



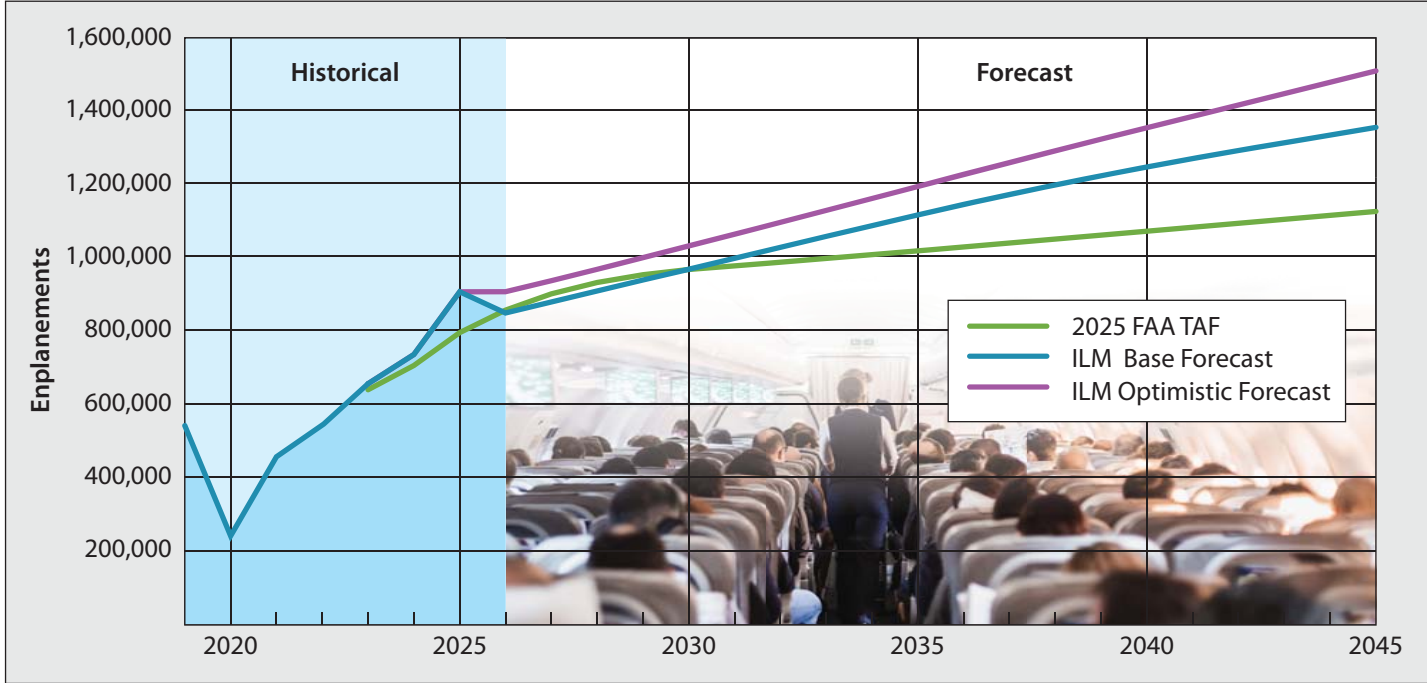
Wilmington International Airport (ILM)
 1740 Airport Boulevard
 Wilmington, NC 28405

EXECUTIVE SUMMARY
 Board Approved 2/25/2026

Section 2 | FORECASTS

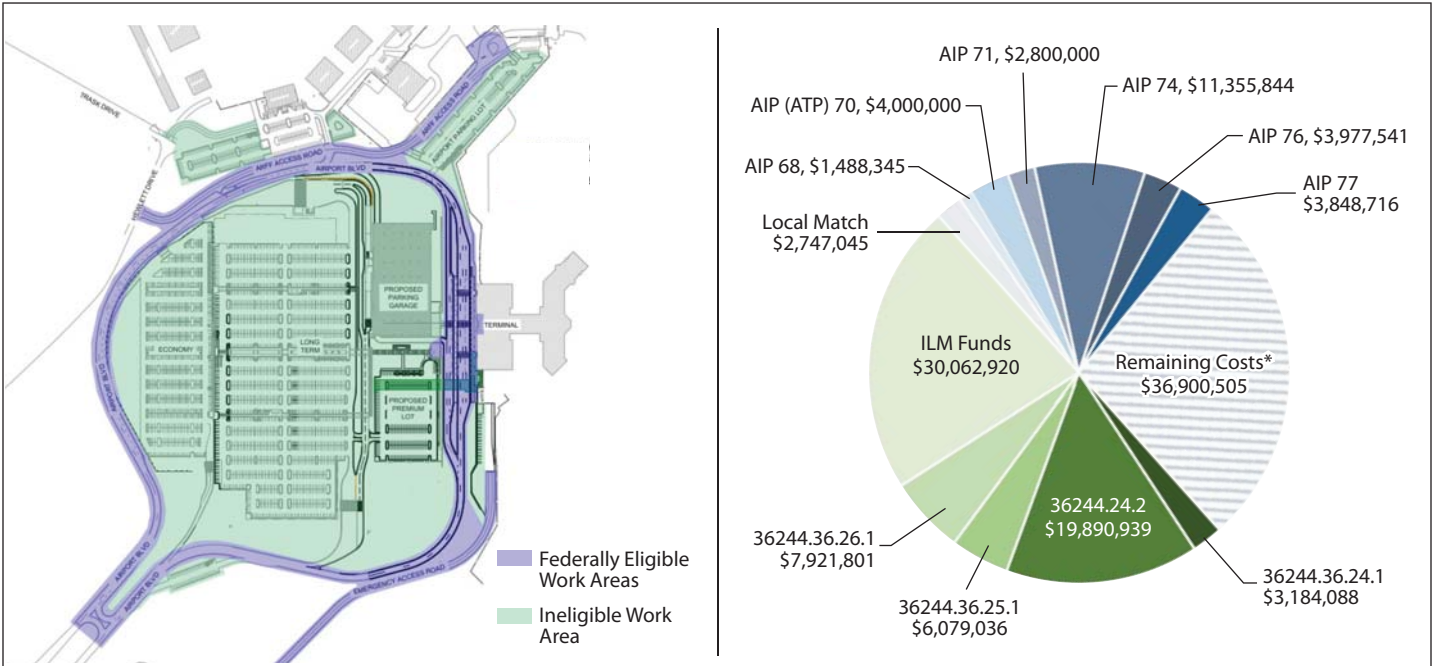
Commercial airline passenger forecasts were developed based on the FAA's Terminal Area Forecast (TAF) model. A modification was made to adjust the TAF's baseline figure, which was substantially lower than the actual 2025 level. The updated passenger projection was informative in developing a plan to improve and modernize passenger baggage facilities, parking, curb front, and ticket counter space. A consulting company with forecasting experience was used to develop the base forecast and the optimistic forecast.

