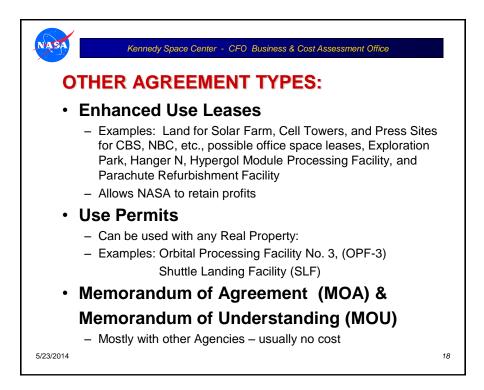
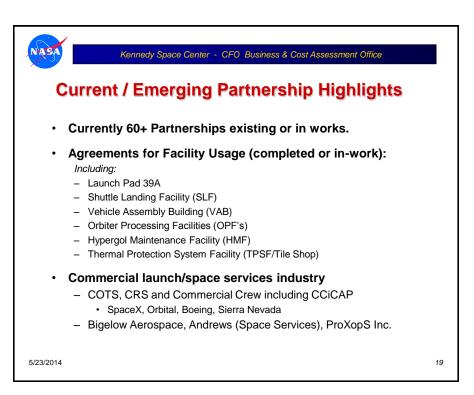
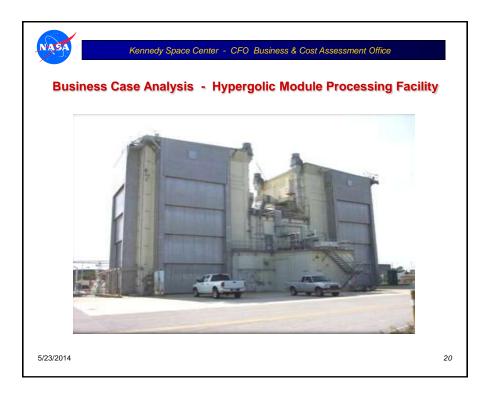
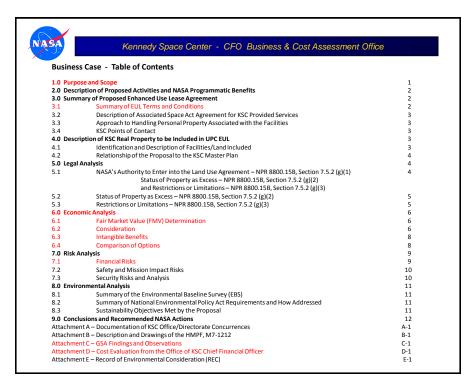


Summary of Legal Authorities:							
REIMBURSABLE CUSTOMER	AGREEMENT	PRICING					
Federal Government	Economy Act	Actual Full Cost					
Federal Government Non-federal Government Private entities	Space Act	 Cost-Based Market-Based Fair and Reasonable (at less than full cost) 					
Private Sector	Commercial Space Launch Act (CSLA)	Direct Cost					
Non-Federal	Commercial Space Competitiveness Act (CSCA)	Direct or Full Cost					









