Capabilities

In-depth industry experience allows AerSale to provide a broad ranges of specialized services

- Core Capabilities
  - aircraft / engine purchase, sale and leasing
  - aircraft / engine preservation and disassembly for component sales
  - aircraft heavy maintenance and reconfiguration
  - engine / components appraisal, repair, consignment and sales
- Services & In-House Programs
  - aircraft Maintenance, Repair and Overhaul (MRO)
  - aircraft, engine and component storage
  - parts supply chain and logistics management
- Established global sales and distribution network

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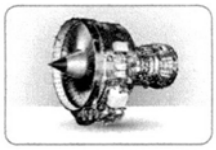
Phases of Value Creation

Purchase of used Mid-life aircraft/ engines



- **Path A** — Long-term and short term aircraft leasing
- **Path B** — Short-term lease of engines with green time remaining
- **Path C** — Disassemble aircraft /engines for after market parts sale
- **Path D** — Refurbish engines and parts for resale

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Key Transactions

- acquisition of UPS' fleet of Douglas DC-8
  - 44 DC8-71F/73Fs
  - 136 CFM56-2C1 engines (later increased to 180+)
  - established as leading supplier of CFM56 material
- acquisition of ex-JAL's fleet of B747-400
  - 19 B747-400 powered with CF6-80C2
  - positioned to be a key supplier of CF6-80 spare engines, engine parts and B747 airframe material
- acquisition of ex-Saudi Arabian Airlines' MD-90
  - 26 MD-90 aircraft (V2500 power)
  - 13 spare engines
  - today's largest provider of aftermarket MD-90 and V2500 engine components

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Our Customers

Northrop Grumman
STS Component Solutions AviancaTaca
Neos S.p.A. MNG Technic Evergreen International Airlines
Blue Panorama Airlines AviancaTaca Iberia Maintenance
MTU Maintenance Zhuhai Iceland Air TUI Airlines Belgium / Jetairfly
Donghai Airlines EGAT Evergreen Aviation Technologies National Airlines
Eagle Services Asia Allegiant Air Ameco Beijing Moskovia Omni Air International
Sriwijaya Air Turkish Airlines World Airways Tampa Cargo FedEx Orient Thai
MTU Maintenance Hannover Cargolux SF Express Airlines EVA Airways Kalitta Air
Phuket Airlines Japan Airlines China Eastern Ametek United Parcel Service (UPS)
Pratt & Whitney CSA Asiana Airlines Transaero TAP Maintenance and Engineering
Israel Aircraft Industries Finnair Air New Zealand Tinker AFB / US Government
TP Aerospace Solutions Rio Linhas Aereas ANA Atlas Air FL Technics
Cathay Pacific Airways WebJet Linhas Aereas TAM Linhas Aereas TPG / Castlelake
British Airways Yangtze River Express ASTAR Air Cargo Pakistan International Airline
PT Metro Batavia Air Qantas Thai Airways International Pullmantur Air
Nouvelair Christchurch Engine Centre First Wave MRO JAT Tehnika
UNI AIR China Airlines CFM Materials / GE Aviation Materials
ULS Airlines Cargo Boeing Korean Air GMF AeroAsia
Infinity Air KLM Engineering and Maintenance
ST Aerospace Systems Air Indus
Philippine Airlines

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Facilities

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Administrative & Sales Offices

- 100+ executive, sales & marketing, engineering, technical, logistics, legal and administrative professionals across the Americas, Europe & Asia
  - Global Headquarters - Coral Gables, FL
  - Aircraft & Engine Leasing & Sales Office - Dublin, Ireland
  - Regional Component Sales Offices
    - Global Material Sales and Distribution - Dallas, TX
    - Regional Sales Office - Cardiff, UK
    - Asia Pacific Sales Office - Singapore

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Operations Facilities

Aircraft & Engine Operations Warehouse & Distribution - Roswell, NM

- aircraft & engine maintenance and storage facilities
  - 200,000 sq. ft. aircraft hangar space
  - 200,000 sq. ft. warehousing inventory storage
  - 35,000 sq. ft. engine center
  - 500 aircraft storage center (all paved surface, ideal storage climate)
  - 100+ employees
- approved aircraft maintenance and storage programs
  - FAA approved 145 Repair Station
  - ISO 9001:2008
  - AS 9100 certified

