

Doc Number: **0831715**

10/04/2013 02:38 PM

OFFICIAL RECORDS

Requested By:

DC/MINDEN-TAHOE AIRPORT

DOUGLAS COUNTY RECORDERS
Karen Ellison - Recorder

Page: 1 of 16 Fee: \$ 0.00

Bk: 1013 Pg: 1365



Deputy sd

Assessor's Parcel Number: N/A

Date: OCTOBER 4, 2013

Recording Requested By:

Name: ROBBI THOMPSON, MINDEN-TAHOE AIRPORT

Address: _____

City/State/Zip: _____

Real Property Transfer Tax: \$ N/A

RIGHT OF FIRST REFUSAL #2013.236

(Title of Document)

This page added to provide additional information required by NRS 111.312 Sections 1-2. (Additional recording fee applies)

This cover page must be typed or legibly hand printed.

FILED

NO. 2013.236

2013 OCT -4 AM 9:36

TED THUAN
CLERK

DEPUTY

RIGHT OF FIRST REFUSAL

- 1. Right of First Refusal.** Douglas County hereby grants Tahoe Aviation, Inc. a right of first refusal with respect to a parcel of unimproved land consisting of 120,238 square feet as shown in Exhibit B located on the Minden-Tahoe Airport. Except as otherwise permitted, the Minden-Tahoe Airport shall not directly or indirectly lease, assign or otherwise transfer all or any portion of its interest in or to said parcel to any party, without, first offering the same to Tahoe Aviation, Inc. as it's right of first refusal with respect to the parcel shall exercisable in accordance with and controlled by the procedures set forth in 2 to 11 below.
- 2. Effective Date and Term.** This right of first refusal shall not become effective until and unless approved by the Douglas County Board of County Commissioners. The term of this agreement is five (5) years from the date of approval by the Douglas County Board of County Commissioners.
- 3. Notice.** The Minden-Tahoe Airport shall give written notice (the "Notice") to Tahoe Aviation, Inc. specifying all of the acceptable terms and identifying the offered interest. The Notice shall constitute an irrevocable offer on the part of the Minden-Tahoe Airport to lease the parcel to Tahoe Aviation, Inc.
- 4. Response to Notice.** Tahoe Aviation, Inc. shall have a ninety (90) day period after receipt of the Notice within which to accept or reject the offer contained therein. Acceptance by Tahoe Aviation, Inc. shall constitute a binding contract to acquire a lease on the mutually acceptable terms. Until acceptance, rejection, waiver of the right of first refusal or expiration of the period of time for acceptance without acceptance thereof, no lease or transfer proposed by the Minden-Tahoe Airport to any third party shall be contracted for or concluded except in a manner subject to Tahoe Aviation, Inc. preemptive rights hereunder. Failure on the part of Tahoe Aviation, Inc. to accept Minden-Tahoe Airport's offer within said ninety (90) day period shall constitute a rejection thereof.
- 5. Failure to Accept.** If Tahoe Aviation, Inc. does not accept Minden-Tahoe Airport's offer, then within a period not to exceed ninety (90) days after expiration of the ninety (90) day period for exercise by Tahoe Aviation, Inc. of its right of acceptance hereunder, Minden-Tahoe Airport shall be free to enter into a binding contract with a third party or parties to lease the Parcel upon terms no less favorable than the accepted terms. If the Minden-Tahoe Airport does not execute a binding contract to lease the parcel to any third party or parties on terms no less favorable to it than the acceptable terms within the second ninety (90) day period and then conclude a lease of the parcel then the Minden-Tahoe Airport shall again be obligated to first offer any lease to Tahoe Aviation, Inc. In accordance with the provisions hereof as to all subsequent transactions.