Fair Market Value Determination: Fee Simple value (- from Appraisal) (Includes: Statement that facilities & services are unique - no competition with local supp Consideration: (NASA Guide for Enhanced Use Leasing of Real Property - NPR 8800.15B) Annual Lease Value (- from Appraisal) CM&O Tax (16.0%) TOTAL: TOTAL over 15 YR. TERM (w/2.5% escalation): Intangible Benefits: 1. Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. 2. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: 1. Leave facilities in current condition 2. Sell property through GSA Excess process	Office essing Facility
(Includes: Statement that facilities & services are unique - no competition with local supp Consideration: (NASA Guide for Enhanced Use Leasing of Real Property - NPR 8800.15B) Annual Lease Value (- from Appraisal) CM&O Tax (16.0%) TOTAL: TOTAL over 15 YR. TERM (w/2.5% escalation): Intangible Benefits: 1. Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. 2. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: 1. Leave facilities in current condition	
Consideration: (NASA Guide for Enhanced Use Leasing of Real Property - NPR 8800.15B) Annual Lease Value (- from Appraisal) CM&O Tax (16.0%) TOTAL: TOTAL over 15 YR. TERM (w/2.5% escalation): Intangible Benefits: 1. Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. 2. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: 1. Leave facilities in current condition	\$230,000
 (NASA Guide for Enhanced Use Leasing of Real Property - NPR 8800.15B) Annual Lease Value (- from Appraisal) CM&O Tax (16.0%) TOTAL: TOTAL over 15 YR. TERM (w/2.5% escalation): Intangible Benefits: 1. Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. 2. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: 1. Leave facilities in current condition 	liers.)
Annual Lease Value (- from Appraisal) CM&O Tax (16.0%) TOTAL: TOTAL over 15 YR. TERM (w/2.5% escalation): Intangible Benefits: 1. Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. 2. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: 1. Leave facilities in current condition	
CM&O Tax (16.0%) TOTAL: TOTAL over 15 YR. TERM (w/2.5% escalation): Intangible Benefits: 1. Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. 2. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: 1. Leave facilities in current condition	
TOTAL: TOTAL over 15 YR. TERM (w/2.5% escalation): Intangible Benefits: 1. Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. 2. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: 1. Leave facilities in current condition	\$33,000
TOTAL over 15 YR. TERM (w/2.5% escalation): Intangible Benefits: 1. Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. 2. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: 1. Leave facilities in current condition	5,280
Intangible Benefits: 1. Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. 2. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: 1. Leave facilities in current condition	\$38,280
 Supports NASA goal to encourage, enable and support 'Commercial Use of Space'. Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: Leave facilities in current condition 	\$686,000
 Sustain availability of skilled workers in KSC local area & help offset losses from en Comparison of Options: Leave facilities in current condition 	
Comparison of Options: 1. Leave facilities in current condition	
1. Leave facilities in current condition	d of SSP.
2. Sell property through GSA Excess process	
3. Provide use of property under an EUL for Commercial space operations and supp	ort
5/23/2014	

	Kennedy Space Center - CFO Business & Cost Assessment Office	
-	Business Case Document for UPC use of HMP	_
	Barview of Approximat	
	Proc the Hypergel Mitchile Processing Building Stauht And the Hypergel Support Building National Asstration and Space Administration John F. Newsely Space Derive, Fassis 2009	
	It is my opinion that the completeness, accuracy, adequacy, relevance and reasonable- ness of the appraisal report under review substantially meet the requirements stated in Standards 1 and 2 of the current edition of the Unidown Standards of Professional Appraisal Practice (USPAP), contractual requirements and client needs. Therefore, I approve this report and the use of the following values as of July 19, 2012:	
	FAIR MARKET VALUE	
	HYPERGOL MODULE PROCESSING BUILDING \$230,000	
	HYPERGOL SUPPORT BUILDING - \$570,000	
	FAIR ANNUAL RENT	
	HYPERGOL MODULE PROCESSING BUILDING - \$33,000	
	HYPERGOL SUPPORT BUILDING - \$91,000	
	JACK FANNIN Certified General Real Property Appraiser Georgia #348944 REGIONAL APPRAISER REAL PROPERTY DISPOSAL (4P2)	