PASSENGER DEMAND FORECASTS



The airport experienced its highest enplanement level in 2025, placing strain on facilities during peak periods, especially on access roads, the terminal curb, parking facilities, gates, ticket counters, rental car space, and baggage facilities. To address these constraints, the Vision Plan includes realigning Airport Boulevard, reconfiguring the terminal curb to meet current and future demand, and expanding parking. The expanded loop and elongated terminal curb will better serve ground vehicle access to the airport and allow for space to provide more parking and access to growing demand in phases over the next 20 years. Over the next five years, ILM plans to grow parking and car rental facilities to meet forecasted demand. This will include a parking deck, internal parking lot shuttle and many other parking capacity features improving the customer experience at ILM. During this time, the airport will also rehabilitate significant portions of its primary runway and plan the next phase of the terminal expansion.

ROAD, CURB PROJECT FINANCIAL SUMMARY



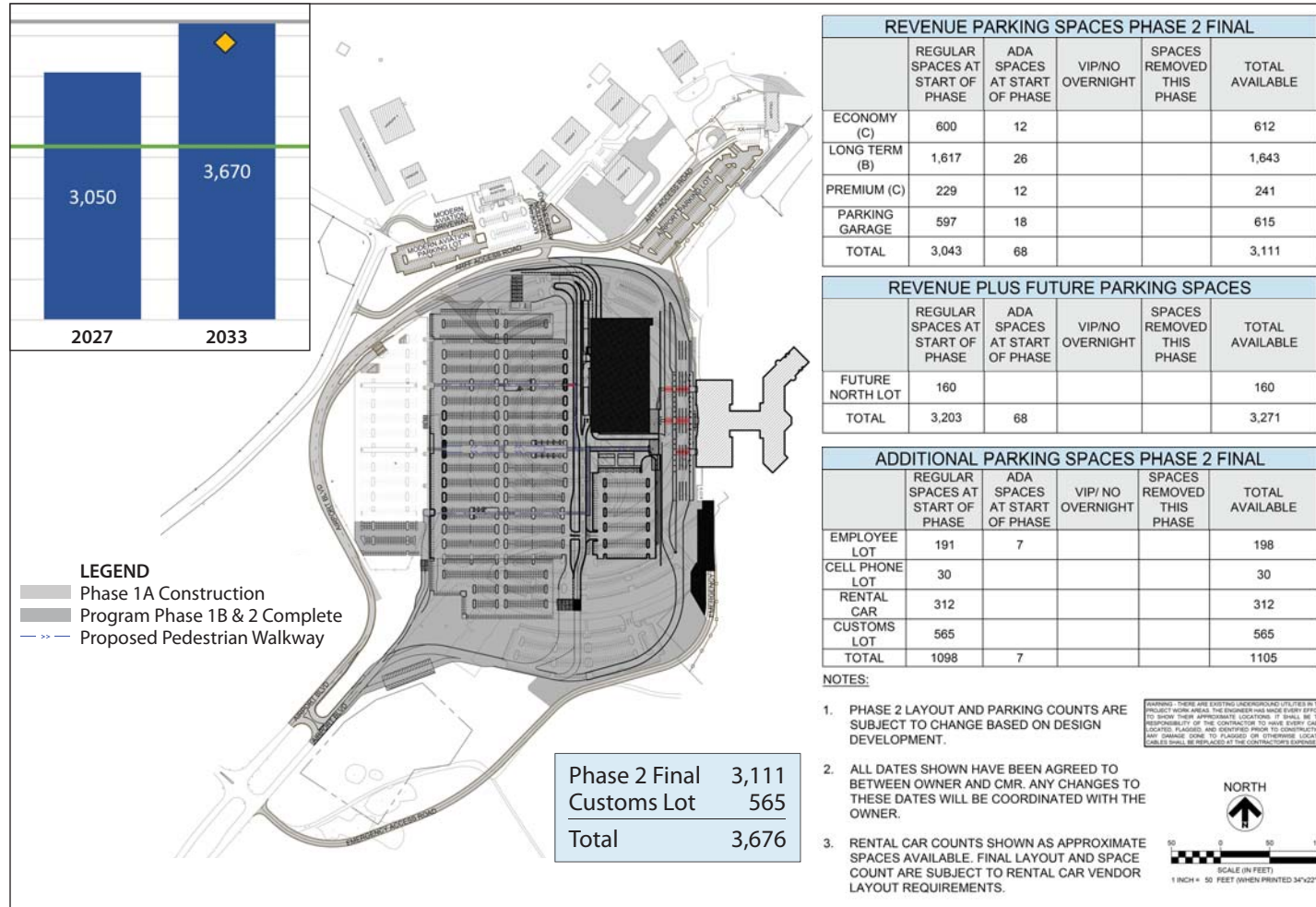
Section 3 | TEN-YEAR CAPITAL PLAN (2022-2031)

Airports must prepare and submit a five-year airport capital improvement program (ACIP) to the FAA. The ACIP is key in setting the stage for eligibility and authorization for federal funding assistance. As part of an annual process the ACIP can be modified to suit the ever-changing needs of the airport and its users. The Vision Plan outlines the current five-year ACIP, plus other capital projects not in the ACIP, considering grants available both in-hand and expected from the FAA, NCDOT, and other funding sources, such as passenger facility charges (PFC) from airline ticket sales, customer facility charges (CFC) from rental car sales, and reserve fund balances. The primary goal of the Vision Plan is to address capacity constraints and prevent future constraints of the terminal building, associated roadways, and parking lots, as well as airfield infrastructure for commercial, general aviation and military users. The Vision Plan also accounts for wetlands mitigation, environmental requirements, and other forecast and design expenses.