6. Notice on Less Favorable Terms. If Tahoe Aviation, Inc. fails to accept the Minden-Tahoe Airport's offer contained in a Notice given pursuant to 4 above, and Minden-Tahoe Airport receives an offer at any time with respect to the parcel on terms it is willing to accept which are less favorable to Minden-Tahoe Airport than the acceptable terms, Minden-Tahoe Airport shall give notice thereof to Tahoe Aviation, Inc. specifying the terms of the proposed transaction. The notice shall constitute an irrevocable offer on the part of Minden-Tahoe Airport to lease and/or convey the parcel to Tahoe Aviation, Inc. upon the terms specified in the Minden-Tahoe Airport's notice. Tahoe Aviation, Inc. shall have forty-five (45) days after receipt of the notice within which to accept or reject the offer contained therein. Acceptance by Tahoe Aviation, Inc. shall constitute Tahoe Aviation's agreement to a binding contract to lease the parcel on the terms specified in the notice. Failure on the part of Tahoe Aviation, Inc. to accept Minden-Tahoe Airport's offer within said ninety (90) day period shall constitute a rejection thereof and the other provisions hereof shall be applicable thereto.

7. Cash Consideration. A single payment to the Minden-Tahoe Airport of \$5,000.00 will be held in escrow until this Right of First Refusal is terminated by Tahoe Aviation, Inc. or at the expiration of this Agreement pursuant to Paragraph 2. Deposit to be returned at the termination, expiration or execution of this agreement.

8. Termination of Right of First Refusal. The lease of the parcel to any party following the required offer of the parcel to Tahoe Aviation, Inc. pursuant to this right of first refusal and their rejection thereof shall terminate the right of first refusal of Tahoe Aviation, Inc. with respect to the parcels; provided, however, that such transfer was made within ninety (90) days of the rejection and was upon the same terms and conditions as offered to Tahoe Aviation, Inc.

9. Contract Subject to Right of First Refusal. Nothing herein shall be construed to prohibit Minden-Tahoe Airport from entering into a binding contract to lease the parcel; provided, only that such contract shall be specifically subject to the right of first refusal hereby granted.

10. Inapplicability. The foregoing right of first refusal shall not apply to a lease by Douglas County of all or any portion of its interest in the parcels to an entity controlled by or under common control with Douglas County; provided, however, that the successor-in-interest shall acquire such interest subject to the right of first refusal granted herein.

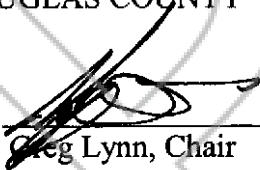
(THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK)

11. Method of Giving Notice. All notices required or permitted to be given by the terms of this Right of First Refusal shall be in writing and shall be considered given (1) upon personal service of a copy to the party to be served, or (2) forty-eight (48) hours after mailing such notice by certified or registered mail, postage prepaid, receipt for delivery requested, addressed to the party to be served and properly deposited in the United States mail.

12. Merger of Prior Agreements and Understandings. This Agreement and other documents incorporated herein by reference contain the entire understanding between the parties relating to the transaction contemplated hereby and all prior contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein and shall be of no further force or effect.


DOUGLAS COUNTY

By: _____


Greg Lynn, Chair
Douglas County Board of County
Commissioners

TAHOE AVIATION, INC.

By: _____


Arnold Peterson
President

COPY

Exhibit B

0009-40-13
07/17/13
Page 1 of 1

**DESCRIPTION
EXHIBIT B
Right of First Refusal
Future Airport Lease Parcel
Douglas County, Nevada**

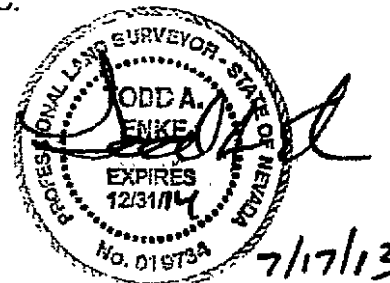
All that real property situate in the County of Douglas, State of Nevada, described as follows:

A parcel of land located within portions of the Southwest one-quarter of the Northeast one-quarter (SW1/4NE1/4) and the Southeast one-quarter of the Northeast one-quarter (SE1/4NE1/4) of Section 8, Township 13 North, Range 20 East, Mount Diablo Meridian, Douglas County, Nevada, more particularly described as follows:

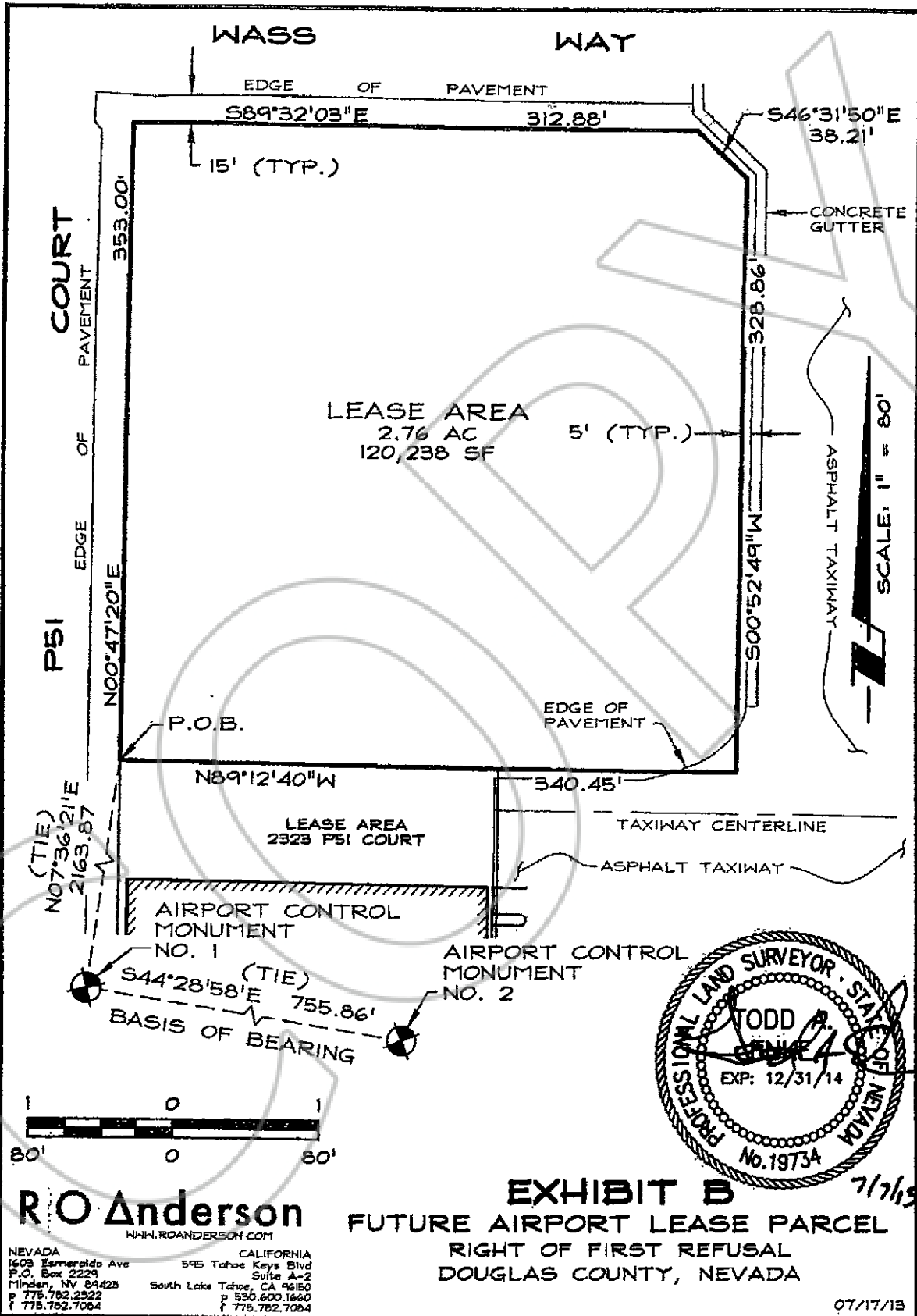
COMMENCING at Airport Control Monument #1 as shown on the Amended Record of Survey #14 for Douglas County filed for record April 4, 1988 in the office of Recorder, Douglas County, Nevada in Book 488, at Page 239, as Document No. 175533;
thence North 07°36'21" East, 2163.87 feet to the **POINT OF BEGINNING**, said point also being the northwest corner of the Airport Lease Parcel for 2323 P51 Court;
thence North 00°47'20" East, 353.00 feet;
thence South 89°32'03" East, 312.88 feet;
thence South 46°31'50" East, 38.21 feet;
thence South 00°52'49" West, 328.86 feet;
thence North 89°12'40" West, 340.45 feet to the **POINT OF BEGINNING**, containing 120,238 square feet (2.76 acres), more or less.