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Facilities - Roswell, NM

Warehouse & Distribution
511 East Challenger St.
Roswell, NM 88201
(P) +1 575 347 2181
(F)+1 575 347 0245

Aircraft & Engine Operations
703 East Challenger St.
Roswell, NM 88203
(P) +1 575 624 3140
(F)+1 575 347 9846

- aircraft & engine maintenance and storage facilities
  - 200,000 sq. ft. aircraft hangar space
  - 200,000 sq. ft. warehousing inventory storage
  - 35,000 sq. ft. engine center
  - 500 aircraft storage center (all paved surface, ideal storage climate)
  - 100+ employees
- approved aircraft maintenance and storage programs
  - FAA approved 145 Repair Station
  - ISO 9001:2008
  - AS 9100 certified

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Facilities - Dallas, TX

Global Materials Distribution,
Regional Sales Office
4155 Patriot Drive
Grapevine TX 76051
(P) +1 469 645 1620
(F)+1 972 355 1471

- 50,000 sq. ft. engine materials distribution warehouse
- strategically located near Dallas - Ft. Worth International Airport in Grapevine, Texas with non-stop flights to over 160 international destinations
- quality management system accredited to FAA/AC 00-56
- 40+ employees

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Global Locations

Global Headquarters
121 Alhambra Plaza Suite 1700
Coral Gables FL 33134
(P) +1 305 764 3200
(F) +1 305 529 6686

Global Materials Distribution
4155 Patriot Dr.
Grapevine TX 76051
(P) +1 469 645 1620
(F) +1 972 355 1471

Aircraft & Engine Operations
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Roswell NM 88203
(P) +1 575 624 3140
(F) +1 575 347 9846

Warehouse & Distribution
511 East Challenger St.
Roswell NM 88201
(P) +1 575 347 2181
(F) +1 575 347 0245

Aircraft Leasing & Sales Office
Block E Iveagh Court, 3rd Floor
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Dublin 2, Ireland
(P) +353 (0) 1 4753000
(F) +353 (0) 1 4753333

Regional Sales Office
Office 91
House 1, The Maltings
East Tyndall St.
Cardiff CF24 5EA, UK
(P) +44 (0)2920 499814

Regional Sales Office
883 North Bridge Rd. #09-03
Southbank
Singapore 198785
(P) +65 9832 6261

Services & Programs

Asset Management Programs

- over $700MM in flight equipment acquisitions during first 4 years of business
  - 120+ aircraft - A300, A320, B737, B747, B757, B767,MD-90 and DC-8
  - 400+ engines; CFM56, CF6-80, PW4000, RB211 & V2500
- efficient processes to store, remarket, reconfigure, and part out aircraft while fully maximizing potential subcomponent revenue streams
- significant surplus capacity to process additional aircraft, engines and components
- actively pursuing asset management and strategic partnership opportunities

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Key Engine MRO Materials Support Programs

Major Engine Parts Customers

Customer(s)	Product Line	Agreement
Delta Air Lines	All Product Lines	Preferred supplier for airframe and engine components
TAP Portugal	CFM56-3	Consignment
GMF (Garuda)	CFM56-3	Consignment
Chromalloy	CFM/CF6	Consignment
CFM Materials / GE Aviation Materials	CFM/CF6	Material Requirements
MTU Hannover	V2500/CF6	Exclusive Supply
Pratt & Whitney CSA (seven year)	CFM56-3	Exclusive Supply
KLM	CF6-80C2	Preferred Supplier
JAL, ANA, LHT, Qantas, ADAT	CF6-80C2	Material Requirements
P&W Christchurch, LHT	V2500	Material Requirements

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Government Programs

- acquisition of the UPS' - Douglas fleet comprising of 44 DC-8 aircraft and 180 CFM56-2C1 engines establishing AerSale as a leading provider of commercial aftermarket CFM56-2 material to USAF
- continued acquisition of other high quality CFM56 engine assets affirms commitment to the CFM56 commercial aftermarket and places AerSale in a uniquely qualified position to service military F108 engine programs
- provides "C" check maintenance services for NASA's Airborne Science Program workhorse – the DC-8-72 flying laboratory

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Chaves County, Roswell, and New Mexico

1 Aviation & New Mexico

- Aviation in New Mexico is a vital industry with unlimited opportunity for growth
- Currently more than 100 aviation related companies call New Mexico home
- AerSale employs over 100 people and needs 30 additional certified, skilled Aircraft Technicians immediately and 20 additional support personnel.
- With additional space, AerSale could grow

2 Taxes

- New Mexico will attract more business within the aviation industry with my signing of HB24 (effective July 1, 2014)
  - The elimination of taxes related to the sale, modification and maintenance of commercial aircraft.

