Appendix A

Aviation Demand Analysis
August 3, 2012

Mr. Mark Day, A.A.E.
Director, Engineering and Maintenance
Lexington-Fayette Urban County Airport Board
4000 Terminal Drive, Suite 206
Lexington, KY 40510

Aviation Demand Forecast
Master Plan Update
Lexington Bluegrass Airport (LEX)

Dear Mr. Day:

We have reviewed your Master Plan Forecast submitted April 4, 2012. Based on the justification report submitted July 11, 2012 we find the Forecast consistent with the 2011 FAA Terminal Area Forecast (TAF). Based on this finding the Master Plan Forecast is approved for use. Should you have any questions, please feel free to contact me at (901) 322-8185.

Sincerely,

Stephen Wilson

Stephen Wilson, Community Planner
Memphis Airports District Office

Cc: James Williams, Program Manager
1. Demand projections for passenger enplanements were developed using a Market Based Approach supported by a three (3) tiered process:
   a. 2011 Passenger Leakage Study
      i. Identified the Lexington catchment area which generated approximately 940,000 bookings
      ii. Utilized a new data source to determine the location (zip code) a passenger originates from and the airport utilized for their trip
      iii. **Analysis – Lexington Retains Approximately 55% of Catchment Area Bookings**
   b. Air Service Trends
      i. Conducted an analysis of air service trends at Lexington over a 10-year period
      ii. A number of industry metrics were analyzed (load factors, yields, route structures, hub strategies, seats available, carrier types, etc.)
      iii. Domestic & International Demand (Passengers, Revenue, Destinations, Etc.)
      iv. Identified existing air service routes which may be at risk given performance
      v. **Historic Annual Growth Rate = 1.0% (six year period)**
   c. Air Service Scenarios
      i. Utilized the historic annual growth rate in each scenario as the baseline
      ii. Developed three (3) air service scenarios based on current and projected airline industry trends (hub strategies, aircraft fleets, consolidation, fuel prices, etc.)
      iii. Each air service scenario identified trigger events based on our best knowledge of airline trends and strategies

2. Forecast Considerations
   a. Lexington Fleet Mix
      i. Primarily Regional Jet (RJ) Equipment to Airline Hubs
      ii. High Sensitivity to Fuel Prices & Service Agreements from Regional Carriers
iii. Example: Delta (Lexington’s Largest Carrier) announced on June 7th that a deal with its pilot union was reached which will result in the removal of 218 regional jets systemwide

b. Fuel Prices - Significant impact on route profitability
c. Route Performance
d. Airline Capacity
e. Low Cost Carrier (LCC) Strategies
f. Network Carrier Consolidation
g. Competition at Surrounding Airports (Louisville, Nashville, Columbus, Cincinnati)

3. Medium Forecast Scenario
   a. Assumes relatively flat capacity in Lexington Market
   b. Reduction in aircraft movements associated with larger gauge aircraft
   c. No significant changes to the number of network carriers
      i. Recent announcement by U.S. Airways considering merger with American Airlines
   d. Assumes Allegiant backfills AirTran capacity to Orlando market

4. Conclusions
   a. Conservative approach to passenger forecast
      i. Market based assessment
      ii. Airline industry volatility & consolidation (number of potential hub locations reducing)
   b. Plausible facility requirements and associated development alternatives
   c. Capital Improvement Program (CIP) and Financial Impacts
2012 Master Plan Forecast – Passenger Enplanements

AAGR - Average Annual Growth Rate

Historic

1995 Master Plan

2005 Master Plan

2012 Master Plan (Low Scenario)

2012 Master Plan (Medium Scenario)

2012 Master Plan (High Scenario)

TAF

AAGR: 2.8%

AAGR: 2.7%

AAGR: 2.6%

AAGR: 1.7%

AAGR: 1.0%

AAGR: 0.4%
## Lexington Blue Grass Airport
### Draft Master Plan Forecast (2012)
#### Comparison to FAA 2011 Terminal Area Forecast (TAF)
**June 19, 2012**