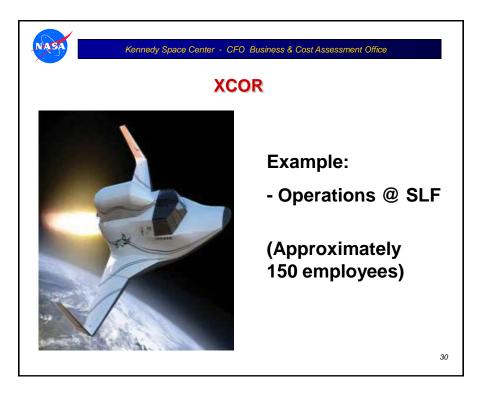
Busir	ess Case for Commercial Use of Hangar N (including Pe	rsonal Property)
	et Value Determination: A Appraisal in accordance with NPR 8800.15B - for Real Property Management	
Considera	ition:	
	Annual Lease Value (- from Appraisal) Facility Service Charge (1.9%) TOTAL:	\$144,628 2,748 \$147,376
	Personal Property Annual Rental Reimbursement Facility Service Charge (1.9%) TOTAL:	\$109,391 * 2,078 \$111,469
	Essential Direct Support Services – Annual Estimate Center Management & Operations (CM&O) TOTAL: ANNUAL TOTAL (1 st YEAR):	\$109,445 2,432 \$111,877 \$370,722
Intangible I	· · · ·	<i>\$576,722</i>
	 Supports NPR 8800.15B requirement for maximizing value of underutilized rr Sustains availability of skilled workers in KSC local area & helps offset losses 	,
Compariso	n of Options:	
	 Leave facilities in current condition Sell property through GSA Excess process Demolish Facility and sell NDE Equipment 	
5/23/2014	4. Provide use of property under an EUL for Commercial space support	category on payt slide

Business Case for Hangar N - Personal Property Lease Rate Calculation:									
FAR 52.245-9 - Use and Charges Paragraph (e)(2) - Other Government Property									
"The rental charge is calculated by multiplying 2 percen dividing by 720."	t oj	f the acquisitio	n cost by the	ho	urs or rental ti	me, and			
Example: Robot/Controls - Use Charge = Acquisition Value	Je	= (\$3,603,191 *	* 2.0% /720) =	- 5	<u>\$100.09</u> * 20 hr	s. = <u>\$2,002</u>			
18 NDE Capabilities		Gov't Acq Cost	Projection (Hours of Use)		Lease Rate (Hourly)	12 Month Revenue			
K = X-ray	\$	1,538,337	1684	\$	42.73	\$71,96			
KS = X-ray Safety	\$	6,460	1684	\$	0.18	\$30			
J = Ultrasound	\$	875,304	750	\$	24.31	\$18,2			
M = Mechanical Test	\$	1,190,618	10	\$	33.07	\$33			
= Infrared	\$	933,433	200	\$	25.93	\$5,18			
F= Thermography	\$	508,350	10	\$	14.12	\$14			
E = Eddy Current	\$	347,217	450	\$	9.64	\$4,34			
= Liquid Penetrant/Magnetic Particle	\$	45,305	200	\$	1.26	\$25			
S= Shearography	\$	337,490	40	\$	9.37	\$37			
R = Related Support Equipment Critical for NDE Operations	\$	325,206	183	\$	9.03	\$1,65			
C = Highly Specialized Computer, NDE Data Systems, Digital Systems	\$	444,506	240	\$	12.35	\$2,96			
CS=Calibration Standard	\$	174,681	183	\$	4.85	\$88			
SCS = Specialized Calibration Standards	\$	564,562	10	\$	15.68	\$15			
RC=Robot & Controls	\$	3,603,191	20	\$	100.09	\$2,00			
P = Photography	\$	74,338	110	\$	2.06	\$22			
P = Specialized Photography	\$	220,000	10	\$	6.11	\$6			
D = Data Acquisition	\$	300,370	20	\$	8.34	\$16			
E = Infratructure Equipment	\$	29,527	183	\$	0.82	\$15			
	Ś	11,518,895	5.987			\$109.3			