3 Community & Education

- New Mexico houses two nationally recognized FAA approved Aircraft Maintenance Technician programs (Eastern New Mexico University-Roswell and Central New Mexico Community College-Albuquerque)
- AerSale offers scholarship opportunities to persons who are:
  - New Mexico residents
  - Enrolled in either of the two programs above
  - Ready to begin a career in Roswell

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Certificates & Capabilities

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

Air Agency Certificate

Number 4AE8085B

This certificate is issued to

AerSale, Inc.

whose business address is

703 E. Challenger Street
Roswell, New Mexico 88203-8426

upon finding that its organization complies in all respects with the requirements of the Federal Aviation Regulations relating to the establishment of an Air Agency, and is empowered to operate an approved Repair Station

with the following ratings:

Limited Airframe
Limited Powerplant
Limited Radio
Limited Instrument
Limited Accessories (March 4, 2011)
Limited Nondestructive Inspection, Testing, and Processing (October 19, 2012)

This certificate, unless canceled, suspended, or revoked, shall continue in effect indefinitely.

Date issued
May 14, 2010
Amended: October 19, 2012

By direction of the Administrator
Marilyn E. Ledbetter
Manager, Lubbock FSDO, SW-43

Boeing 757 series specific capabilities

- A-Checks and B-Checks
- short and long term storage in accordance with the airframe manufacturer's instructions
- air carrier's or commercial operator's continuous Airworthiness Maintenance Program or other FAA accepted or approved data
- on aircraft testing, troubleshooting of aircraft systems, removal and installation of engines and airframe components

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Commercial Discussion

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Commercial Discussion Points

- aircraft, airframes, engines and spares
  - available for purchase, lease or exchange
  - fleet rollover purchase opportunity
  - end-of-life asset management including teardown and aftermarket sales of parts/material
- acquisition partnership opportunities
- aircraft logistics, storage and disassembly programs
- impairment avoidance options
- on-site component support
- asset management and consignments

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Thank You

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Roswell International Air Center

City of Roswell, New Mexico

Recommending a Strategy

Vision

- Promoting Economic Development through the Expansion of Aviation Maintenance Facilities

Goals and Objectives

- Brand RIAC and New Mexico as leaders in aviation maintenance services globally for economic development purposes
- Meet Repair Station Regulations in regards to FAA 14CFR
- State and local benefits
  - Careers
  - Community
  - Education

Today's Situation

- Aviation is a 100+ year old industry with proven success and is vital to USA commerce
- The majority of all airlines outsource maintenance for cost control
  - *American Airlines currently outsources B777 aircraft maintenance to China*
- 12,000 new aircraft orders are currently backlogged
- There is limited housing to meet maintenance capabilities in the USA
- Most legacy airlines control large hangar space

How did we get here?

- Aviation in New Mexico is a vital industry with pressing needs for growth
- Currently more than 100 aviation related companies call New Mexico home
- New Mexico will attract more business within the aviation industry with the passing of HB24 (effective July 1, 2014)
- New Mexico houses two nationally recognized FAA approved Aircraft Maintenance Technician programs (Eastern New Mexico University-Roswell and Central New Mexico Community College-Albuquerque)

New Mexico Aviation & Aerospace

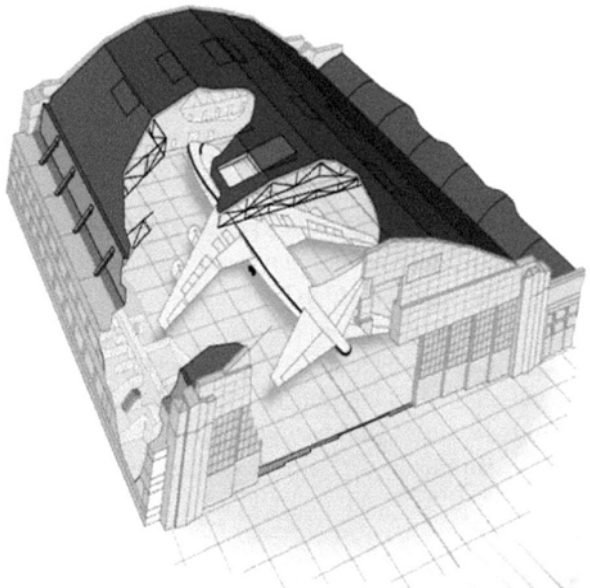
Solution

Build a hangar capable of housing all make and model aircraft up to 747-8 in Roswell