<table>
<thead>
<tr>
<th>Passenger Enplanement Forecast</th>
<th>2012</th>
<th>2016</th>
<th>2021</th>
<th>2031</th>
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<tbody>
<tr>
<td>Low Scenario</td>
<td>524,932</td>
<td>541,474</td>
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<td>565,705</td>
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<tr>
<td>Medium Scenario</td>
<td>524,932</td>
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<td>600,130</td>
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<td>730,305</td>
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<td><strong>2011 FAA TAF</strong></td>
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<td>613,156</td>
<td>703,398</td>
<td>933,551</td>
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<tr>
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<td>-4.7%</td>
<td>-11.7%</td>
<td>-22.9%</td>
<td>-39.4%</td>
</tr>
<tr>
<td>% Difference to FAA TAF</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium Scenario</td>
<td>-4.7%</td>
<td>-11.7%</td>
<td>-19.1%</td>
<td>-32.7%</td>
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<tr>
<td>% Difference to FAA TAF</td>
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<td></td>
</tr>
<tr>
<td>High Scenario</td>
<td>-4.7%</td>
<td>-2.1%</td>
<td>-10.8%</td>
<td>-21.8%</td>
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<tr>
<td>% Difference to FAA TAF</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Based Aircraft Forecast</th>
<th>2012</th>
<th>2016</th>
<th>2021</th>
<th>2031</th>
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<tbody>
<tr>
<td>2012 Master Plan</td>
<td>117</td>
<td>123</td>
<td>133</td>
<td>157</td>
</tr>
<tr>
<td><em>(Medium Scenario)</em></td>
<td></td>
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<tr>
<td><strong>2011 FAA TAF</strong></td>
<td>146</td>
<td>154</td>
<td>164</td>
<td>186</td>
</tr>
<tr>
<td>% Difference to FAA TAF</td>
<td>-19.9%</td>
<td>-20.1%</td>
<td>-18.9%</td>
<td>-15.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Aircraft Operations*</th>
<th>2012</th>
<th>2016</th>
<th>2021</th>
<th>2031</th>
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<tbody>
<tr>
<td>Low Scenario</td>
<td>64,451</td>
<td>54,000</td>
<td>53,343</td>
<td>55,873</td>
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<td>74,338</td>
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<td>81,032</td>
<td>83,396</td>
<td>91,627</td>
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<tr>
<td><strong>2011 FAA TAF</strong></td>
<td>66,434</td>
<td>68,312</td>
<td>70,788</td>
<td>76,193</td>
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<tr>
<td>Low Scenario</td>
<td>-3.0%</td>
<td>-21.0%</td>
<td>-24.6%</td>
<td>-26.7%</td>
</tr>
<tr>
<td>% Difference to FAA TAF</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium Scenario</td>
<td>-3.0%</td>
<td>-9.7%</td>
<td>-8.5%</td>
<td>-2.4%</td>
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<tr>
<td>% Difference to FAA TAF</td>
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</tr>
<tr>
<td>High Scenario</td>
<td>-3.0%</td>
<td>18.6%</td>
<td>17.8%</td>
<td>20.3%</td>
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<tr>
<td>% Difference to FAA TAF</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

*Note: Total Aircraft Operations include Air Carrier Projections, General Aviation Projections, and the Average Military Operations from Tower Counts (1,850 operations) carried forward throughout the Forecast Period*
Draft Aviation Demand Projections
(Commercial Air Service & General Aviation)

April 11, 2012
General Forecast Considerations

• **Commercial Air Service**
  - Lexington Market Specific (Catchment Area)
  - Current Airline Industry Conditions
  - Airline Hub Strategies
  - Limited Number of “New” Air Service Providers
  - Conservative Growth

• **General Aviation**
  - Current Economic Condition
  - Lexington Demographics
  - Tenant Interviews
  - Regional & National Trends
    - Aircraft Shipments, Flight Hours, Fleet Mix, Etc.
Commercial Air Service
Forecast Approach

• Market Specific
  - Lexington Catchment Area
  - Influence of Competing Airports
  - Airline Hub Strategies
    – Route Performance
    – Airline Fleet Mix
      – Reduction in Regional Jet (RJ) Aircraft
  - Recent Changes in Air Service Offerings
    – AirTran/Southwest Service
    – Allegiant 757 Service to Las Vegas
  - Impact of Fuel Prices

• Three “Tier” Process
  - 2011 Passenger Leakage Study
  - Air Service Data and Trends
  - Air Service Demand Scenarios
2011 Passenger Leakage Study

- Lexington Catchment Area Generated an Estimated 940,000 bookings *(approximately)*
- Lexington Airport Retains Approximately 55% of all Bookings in Catchment Area
- Louisville nowCaptures 20.7% of the Lexington Catchment Area
  - Primarily driven by changes in air service offerings at Cincinnati