Total Project Cost: \$134,256,781				
Project Cost Breakdown				
Federally Ineligible		Federally Eligible		
\$67,138,785		\$67,117,996		
Funding to Date (December 2025)				
State	36244.36.24.1	\$3,184,088	AIP 68	\$1,488,345
State	36244.24.2	\$19,890,939	AIP (ATP) 70	\$4,000,000
State	36244.36.25.1	\$6,079,036	AIP 71	\$2,800,000
State	36244.36.26.1	\$7,921,801	AIP 74	\$11,355,844
Total All State:		\$37,075,864	AIP 76	\$3,977,541
ILM Funds		\$30,062,920	AIP 77	\$3,848,716
-			Local Match	\$2,747,045
Total Non-Fed Funded		\$67,138,785	Total Fed Funded	\$30,217,491
Remaining Costs*				\$36,900,505

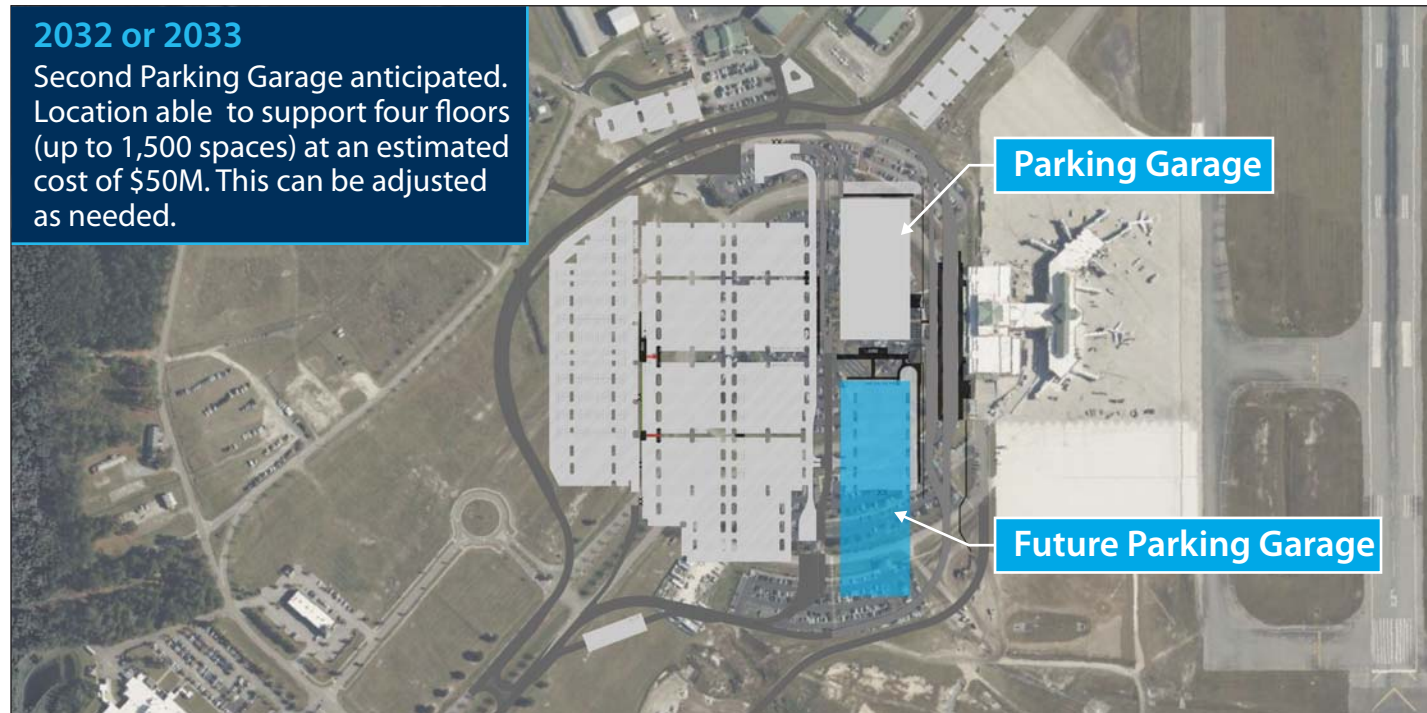
PARKING DEVELOPMENT

Phase 2 Future Long-Term Buildout



2032 or 2033

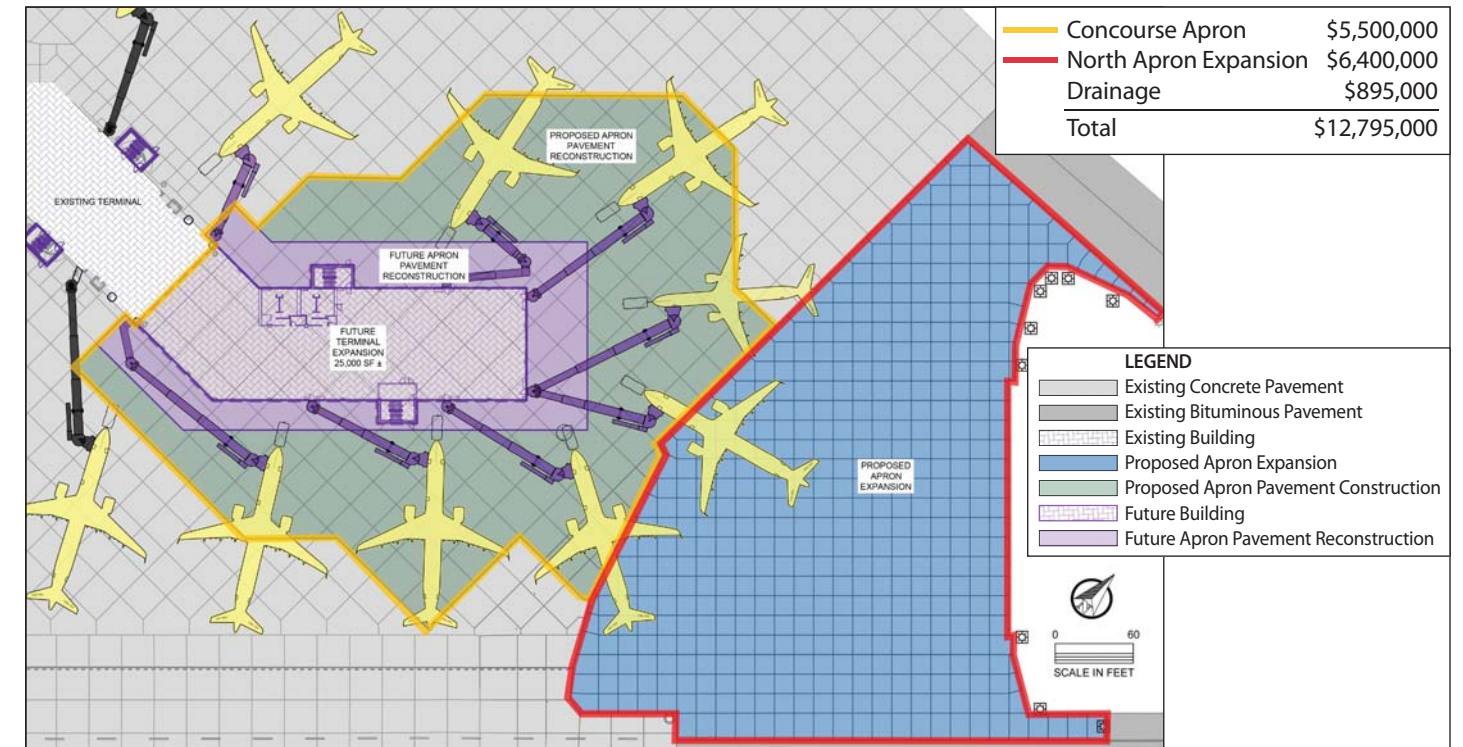
Second Parking Garage anticipated. Location able to support four floors (up to 1,500 spaces) at an estimated cost of \$50M. This can be adjusted as needed.