145.103 Housing and facilities requirements

(b) A certified repair station with an airframe rating must provide suitable permanent housing to enclose the largest type and model of aircraft listed on its operations specifications

- *New hangar capable of housing up to six (6) 737's – Estimated cost 14.5 million*
- *The largest hangar at RIAC is capable of housing one (1) B767 or two (2) B737's*



State and Local Benefits

Community

- Hangar will attract other support business (currently outsourced)
- Hangar will create new jobs at current maintenance facilities
- Hangar will increase number of high level professionals
- Hangar will optimize use of current facilities at RIAC
- Hangar will increase state visibility and impact tourism revenue
- Hangar will impact retail and hospitality industries
- Hangar will impact state and local tax related revenues
- Hangar will generate enough air traffic to encourage a second air service carrier through Roswell

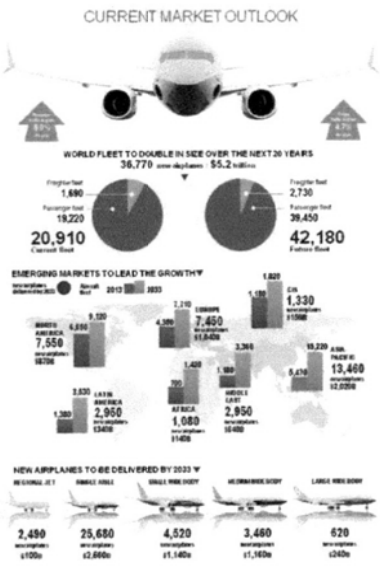
State and Local Benefits cont.

Careers and Education

- 125 potential jobs could be added to current MRO facility
  - Long term careers with growth potential
  - High-wage jobs
  - Comprehensive Benefit Package
  - Continued educational development
- 150 additional support jobs community-wide
- Utilization of state and local educational programs to build skilled workforce
- Encourages state and local aviation businesses to provide scholarship programs
- Encourages state and local residents to build careers in NM
  - Second career candidates
  - High school graduates with interest in technical career vs. conventional four year degree

The Future – Boeing's Market Outlook 2014 - 2033

- "Boeing foresees a global demand by the world's carriers for 36,770 new airplanes between now and 2033."
- "58% will be to meet airline growth needs; the remainder will be for replacement purposes."
- "Boeing forecasts the current industry fleet of close to 21,000 planes to grow to more than 42,000 by the end of the estimated period."



The Future – cont.

- "The list-price value of those new deliveries at an estimated $5.2 trillion."
- "…of the single-isle airplane…70% of the forecasted units, and 50% of the expected value."
- "…the wide body marketplace, the manufacturer forecasts that 8,600 new twin-aisle airplanes will be needed."
- "Over the 20-year course of Boeing's latest annual aircraft market forecast, the U.S. manufacturer expects large, wide bodied freighter airplanes to dominate global cargo aircraft deliveries."