LEX – Lexington Blue Grass Airport
SDF – Louisville International Airport
HTS – Tri-State Airport
CRW – Yeager Airport
CMH – Port Columbus International Airport
BNA – Nashville International Airport
TYS - Mc Ghee Tyson Airport (Knoxville)
CHA - Lovell Field Airport (Chattanooga)
TRI – Tri-Cities Regional Airport (Bristol/Johnson/Kingsport)

Data Source: ARC Corporation Ticket Information, Bureau of Transportation Statistics (BTS) & Ailevon
• Despite Second Highest Average Airfare, Lexington still Captures 55% of the Catchment Bookings
• Lexington catchment area passengers clearly prefer to use Lexington when nonstop service is available
  ➢ Lexington retains 61% of its catchment area in markets where it has nonstop service, but only 53% in markets without nonstop service.
• However, frequency or schedule do not seem to correlate with retention.
  ➢ For example Ft. Lauderdale was served with less than daily service during the time period, yet managed to capture 77% of the catchment area bookings
• Delta is the most preferred carrier in the catchment area, most likely driven by the amount of nonstop service offered at Lexington, Louisville, and Cincinnati.

<table>
<thead>
<tr>
<th>Airport</th>
<th>Weekly Departures</th>
<th>Weekly Seats</th>
<th>Seats Per Departure</th>
<th># of Nonstop Destinations</th>
<th>Avg. One-Way Fare (YE3Q11)</th>
<th>% of LEX Catchment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lexington</td>
<td>1,018</td>
<td>59,683</td>
<td>58.6</td>
<td>15</td>
<td>$230</td>
<td>55.0%</td>
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<tr>
<td>Louisville</td>
<td>2,299</td>
<td>185,994</td>
<td>80.9</td>
<td>27</td>
<td>$202</td>
<td>20.7%</td>
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<tr>
<td>Cincinnati</td>
<td>4,935</td>
<td>352,381</td>
<td>71.4</td>
<td>49</td>
<td>$255</td>
<td>15.5%</td>
</tr>
<tr>
<td>Huntington</td>
<td>218</td>
<td>13,847</td>
<td>63.5</td>
<td>6</td>
<td>$129*</td>
<td>3.3%</td>
</tr>
<tr>
<td>Nashville</td>
<td>5,726</td>
<td>573,163</td>
<td>100.1</td>
<td>54</td>
<td>$188</td>
<td>1.5%</td>
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<tr>
<td>Columbus</td>
<td>4,182</td>
<td>348,476</td>
<td>83.3</td>
<td>40</td>
<td>$191</td>
<td>1.3%</td>
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<tr>
<td>Charleston</td>
<td>728</td>
<td>37,129</td>
<td>51.0</td>
<td>12</td>
<td>$214</td>
<td>1.3%</td>
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<tr>
<td>Knoxville</td>
<td>1,560</td>
<td>91,819</td>
<td>58.9</td>
<td>22</td>
<td>$224</td>
<td>0.8%</td>
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<td>Tri Cities</td>
<td>454</td>
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</tr>
<tr>
<td>Chattanooga</td>
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<td>38,132</td>
<td>53.0</td>
<td>8</td>
<td>$204</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Data Source: Bureau of Transportation Statistics (BTS) & Ailevon

* Huntington’s average fare is impacted by 60% of the airport’s passengers using Allegiant’s ultra low-fare service. In non-Allegiant markets, the average fare is actually $219, similar to Lexington.
Changes to Lexington Air Service

- **Mainly Macro:**
  - Fuel
  - Hub Strategies
  - Route Performance
  - Aircraft Utilization

- **Industry – Gains in Efficiency**
  - Impact of higher fuel prices

- **Result at Lexington**
  - Overall Capacity – Down 5.3%
    (Sept. 2012 versus Sept. 2006)
  - Airlines quest for fuel efficiency:
    - Reduced Regional Jet (RJ) & Turboprop service
    - Historically important to Lexington air service
Top Markets (Domestic & International)

- Lexington Provides Non-Stop Service to Over Half of the Top 25 Domestic Destinations
- Given the Geographical Variety of the Top 25 International Destination, Lexington Requires a Breadth of Service Offerings to Airline Hubs