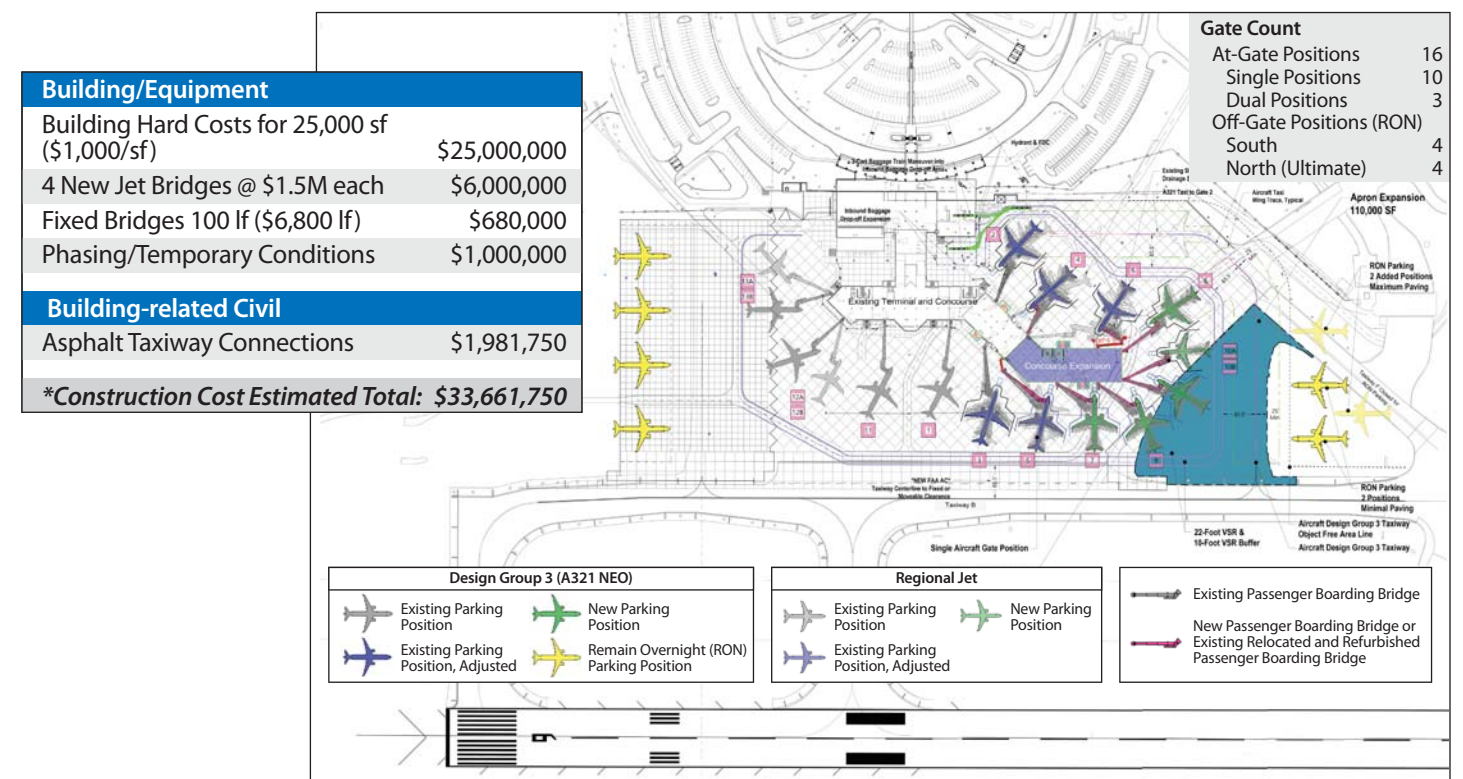
The Ten-Year plan also identifies improvements to the terminal ramps and baggage handling systems to remove growth constraints to the terminal facilities and a future terminal concourse expansion adding 4 gates.