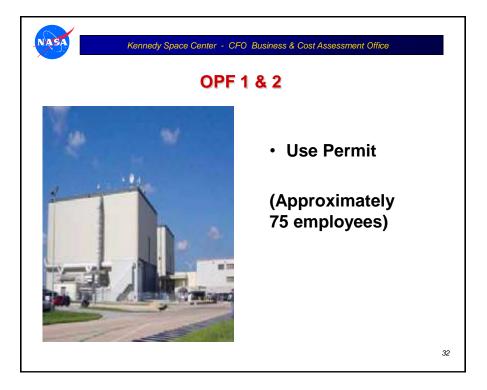


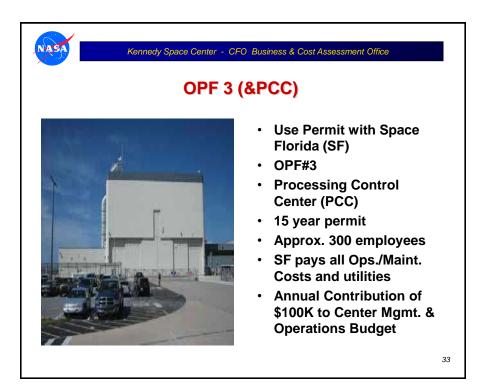




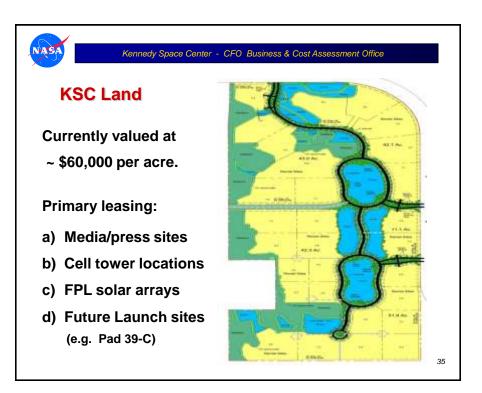




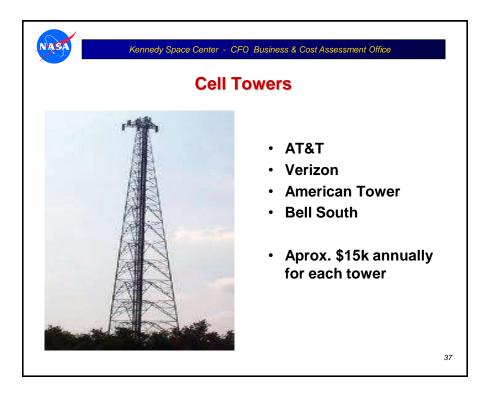




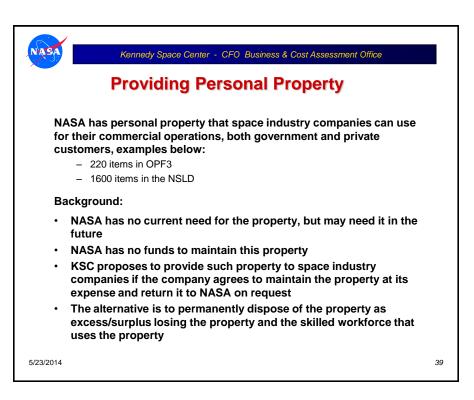


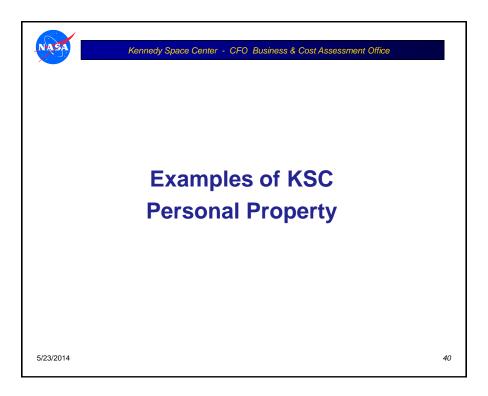


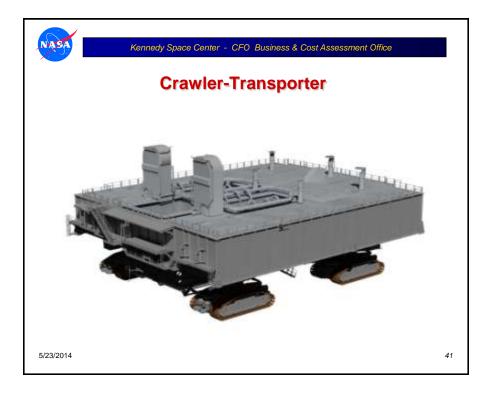














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