### Domestic Top 25

<table>
<thead>
<tr>
<th>Rank</th>
<th>Destination</th>
<th>Passengers Per Day Each Way</th>
<th>Average Fare</th>
<th>Nonstop Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Orlando</td>
<td>127</td>
<td>$88</td>
<td>Yes</td>
</tr>
<tr>
<td>2</td>
<td>Ft. Lauderdale</td>
<td>67</td>
<td>$122</td>
<td>Yes</td>
</tr>
<tr>
<td>3</td>
<td>New York (LGA)</td>
<td>48</td>
<td>$192</td>
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<tr>
<td>4</td>
<td>St. Petersburg</td>
<td>46</td>
<td>$67</td>
<td>Yes</td>
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<tr>
<td>5</td>
<td>Atlanta</td>
<td>40</td>
<td>$215</td>
<td>Yes</td>
</tr>
<tr>
<td>6</td>
<td>Dallas/Ft. Worth</td>
<td>36</td>
<td>$226</td>
<td>Yes</td>
</tr>
<tr>
<td>7</td>
<td>Fort Myers (Punta Gorda)</td>
<td>35</td>
<td>$79</td>
<td>Yes</td>
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<td>8</td>
<td>Chicago O'Hare</td>
<td>34</td>
<td>$219</td>
<td>Yes</td>
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<td>9</td>
<td>Washington Reagan</td>
<td>33</td>
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<td>Los Angeles Reagan</td>
<td>31</td>
<td>$223</td>
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<tr>
<td>11</td>
<td>Orlando Sanford</td>
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<td>Yes</td>
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<td>12</td>
<td>Las Vegas</td>
<td>26</td>
<td>$203</td>
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<td>13</td>
<td>Detroit</td>
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<td>14</td>
<td>Charlotte</td>
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<td>$183</td>
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<tr>
<td>15</td>
<td>Minneapolis/St. Paul</td>
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<td>$205</td>
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<td>San Francisco</td>
<td>21</td>
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<td>17</td>
<td>Houston Bush</td>
<td>21</td>
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<td>18</td>
<td>Boston</td>
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<td>23</td>
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<td>24</td>
<td>San Antonio</td>
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<tr>
<td>25</td>
<td>Seattle</td>
<td>16</td>
<td>$244</td>
<td>No</td>
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### International Top 25

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Passengers Per Day Each Way</th>
<th>Average Fare</th>
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<tbody>
<tr>
<td>1</td>
<td>Japan</td>
<td>13</td>
<td>$1,236</td>
</tr>
<tr>
<td>2</td>
<td>United Kingdom</td>
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<td>$496</td>
</tr>
<tr>
<td>3</td>
<td>Mexico</td>
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<td>4</td>
<td>Canada</td>
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<td>Germany</td>
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<tr>
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<td>France</td>
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<td>Philippines</td>
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<td>$849</td>
</tr>
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<td>Netherlands</td>
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<tr>
<td>23</td>
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<td>24</td>
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<td>$632</td>
</tr>
<tr>
<td>25</td>
<td>Denmark</td>
<td>1</td>
<td>$562</td>
</tr>
</tbody>
</table>

Data Source: Bureau of Transportation Statistics (BTS) & Ailevon
**Demand Projections**

- **Scenario Based Approach**
  - **General Assumptions**
    - Increase in Aircraft Size (Reduction in Frequency)
    - Applied Compounded Annual Growth Rate of 1% to Enplanements
    - Assumed Flat Seat Capacity until Upgrade in Aircraft Equipment/Size
  - **High Scenario (Built from Medium Scenario)**
    - Allegiant increases to 5 time weekly service to all nonstop Florida cities (2014)
    - Allegiant opens a new operations base in the Eastern Region and increases Lexington service (2023)
    - Spirit or Frontier (Ultra-Low Cost Carrier) add Lexington Service (2028)
  - **Medium Scenario**
    - Assumes flat seat capacity
    - Assumes reduction in frequency as aircraft size is upgraded
    - Traffic grows at 1% annually
    - No significant change in network carrier destinations
    - Allegiant backfills AirTran withdrawal – Orlando market (2013)
  - **Low Scenario (Built from Medium Scenario)**
    - Delta eliminates service to Minneapolis/St. Paul – Regional Jet economic (2017)
    - Low-Cost Carriers increase service offerings at Nashville & Columbus (2020)
    - Ultra-Low-Cost Carrier initiates service at Cincinnati (2025)
Demand Projections