ILM COMMERCIAL RAMP

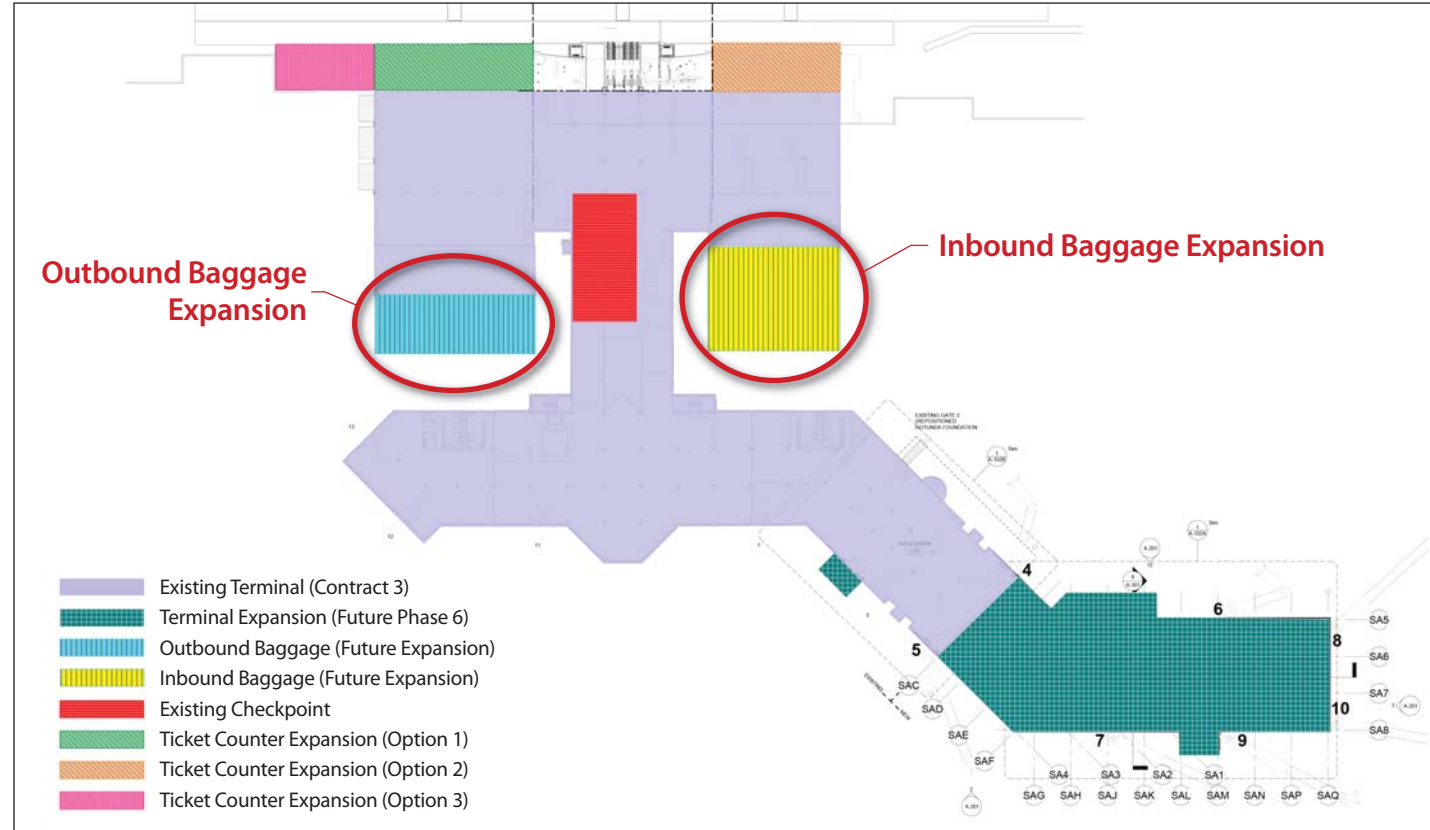
Estimated Project Cost \$12,795,000 | Construction Start Date – Summer/Fall 2026