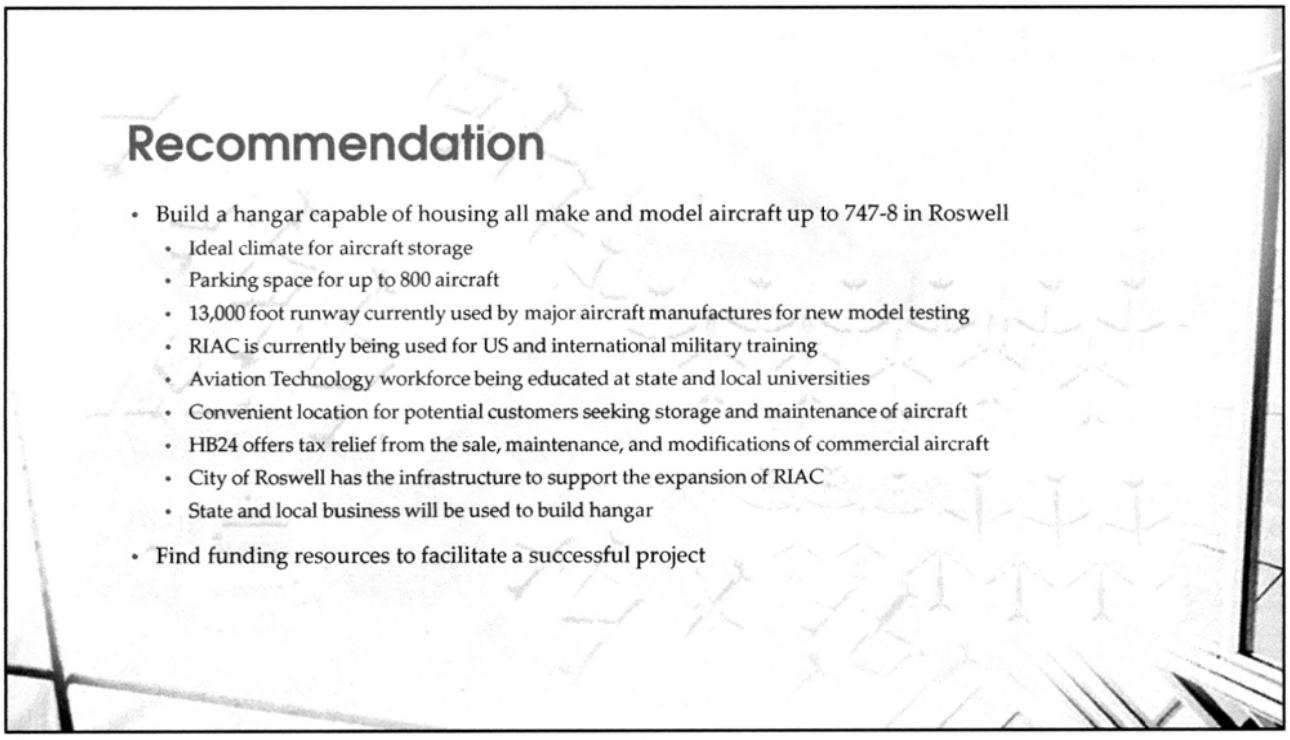
Boeing Fleet

Size Comparison

We are embarked as pioneers upon a new science and industry in which our problems are so new and unusual that it behooves no one to dismiss any novel idea with the statement that

'it can't be done!'

William E. Boeing


Recommendation
• Build a hangar capable of housing all make and model aircraft up to 747-8 in Roswell
• Ideal climate for aircraft storage
• Parking space for up to 800 aircraft
• 13,000 foot runway currently used by major aircraft manufactures for new model testing
• RIAC is currently being used for US and international military training
• Aviation Technology workforce being educated at state and local universities
• Convenient location for potential customers seeking storage and maintenance of aircraft
• HB24 offers tax relief from the sale, maintenance, and modifications of commercial aircraft
• City of Roswell has the infrastructure to support the expansion of RIAC
• State and local business will be used to build hangar
• Find funding resources to facilitate a successful project

Economic Impact of Aersale Inc. in Roswell, NM

Executive Summary

September 30, 2014

Prepared by:
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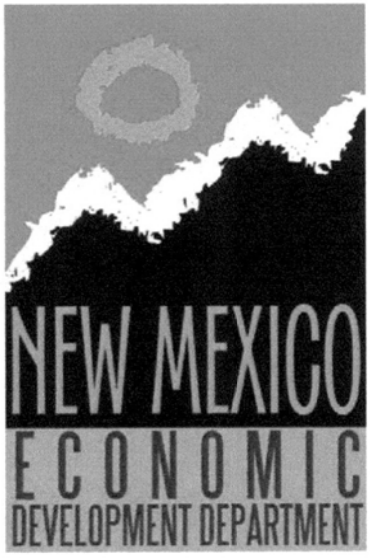
New Mexico Economic Development Department
Joseph Montoya Building
1100 S. St. Francis Drive
Santa Fe, New Mexico 87505



This summary was prepared by the New Mexico Economic Development Department using Total Impact by Impact DataSource. Please consult the full economic impact report for additional details and assumptions used in this analysis.

Disclaimer: These calculations use estimates and assumptions; actuals may be different. Neither this document nor the information contained herein, prepared for the Economic Development Department by a contract service provider, binds the State of New Mexico.