Annual Enplanement Forecast

Note: Annual Projections based on Year Ending 3rd Quarter
## Demand Projections

### Forecast Metric

<table>
<thead>
<tr>
<th>Forecat Metric</th>
<th>Existing 2011</th>
<th>2016 High</th>
<th>2016 Medium</th>
<th>2016 Low</th>
<th>2021 High</th>
<th>2021 Medium</th>
<th>2021 Low</th>
<th>2031 High</th>
<th>2031 Medium</th>
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<td>600,130</td>
<td>541,474</td>
<td>541,474</td>
<td>627,751</td>
<td>569,095</td>
<td>542,288</td>
<td>730,305</td>
<td>628,634</td>
<td>565,705</td>
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<tr>
<td>Peak hour Enplanements</td>
<td>220</td>
<td>260</td>
<td>235</td>
<td>235</td>
<td>272</td>
<td>247</td>
<td>235</td>
<td>317</td>
<td>272</td>
<td>245</td>
</tr>
<tr>
<td>Annual Departures</td>
<td>13,959</td>
<td>11,541</td>
<td>11,125</td>
<td>11,125</td>
<td>10,401</td>
<td>9,985</td>
<td>9,551</td>
<td>9,098</td>
<td>8,370</td>
<td>7,936</td>
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<tr>
<td>Peak Month Departures</td>
<td>1,340</td>
<td>1,108</td>
<td>1,068</td>
<td>1,068</td>
<td>998</td>
<td>959</td>
<td>917</td>
<td>873</td>
<td>803</td>
<td>762</td>
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<td>Peak Day Departures</td>
<td>43</td>
<td>36</td>
<td>34</td>
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<td>31</td>
<td>30</td>
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<td>Peak Hour Departures</td>
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<td>5</td>
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<td>4</td>
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</tbody>
</table>

**Note:** Annual Projections based on Year Ending 3rd Quarter

### Air Service Actions

<table>
<thead>
<tr>
<th>Year</th>
<th>High Scenario</th>
<th>Medium Scenario</th>
<th>Low Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>No Event</td>
<td>Allegiant backfills AirTran withdrawal (Orlando Markets)</td>
<td>No Event</td>
</tr>
<tr>
<td>2014</td>
<td>Allegiant increase nonstop Florida service to 5 flights weekly</td>
<td>No Event</td>
<td>No Event</td>
</tr>
<tr>
<td>2017</td>
<td>No Event</td>
<td>No Event</td>
<td>Delta eliminates service to Minneapolis/St. Paul</td>
</tr>
<tr>
<td>2020</td>
<td>No Event</td>
<td>No Event</td>
<td>Low-Cost carriers increase service offerings at Nashville &amp; Columbus</td>
</tr>
<tr>
<td>2023</td>
<td>Allegiant opens a new operations base (Eastern Region), increases Lexington Service</td>
<td>No Event</td>
<td>No Event</td>
</tr>
<tr>
<td>2025</td>
<td>No Event</td>
<td>No Event</td>
<td>Ultra-Low-Cost carrier initiates service at Cincinnati</td>
</tr>
<tr>
<td>2028</td>
<td>Spirit or Frontier (Ultra-Low Cost) carrier adds Lexington service</td>
<td>No Event</td>
<td>No Event</td>
</tr>
</tbody>
</table>
Developed “Plug ‘n Play” Contingencies

- Lower likelihood of occurring
- Driven primarily by industry trends outside of the Lexington Market

<table>
<thead>
<tr>
<th>High Scenario</th>
<th>Medium Scenario</th>
<th>Low Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philadelphia service</td>
<td></td>
<td></td>
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<tr>
<td>competitor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2028 Allegiant enhanced fuel efficiency &amp; initiates</td>
<td>2028 No Event</td>
<td>2028 No Event</td>
</tr>
<tr>
<td>long-haul flying from Lexington</td>
<td></td>
<td></td>
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</tbody>
</table>
General Aviation
Forecast Drivers

• National/International
  ➢ Stagnant U.S. Economy (Recovery?)
  ➢ Socioeconomic (Employment, Disposable Income, Energy Cost)
  ➢ Corporate Business Strategies (International Growth)

• Regional
  ➢ Competing Airports
  ➢ Socioeconomic

• Local
  ➢ Economy
  ➢ Supply and Demand
National & Regional Trends

• **Economy & Socioeconomic** *(State)*
  - Condition of economy *(Recession or Recovery?)*
  - Projected socioeconomic demographics over next 20-years is strong