TERMINAL PHASE 6



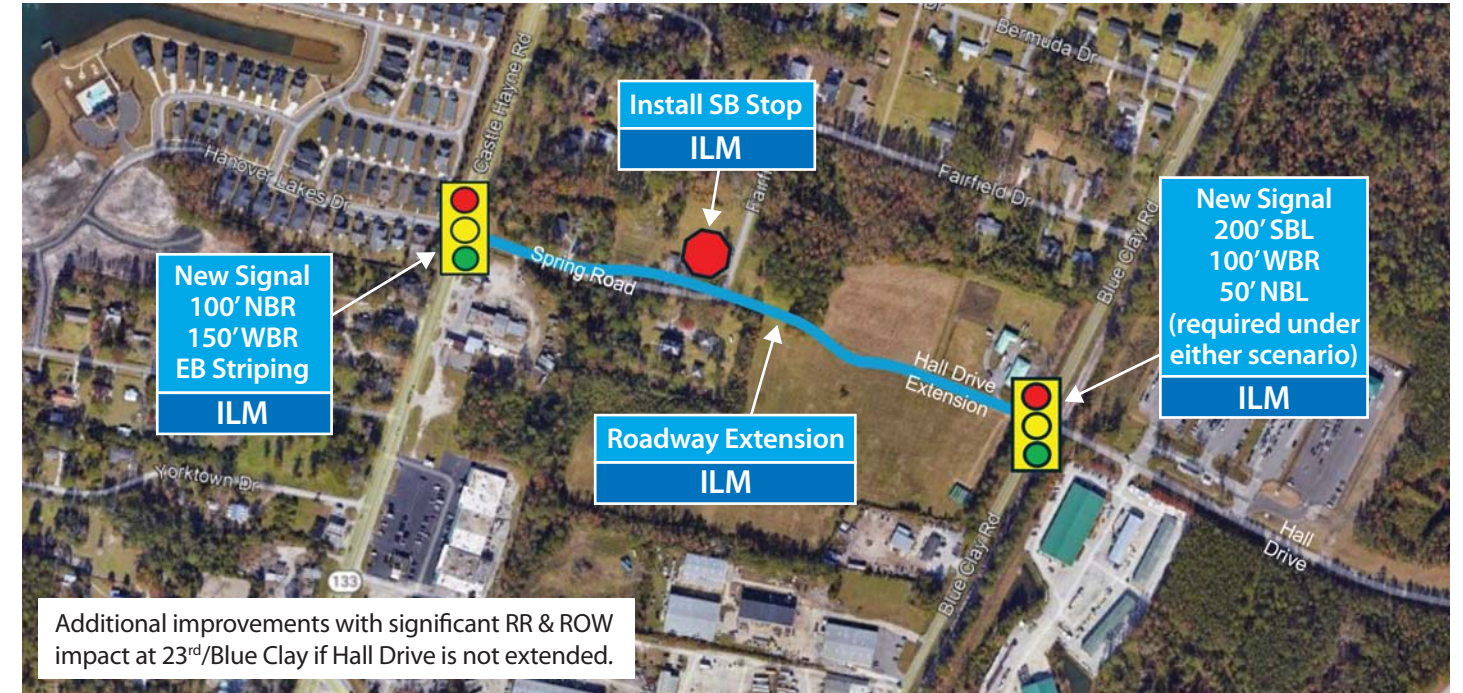
TERMINAL PHASE 6 - IN/OUT BAGGAGE EXPANSION



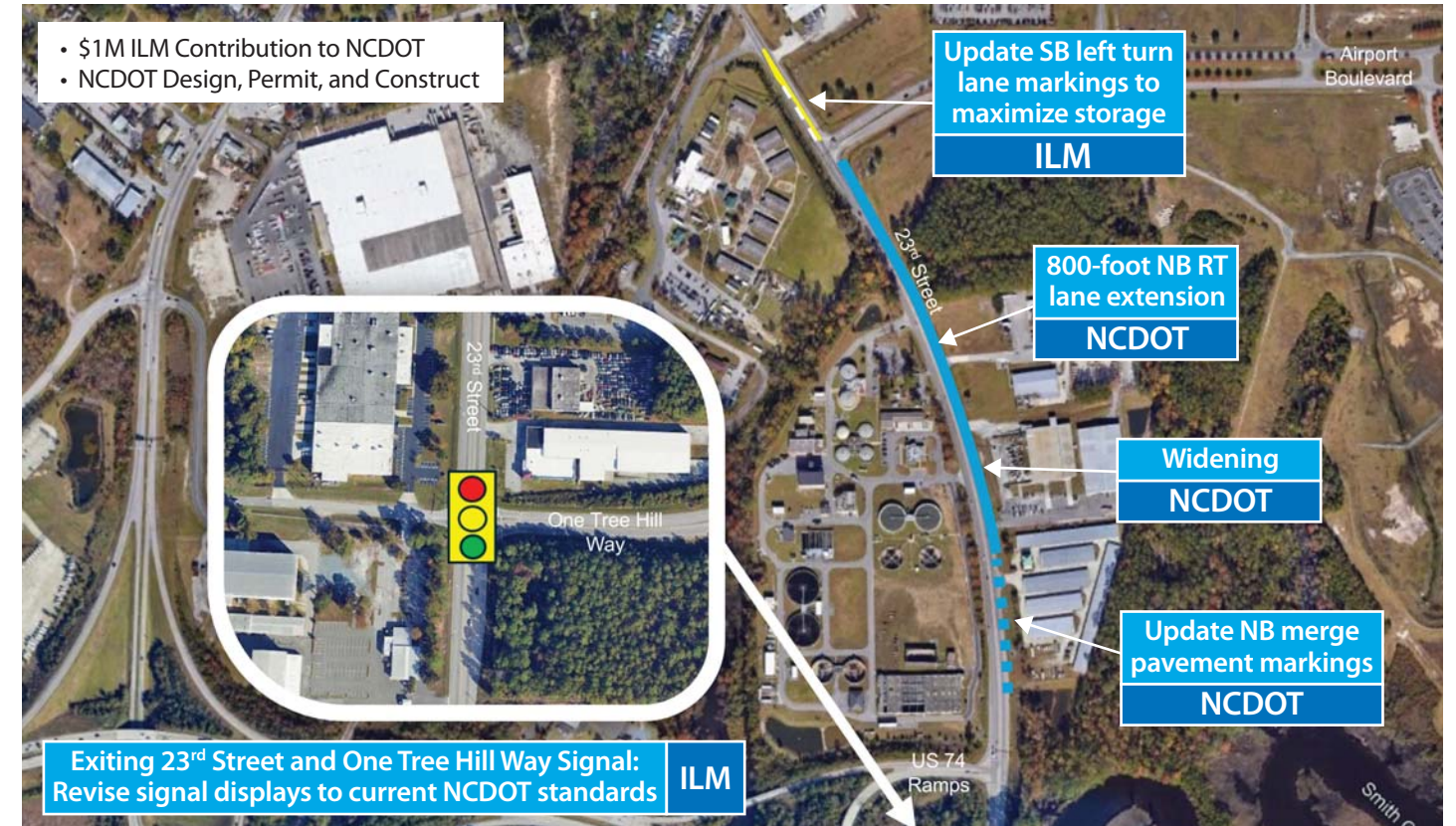
RUNWAY 6-24 REHABILITATION



HALL DRIVE EXTENSION (Estimated Cost \$3,000,000)



23rd STREET IMPROVEMENTS WITH HALL DRIVE EXTENSION



This phase of the capital plan, 2022-2026, will cost approximately \$201M. In the next phase, 2027-2031, the airport will invest another \$99M in its infrastructure to support future operations, investing \$300M in infrastructure at ILM over the 10-year period 2022-2031. Details can be found in the financial plan section.

Section 4 | FINANCIAL PLAN

The Vision Plan outlines financial scenarios based on the two enplanement forecasts – base and optimistic. A main takeaway from this analysis is that operating income increases as enplanements increase. Both scenarios show that ILM is able to sustain an operating profit margin near or above 25% for each year presented. This provides a level of confidence that there will be operating funds available for capital expenditures. The analysis also highlights the fact that, if ILM does not take on new debt, there is an increase in funds available for capital expenditures beginning in 2028 when the current debt is fully paid off.

REVENUE/EXPENSE FORECASTS

	BASE FORECAST				
	2026	2027	2028	2029	2030
Enplanements	850,500	893,025	937,676	965,807	994,781
Operating Revenue					
Business Park	\$3,070,036	\$4,558,624	\$5,097,516	\$5,091,202	\$5,123,299
Aviation	\$2,552,926	\$2,520,000	\$2,557,800	\$2,596,167	\$2,635,110
Terminal	\$15,878,835	\$16,074,450	\$16,878,173	\$17,384,518	\$17,906,053
Total Operating Revenue	\$21,501,797	\$23,153,074	\$24,533,489	\$25,071,887	\$25,664,462
Operating Expense	\$16,691,250	\$17,671,619	\$18,201,767	\$18,747,820	\$19,310,255
Net Operating Income	\$4,810,547	\$5,481,455	\$6,331,721	\$6,324,066	\$6,354,207
Operating Profit Margin	22.4%	23.7%	25.8%	25.2%	24.8%
Debt Service	(\$2,312,500)	(\$2,221,250)	-	-	-
Net Available for Capital Expenditures	\$2,498,047	\$3,260,205	\$6,331,721	\$6,324,066	\$6,354,207
Amount Carried Forward to Estimated Capital Program Cash Flow	\$2,000,000	\$3,000,000	\$4,000,000	\$4,000,000	\$4,000,000
	OPTIMISTIC FORECAST				
	2026	2027	2028	2029	2030
Enplanements	907,000	943,280	981,011	1,010,442	1,040,755
Operating Revenue					
Business Park	\$3,070,036	\$4,558,624	\$5,097,516	\$5,091,202	\$5,123,299
Aviation	\$2,552,926	\$2,520,000	\$2,557,800	\$2,596,167	\$2,635,110
Terminal	\$16,842,990	\$16,979,040	\$17,658,202	\$18,187,948	\$18,733,586
Total Operating Revenue	\$22,465,952	\$24,057,664	\$25,313,518	\$25,875,317	\$26,491,995
Operating Expense	\$16,691,250	\$17,671,619	\$18,201,767	\$18,747,820	\$19,310,255
Net Operating Income	\$5,774,702	\$6,386,045	\$7,111,750	\$7,127,496	\$7,181,740
Operating Profit Margin	25.7%	26.5%	28.1%	27.5%	27.1%
Debt Service	(\$2,312,500)	(\$2,221,250)	-	-	-
Net Available for Capital Expenditures	\$3,462,202	\$4,164,795	\$7,111,750	\$7,127,496	\$7,181,740
Amount Carried Forward to Estimated Capital Program Cash Flow	\$2,000,000	\$3,000,000	\$4,000,000	\$4,000,000	\$4,000,000

In 2025, the Vision Plan included a benchmark analysis comparing ILM to all commercial service airports in the small hub category. This analysis found ILM's revenue per enplaned passenger is in line with its peers in important categories like food and beverage, retail, rental cars, and parking. The airport's rates and charges to the airlines were below average, which shows the operating costs to airlines using ILM are lower, which we believe is good for air service development. Lower cost per enplanement (CPE) indicates to airlines potentially higher profits for them. ILM currently maintains a CPE of \$3.82, lower than the average CPE of \$8.53 for the small hub airport category. This effort to keep the CPE low has been a board policy decision for the last several years.