EXECUTIVE SUMMARY

Introduction

This report presents the results of an economic impact analysis performed using Total Impact™, a model developed by Impact DataSource. The report estimates the economic and fiscal impact that a proposed project may have on the state and local taxing districts. The report estimates the additional costs and benefits for the state and specified local taxing districts over the first 10 years.

City	Roswell
County	Chaves County
School District	Roswell Public Schools
Special Taxing District	Special Taxing Districts

Description of the Project

AerSale, Inc. provides aftermarket aircraft, engines and components to airlines, leasing companies, original equipment manufacturers (OEM) and maintenance, repair and overhaul (MRO) service providers in the United States and internationally. It also offers flight equipment acquisition, purchase leaseback, and long-term material support to operators and MRO providers, as well as aircraft asset management services.

Summary of the Economic Impact of the Project

The project will have the following economic impact on the State of New Mexico over the first 10 years:

Economic Impact Over the First 10 Years	
Economic Output:	
Direct	$452,851,667
Indirect & Induced	$271,303,434
Total Economic Output	**$724,155,101**
Jobs:	
Direct	275
Indirect & Induced	249
Total Jobs	**524**
Workers' Earnings:	
Direct	$126,452,005
Indirect & Induced	$71,318,931
Total Workers' Earnings	**$197,770,936**
Market value of property on tax rolls in Year 1	
The Project's property	$382,500
New residential property constructed	$61,667
Total market value of new property	**$444,167**
Taxable Sales/Purchases	
The Project activities	$40,911,464
New direct and spin-off workers	$49,442,734
Visitors	$23,917,995
Total taxable sales and purchases	**$114,272,193**

The year-by-year economic impacts can be found in Appendix B.

EXECUTIVE SUMMARY

The project is not expected to result in a consequential increase in the state's population. A majority of newly hired employees would likely be current New Mexico residents. However, it is estimated that approximately 25% of the new workers may be new residents to Chaves County. The local population impacts may result in new residential properties constructed in the county and increase the enrollment of local public schools.

Estimated Local Population Impacts Over the First 10 Years			
	Direct	Indirect & Induced	Total
Number of direct and indirect workers who may move to the County	71.0	11.0	82.0
Number of new residents in the County	193.9	30.0	223.9
Number of new residential properties that may be built in the County	7.8	1.2	9.0
Number of new students expected to attend local school district	34.8	5.4	40.2

Summary of the Fiscal Impact of the Project

The project will generate additional benefits and costs for the state and local taxing districts. A summary of the additional benefits, costs and net benefits is provided below. A discussion of the source of specific benefits and costs are provided in more detail for each taxing district on subsequent pages.

Net Benefits Over the First 10 Years for Local Taxing Districts and the State				
	Additional Benefits	Additional Costs*	Net Benefits	Present Value of Net Benefits**
State of New Mexico	$24,358,670	($13,505,011)	$10,853,659	$7,873,700
Roswell	$4,749,232	($1,421,108)	$3,328,123	$2,453,598
Chaves County	$933,124	($141,262)	$791,863	$582,426
Roswell Public Schools	$2,638,369	($1,049,152)	$1,589,217	$1,172,222
Special Taxing Districts	$20,191	$0	$20,191	$14,516
Total	**$32,699,586**	**($16,116,533)**	**$16,583,053**	**$12,096,461**

The project may result in local and state population impacts. Therefore, some additional costs are estimated for the state and local taxing districts. Additional costs represent the additional cost to provide state, municipal, county, or school district services to new residents, businesses or new school students. The calculation of costs are estimated based on recent budget expenditure information and the projected change in residents, employees and school students in the community. The Methodology section has additional information on these fiscal impact calculations.

** Additional costs were estimated for the state, city, county, and school district as the result of population changes and the provision of government services to new residents. The area population changes result from the portion of the new jobs being filled by workers moving to the area. A majority of the new jobs are expected to filled by current New Mexico residents so the project is expected to have a small effect on additional costs on a statewide basis.*

*** The Present Value of Net Benefits is a way of expressing in today's dollars, dollars to be paid or received in the future. Today's dollar and a dollar to be received or paid at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.*

EXECUTIVE SUMMARY

Benefits for the State of New Mexico

The table below displays the estimated additional benefits to be received by the State of New Mexico over the first 10 years . The project is expected to have a small effect on the statewide population and therefore some additional statewide costs to provide additional services were estimated for the state. Appendix C contains the year-by-year calculations.