• **Service Area** *(Airports within 30 Nautical Miles)*
  - Lexington is the Predominant Corporate Aviation Center *(90% of Based Aircraft)*
  - Competition for General Aviation Traffic Service Area Airports
    - Jet-Capable Facilities with Some Support Services
    - No Enhanced Support Services *(ARFF, ILS, ATCT, Etc.)*

• **Fleet Mix Trends**
  - **Piston**
    - Single-Engine *(Limited Growth)*
    - Multi-Engine *(Decline)*
    - 27% decline in hours flown *(2001-2010)*
  - **Turbine**
    - 29% Growth in Hours Flown *(2001-2010)*
    - Significant growth in shipment of business jets *(2003-2008)*
    - Significant growth in Fractional Ownership programs
      - Half of all orders projected – North American clients
  - **Flight Training**
    - Growth opportunity *(Pilot Shortage & Demand)*

---

*Graphs showing annual shipments of turbine aircraft and growth in U.S. general aviation fleet from 2012 to 2030.*
Local Considerations

• General Aviation Itinerant
  - Impact of Recession
    - In line with national and state trends
  - Socioeconomic
    - Earnings (corporate)
    - Personal Income (general aviation)

• Traffic Mix
  - Fractional Ownership Programs
  - Itinerant Traffic is Domestic & Smaller Turbine Aircraft

• Master Plan Tenant Interviews
  - Positive Outlook on Demand for Services
  - Expansion Plans Identified (Short & Long Term)
  - Demand Influences
    - Economy
    - Corporate & Business Environment
    - Competing Airports & Rate Structures
    - Utilization of Georgetown & Frankfort for Training Activities
    - Hangar Lease Terms & Reversion Clause
  - Desire to Utilize Runway 9-27 Development
Demand Projections (Based Aircraft)

- **Master Plan Assumes the Following:**
  - Based Aircraft in 2012 & 2013 Remain Constant Given Current Economic Conditions
  - Current Hangar Waiting List will be Absorbed throughout the 20-Year Planning Period
  - New Hangar Units may be Constructed in 2013

- **Master Plan Demand Projections**
  - **Single-Engine Aircraft**
    - Projection: 1.5% Annual Growth
    - Demand for Flight Training & Lexington Flying Club
    - Considerations of Competing Airports
  - **Demand for Multi-Engine Aircraft** *(Non-Jet Aircraft)*
    - Projection: 1.0% Annual Growth
    - Growth Opportunities in Multi-Engine Turbine Aircraft (i.e. King Air)
    - Projected Growth in Corporate Utilization & Business Environment
  - **Demand for Corporate Jet Aircraft (Turbine)**
    - Projection: 3.0% Annual Growth
    - Significant Historic Growth (7 Based Aircraft in 2001 to 19 Aircraft in 2011)
    - Limited Facility Expansion Opportunities for Large Aircraft Storage
    - Current Hangar Capacity for Corporate Jets
    - Market Share of Jet Based Aircraft within Region (>90%)
Demand Projections (Aircraft Operations)

• **Decline Considerations** *(Historic)*
  - Corporate Utilization
  - Public Perceptions
  - Personal Use
  - Flight Training
  - Impact of Georgetown & Frankfort

• **Growth Considerations**
  - Economic Recovery
  - Increased Flight Training
  - Increased Aircraft Maintenance & Repair Services
  - Utilization of Runway 9-27 Development

• **Conservative Growth Projected**
  - Economic Condition (Current)
  - Controlled Airspace
  - No Airfield Capacity Issues Identified

“Growth Back to Pre-9/11 Levels”
Moving Forward (General Aviation)

- **Master Plan Tenant Interviews**
  - Generally Satisfied with Current Operating Environment
  - Desire to Utilize Runway 9-27 Development
  - Level of Congestion & Potential Safety Considerations in One Area
    - TAC Air, Mustang Aviation, Aero-Tech, General Aviation Hangars

- **Facility Requirements**
  - Aircraft Hangars (T-Hangars, Corporate, Community, Etc.)
  - Apron Utilization
  - Runway 9-27 Development Area
  - Facility Condition Assessment
  - Prioritization of Development Objectives
  - Hangar Lease Terms & Reversion Clause

- **Overall Master Plan Focus will be**
  Land Use Utilization & Prioritization of Facility Developments