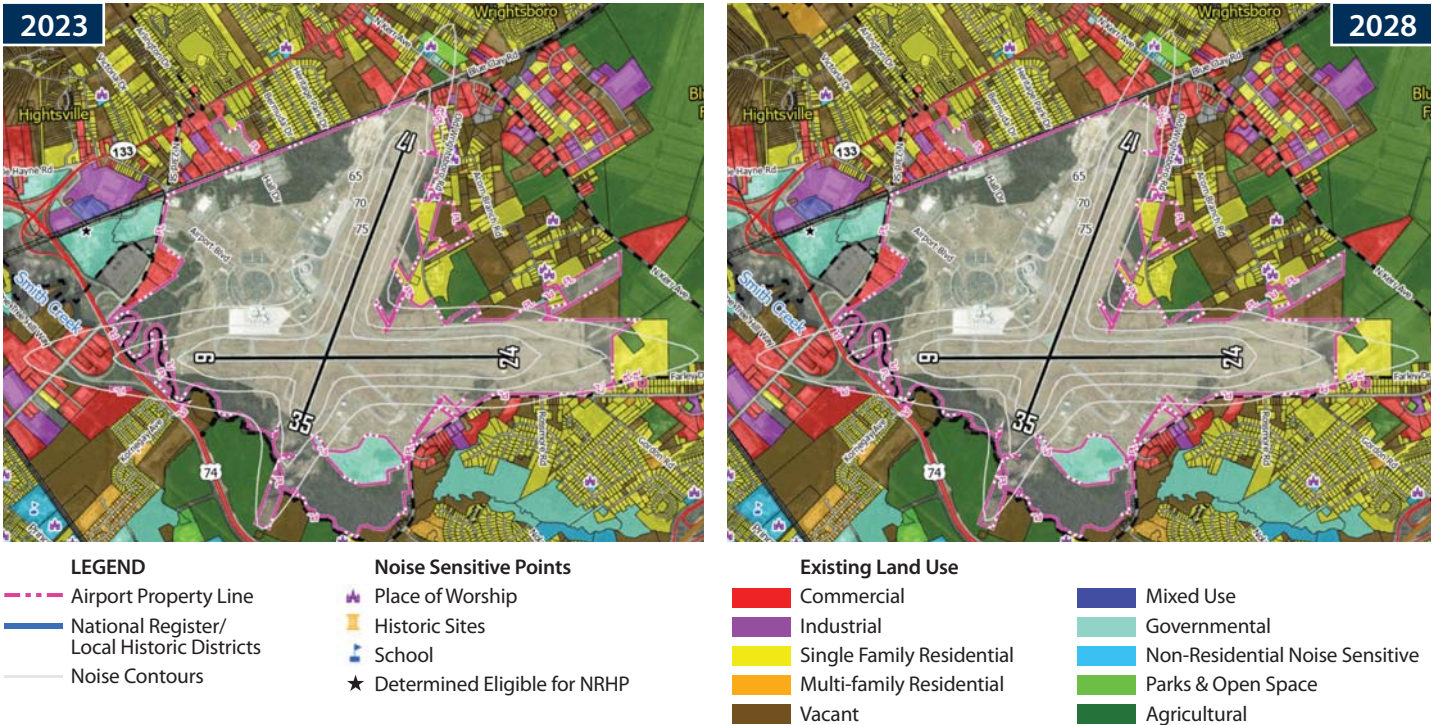
The financial platform of ILM is buoyed by a low operating expense and minimal debt that is substantially lower than peer airports. The NHCAA currently maintains a high level of cash on hand (COH). Current COH extends to approximately 1,593 days, significantly more than the small hub airport category average of 664 days. The airport's capital program in the coming years will draw on the cash reserve reducing the days cash on hand to no less than \$25 Million (similar to our peers in terms of days cash on hand).

ILM expects to fund a majority of the capital program with grants and fees from the FAA, the state DOT, rental car users, and airline passengers (there are no local tax dollars supporting this capital program). The balance of the capital program will be funded with airport reserves. During the planning session, the board decided to maintain the restricted reserve balance at \$15M, with an additional \$10M of emergency funds.