The Basis of Bearing for this description is South 44°28'58" East – between Airport Control Monument #1 and Airport Control Monument #2 as shown on the Amended Record of Survey #14 for Douglas County filed for record April 4, 1988 in said office of Recorder in Book 488, at Page 239, as Document No. 175533.

Prepared By: R.O. ANDERSON ENGINEERING, INC.
P.O. Box 2229
Minden, Nevada 89423



Y:\Client Files\0009\0009-040\CAD\Survey\Exhibits\0009-040 LEASE EXB.dwg 7/17/2013 1:07:42 PM Todd A. Enke



R O Anderson
WWW.ROANDERSON.COM

NEVADA
1603 Emerald Ave
P.O. Box 2223
Minden, NV 89423
P 775.782.2322
F 775.782.7064

CALIFORNIA
595 Tahoe Keys Blvd
Suite A-2
South Lake Tahoe, CA 96150
P 530.600.1860
F 775.782.7064

07/17/13



**Project Proposal
For 2323 P51 Court -
Tahoe Aviation, Inc.
- Joint Venture**

BETWEEN FALCON AEROSPACE INC. AND APRI AVIATION INC.

INTRODUCTION AND BRIEF RESUME OF INTERESTED PARTIES

Tahoe Aviation, Inc. is a joint venture CORPORATION formed by Falcon Aerospace Inc., and APRI Aviation, Inc.

Falcon Aerospace Inc. is an aviation company developed by Thomas Muller MD FACS to provide innovative solutions for the aerospace and aeromedical community. It has in development a manned extremely efficient and high performance multipurpose aircraft platform for missions as diverse as surveillance to training and is considering expanding to the west coast. These aircraft can become unmanned if indicated in the future. Aeromedical research in hypoxia and physiological monitoring is also ongoing with Minden Tahoe Airport an ideal location for further research in this field.

Falcon Aerospace President and CEO is Thomas Muller MD FACS who is a triple-board certified physician who has a special interest in aerospace medicine which developed while working with NASA providing aeromedical support. Dr. Muller is also a Senior Aviation Medical Examiner for the FAA and President of RBA Inc. which purchased the Airport office at 1138 Airport Rd property in 2012 when it was put up for bid by the county. In 2013 his company also purchased and installed the self service 100LL fuel system at Minden Tahoe airport which is operated by Soaring NV who also lease the airport office. Dr. Muller is also a United States Air Force veteran and a Certified Flight Instructor for single and multiengine aircraft, gliders, motorgliders, seaplanes and tailwheel aircraft.

APRI Aviation, Inc. is an aviation services company which provides leased hangar space, mechanical maintenance, and aircraft sales, service and management to the corporate aircraft community.

APRI Aviation president and CEO is Arnold Peterson who has more than 35 years of aviation industry experience. Mr. Peterson studied aeromautical sciences at Sacramento State University. In 1990, Mr. Peterson founded APRI Aviation at the Concord Airport in Concord, CA and eventually expanded into the Napa and Santa Rosa airports. APRI Aviation, Inc. provided aviation services to some of the most well-known companies in the California bay area, including Google, The Sharper Image and Century Theaters. He resides in the Minden area full time.

BUSINESS AND ECONOMIC DEVELOPMENT PLAN

Tahoe Aviation, Inc. – a joint venture Nevada Corporation between Falcon Aerospace Inc. and APRI Aviation, Inc., propose purchasing 2323 P51 Court Hangar complex in equal partnership and completing construction on the property for the purpose of providing aeronautical and aviation services.

Initial marketing will comprise hangar leasing and aircraft services including maintenance, sales and personnel training to both corporate and general aviation markets. Tahoe Aviation, Inc. plans to evaluate the business growth by expanding into full FBO services including full-service fuel sales as well as research and development for continued advancement in the Aerospace and Aeromedical areas as supported by Falcon Aerospace.

Initially Arnold Peterson will be on site manager and head all aeronautical services departments while Tom Muller will head all (Falcon Aerospace) aerospace and aeromedical departments and activities including research and development.