State of New Mexico: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	**Additional Costs**	**Net Benefits**
Gross Receipts Taxes	$4,456,616	$0	$4,456,616
Property Taxes - Commercial/Industrial - Real	$2,163	$0	$2,163
Property Taxes - Commercial/Industrial - BPP	$8,056	$0	$8,056
Property Taxes - New Residential	$3,450	$0	$3,450
Personal Income Taxes	$7,258,193	$0	$7,258,193
Corporate Income Taxes	$428,392	$0	$428,392
Miscellaneous Taxes & User Fees	$12,201,801	$0	$12,201,801
Cost of Providing State Services	$0	($13,505,011)	($13,505,011)
Total	**$24,358,670**	**($13,505,011)**	**$10,853,659**

Gross receipts taxes are estimated on new taxable gross receipts resulting from the project. Property taxes are estimated on the firm's property and new residential property constructed. Personal income taxes are estimated based on an effective income tax rate and the earnings of new direct and indirect workers. Corporate income taxes on the direct activity is based on the net taxable income projected by the company. Corporate income taxes on the indirect activity is estimated on a per indirect worker basis and the observed statewide corporate income tax collections per worker.
To the extent that the project will result in an increase in new households in the state, additional miscellaneous taxes and user fees have been estimated for the state. Additionally, the costs to provide state services to these new households were also estimated based on recent state expenditure data as detailed in the Appendix.

Benefits and Costs for Roswell

The table below displays the estimated additional benefits, costs and net benefits to be received by the city over the first 10 years of the project.

Roswell: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	**Additional Costs**	**Net Benefits**
Gross Receipts Taxes	$2,661,382	$0	$2,661,382
Property Taxes - Commercial/Industrial - Real	$14,112	$0	$14,112
Property Taxes - Commercial/Industrial - BPP	$52,551	$0	$52,551
Property Taxes - New Residential	$20,673	$0	$20,673
Utility Revenue	$905,694	$0	$905,694
Utility Franchise Fees	$161,259	$0	$161,259
Lodgers Tax	$505,958	$0	$505,958
Building Permits and Fees	$0	$0	$0
Miscellaneous Taxes & User Fees	$427,603	$0	$427,603
Cost of Providing Municipal Services	$0	($515,414)	($515,414)
Cost of Providing Utility Services	$0	($905,694)	($905,694)
Total	**$4,749,232**	**($1,421,108)**	**$3,328,123**

EXECUTIVE SUMMARY

Benefits and Costs for Chaves County

The table below displays the estimated additional benefits, costs and net benefits to be received by the county over the first 10 years of the project.

Chaves County: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	**Additional Costs**	**Net Benefits**
Gross Receipts Taxes	$773,658	$0	$773,658
Property Taxes - Commercial/Industrial - Real	$16,463	$0	$16,463
Property Taxes - Commercial/Industrial - BPP	$61,306	$0	$61,306
Property Taxes - New Residential	$16,794	$0	$16,794
Building Permits and Fees	$0	$0	$0
Miscellaneous Taxes & User Fees	$64,904	$0	$64,904
Cost of Providing County Services	$0	($141,262)	($141,262)
Total	**$933,124**	**($141,262)**	**$791,863**

Benefits and Costs for Roswell Public Schools

The table below displays the estimated additional benefits, costs and net benefits to be received by the school district over the first 10 years of the project.

Roswell Public Schools: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	**Additional Costs**	**Net Benefits**
Property Taxes - Commercial/Industrial - Real	$13,011	$0	$13,011
Property Taxes - Commercial/Industrial - BPP	$48,452	$0	$48,452
Property Taxes - New Residential	$490	$0	$490
Additional State Funding	$2,576,415	$0	$2,576,415
Cost of Educating New Students	$0	($1,049,152)	($1,049,152)
Total	**$2,638,369**	**($1,049,152)**	**$1,589,217**

Benefits and Costs for Special Taxing Districts

The table below displays the estimated additional benefits, costs and net benefits to be received by other special taxing districts over the first 10 years of the project.

Special Taxing Districts: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	**Additional Costs**	**Net Benefits**
Property Taxes - Commercial/Industrial - Real	$3,237	$0	$3,237
Property Taxes - Commercial/Industrial - BPP	$12,054	$0	$12,054
Property Taxes - New Residential	$4,901	$0	$4,901
Total	**$20,191**	**$0**	**$20,191**

EXECUTIVE SUMMARY

New Mexico Economic Development Department Notes

0