The new corporation, Tahoe Aviation Inc., includes currently these qualified personnel who will comply with all minimum standards for aeronautical activities performed after completion of construction based on the scope of business.

Initially, local subcontractors will be hired to complete construction including asphalt and paving, electrical, plumbing and lighting, and general contracting which will generate multiple local employment opportunities in all these areas of construction.

After completion of the building phase, aviation services including hangar leasing, maintenance, sales, training for corporate and general aviation services can occur based on current market conditions and in order to comply with Specialized Aviation Service Operations (SASO) a minimum of one acre of land lease and in excess of 8,000 sq ft. of building space will be available. There will be a minimum of one or more persons on duty during all hours of operation and contact information, as well as a list of stored aircraft, will be provided to Airport management semiannually as required to comply with airport minimum standards.

Research and development and potential growth of Falcon Aerospace Inc. is also anticipated.

Following successful completion of this part of the business plan, appropriate research will be conducted to consider expansion into an LFBO or full service FBO including fuel sales which could include expansion to a total lease hold requirements of up to 4 acres, Terminal of 4,000 sq ft., hangar space of 16,000 sq ft., ramp of 40,000 sq ft. and fuel storage of 2500 sq ft. for FBO requirements. This will also include hiring and training appropriate personnel to more than double the existing staff with associated increased payroll and equipment purchasing.

BUDGET years 1 through 5

The initial budget for year one is capital in the amount of \$600,000 to \$800,000 to purchase and complete construction of the hangar located at 2323 P51 Court in Minden, Nevada.

The budget for year two is estimated at \$200,000 to \$400,000 with possible expansion into an LFBO or full service FBO. This will depend on demand, customer relations and market research. If fuel service is incorporated, the purchase of a jet fuel tank, trucks and support equipment, as well as hiring and training additional personnel and leasing vacant airport property is required to support a fuel concession. The budget for this time period also includes completing additional ramp space to meet hangar and office space needs, comply with Minimum Standards (which the hangar and office space currently meets and exceeds) and ground lease standards as noted above.

Of course, Tahoe Aviation Inc. will continue to expand all existing aviation services and will coordinate with existing self-service fuel service and glider operations already in place at the Minden-Tahoe airport.

The budget for years 3 through 5 is estimated at \$200,000 to \$2,000,000 per year, including enhancing, marketing and refining existing and developing aviation and aerospace services. This budget depends on LFBO or FBO services - specifically providing fuel sales and growth of aviation services.

Over the five year budget estimate, approximately \$1.4 to \$7.2 million in economic impact is anticipated, including construction, hangar leasing, sales--including potential fuel/aircraft sales, personnel, taxes, airport lease rates and business growth and expansion of services.

It is anticipated that new corporate business will be attracted to the airport based on the quality of service and existing connections with APRI Aviation's west coast experience and Falcon Aerospace's east coast business connections.

However, all these estimates are highly variable and subject to change lower or higher based on economic and business conditions as well as on airport competition.

FINANCIAL STRENGTH

Any losses for the first year will be equally covered by Tahoe Aviation Inc. as supported by confidential personal financial statements included for Thomas Muller and Arnold Peterson.

EXECUTIVE SUMMARY

In summary, Tahoe Aviation Inc. proposes purchasing the existing building for \$250,000.00 and completing construction to begin aviation services as outlined above.

The business and economic budget impact estimated over five years is approximately \$1.4 million. If full LFBO/FBO status is obtained, jet fuel sales and growth of aviation services could increase this to \$7.2 million or more depending on volume of fuel sales, especially with new facilities catering to a high-end corporate customer base .

The financial strength of the partners of Tahoe Aviation, Inc. is substantial as indicated in the confidential bank references which show in excess of \$700,000 -(350,000 for each partner) in available resources.

Thank you for your consideration of our proposal.

Tahoe Aviation Inc.

Arnold Peterson President



Thomas Muller CEO

Tahoe Aviation, Inc.

September 17, 2013

Bobbi Thompson

Airport Manager
Minden-Tahoe Airport
1146 Airport Road
Minden, NV 89423

Dear Bobbi

It is difficult to provide an accurate estimate of the capital invested in the property located 2323 P-51 on such short notice. Tahoe Aviation, Inc. has ongoing construction projects utilizing the expertise of several contractors, advice from engineering and legal firms as well as contracts signed and verbal commitments made. Insurance is bound, corporations formed, funded and structured and bank accounts established. Federal and state registrations and I.D.'s are in place. The founding members of the corporation have spent hundreds of hours planning, executing and orchestrating the myriad of events required to plan and complete the hangar complex, not to mention all the associated contacts and personnel.

We have attached a spread sheet of contractors and expenses to indicate the level of time, effort and money put forth by Tahoe Aviation, Inc.. Even as I write this letter I can think of expenses that have been missed. This is not a complete expense report, just the best we can do in less than 24 hours.

Best regards,



Arnold Peterson
President

State of Nevada
County of Douglas

Signed before me on Sept. 17, 2013

By: Arnold Peterson

Cathie W. Kite



Proposal

Contractors commitments

Steve Mathews Construction, LLC (metal fabricators) on time and materials billing	44,450.00
Capitol Fire Protection, LLC (fire protection) on time and materials billing	11,140.00
Jackrabbit Plumbing, Inc. (plumbing) on time and materials billing	35,800.00
T-Electric (electrical) on time and materials billing	32,900.00
A&A Construction (General contractor)	48,000.00
A&A Construction (paving work) on time and materials billing	91,398.00
Louie Citine (carpenter work) on time and materials billing	15,000.00
Jackson Quality Drywall (drywall, paint and ceiling) on time and materials billing	21,210.00
Leading Edge Tile Company, LLC on time and materials billing	7,700.00
Legal fees	2,610.00
Construction permits	1,983.50
AO Anderson (Engineering) on time and materials billing	1,500.00
Tom Muller Senior management Consulting and personal legal	99,500.00
Arnld Peterson Senior Management Consulting and personal legal	48,800.00
Misc Expenses	18,000.00
Hangar Purchase	250,000.00
Lease rent	2,728.32
Lease First Right of Refusal	5,000.00
Heating Airconditioning on time and materials billing	14,200.00
Soiles testing and Staking	5,000.00
Cleanup and disposal	2,500.00
Insurance	7,553.00
Accounting	5,500.00
Total	772,472.82



Courier, Friday, September 13, 2013 29

**Legal &
Public Notices**

**Legal &
Public Notices**

**Advertisement for Land Lease Proposal
Minden-Tahoe Airport
October 3, 2013
1:00 pm**

At the regular meeting of the Douglas County Board of Commissioners, Douglas County Commissioners Meeting Room, Douglas County Administration Building (Historic Courthouse), 1618 Eighth Street, Minden, Nevada.

Douglas County through the Minden-Tahoe Airport intends to enter into a land lease for 40,939 square feet located at 2323/P51 Court with Tahoe Aviation, Inc. Any interested person may appear.

Pub: September 13, 18, 20, 2013 Ad#9539275

**Advertisement for Right of First Refusal
Minden-Tahoe Airport
October 3, 2013
1:00 pm**

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Douglas County through the Minden-Tahoe Airport intends to enter into a right of first refusal for a prospective land lease of 120,238 square feet adjacent to 2323/P51 Court with Tahoe Aviation, Inc. Any interested person may appear.

Pub: September 13, 18, 20, 2013 Ad#9539326



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HOW DO I?

Airport

Posted on September 9, 2013

Advertisement for Right of First Refusal

Advertisement for Right of First Refusal
 Minden Tahoe Airport
 October 3, 2013
 1:00 pm
 At the regular meeting of the Douglas County Board of Commissioners
 Douglas County Commissioners Meeting Room
 Douglas County Administration Building (Historic Courthouse),
 1616 Eighth Street, Minden, Nevada.

Douglas County through the Minden-Tahoe Airport intends to enter into a right of first refusal for a prospective land lease of 120,238 square feet adjacent to 2323 P51 Court with Tahoe Aviation, Inc. Any interested person may appear

Next

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Other News in Airport

Advertisement for Land Lease Proposal

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Posted on April 16, 2011

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Posted on October 28, 2011

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Douglas County State of Nevada

CERTIFIED COPY

I certify that the document to which this certificate is attached is a full and correct copy of the original record on file in the Clerk-Treasurer's Office on this

4th day of Oct, 2013

By Deputy