Section 5 | ENVIRONMENTAL/NOISE STUDIES

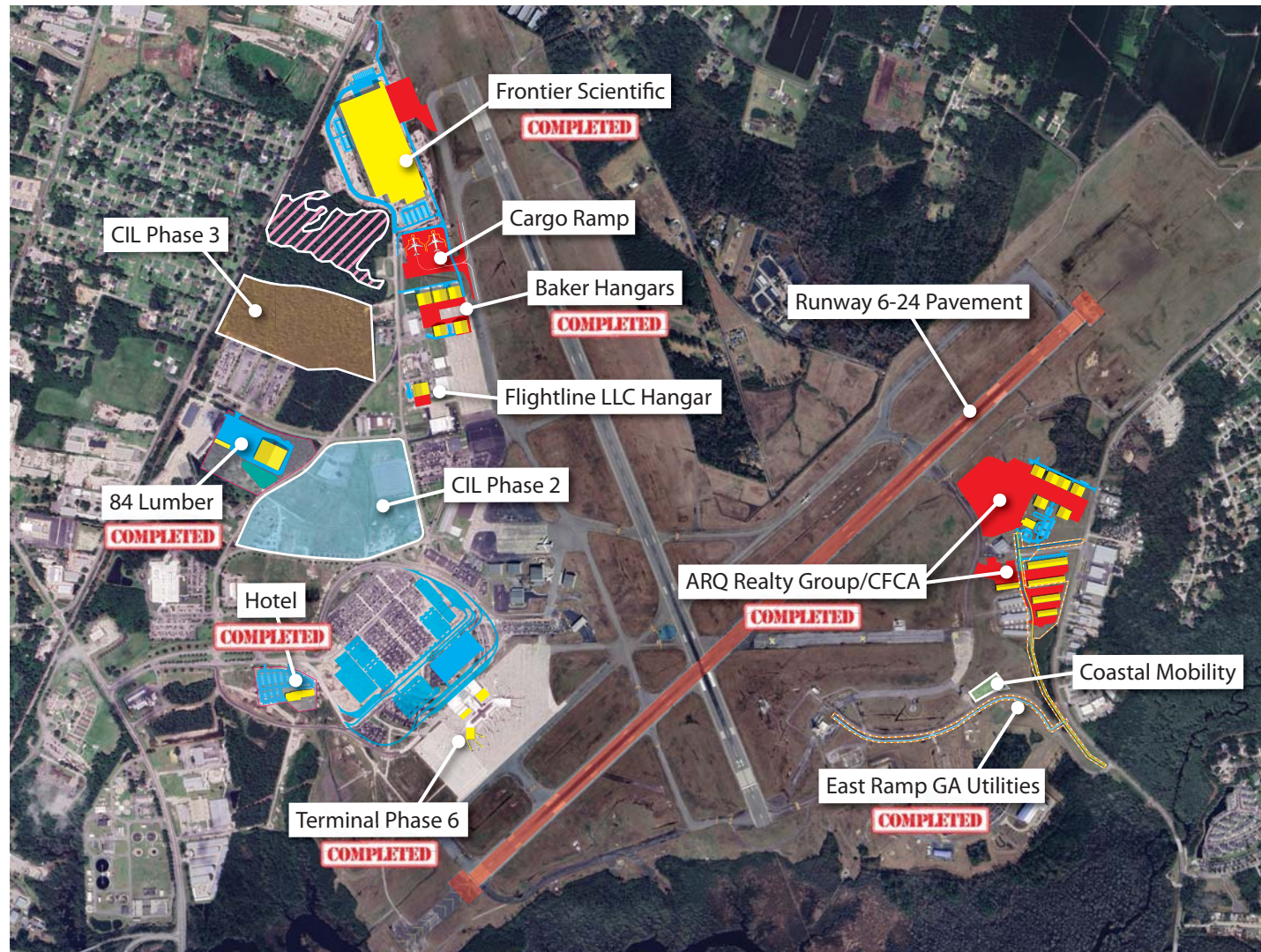
Work has continued on the Part 150 Noise Compatibility Study. The first public meeting for this project was held in May 2024 and the second in November 2025. Draft noise exposure maps have been posted to the noise study website. ILM staff and Coffman Associates are currently working on noise abatement alternatives and land use alternatives. A noise compatibility plan is expected by the end of 2026.

EXISTING AND FUTURE NOISE CONTOURS



FAA approval has been granted for the Frontier Scientific, ARQ Realty/CFCA, East ramp utility, Terminal Phase 6, hotel, Baker Hangars and 84 Lumber projects. National Environmental Policy Act (NEPA) documentation was completed for the Flightline LLC and Baker hangar projects, as well as the CIL 2 and CIL 3 projects.

ENVIRONMENTAL ASSESSMENTS



ANNUAL ECONOMIC IMPACT OF ILM



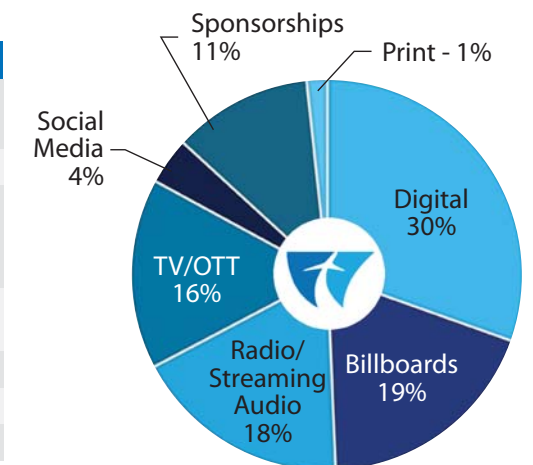
Section 7 | COMMUNICATION AND MARKETING PLAN

ILM has seen a huge increase in passengers over prior years. ILM set a new passenger record for the year, serving 1,826,994 passengers. Marketing is important to ensure the success of existing and new service. ILM's marketing budget amplifies marketing of the airport, as well as new airlines and new non-stop routes.

Marketing results, based on budget spend, included 100+ million impressions and strong click-through rates. Further, total users on the ILM website remain high as well as clicks to partner airline websites. In fact, ILM's website has been a top referring source to the Avelo website for two consecutive years. Social media impressions, mainly organically earned versus paid, included over 13 million impressions with a 34% year over year increase as well as a growing audience across all platforms. ILM notes the importance of continuing a robust marketing program to support ILM, aviation partners, and air service development efforts. Furthermore, ILM continued outreach efforts with a strong presence in the community as a speaker or panelist in approximately 60 engagements and events.

2025 MARKETING SPEND & DATA SUMMARY

Media	Impressions	KPIs
Digital	46,212,788	361,310 Clicks (0.55% CTR) 11,426 Tickets Sold (via Expedia)
Billboards	41.3 million	2.6 million+ Spots
Radio/Streaming Audio	4,950,833	5,777 Total Spots 450 Promos, 534 Live Reads 2,227 Clicks (0.45% CTR)
TV/OTT	9.3 million+ (Organic & Sponsored Views)	672 Total Spots
Social Media	19,196,131	31,243 Clicks (1.01% CTR)
Sponsorships	492,229+ (Email)	71,985 Event Attendees
Print	400,000+	



Section 6 | ECONOMIC IMPACT STUDY

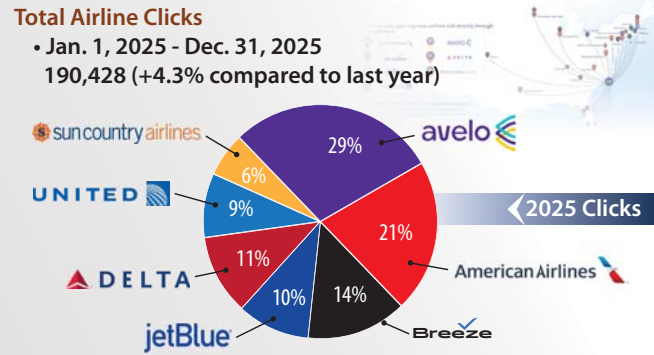
The NCDOT Division of Aviation released their latest State of Aviation Report issued in January 2025. The economic impact of North Carolina's Aviation System was \$72B, 330,000 jobs, and \$3.7B in tax revenue. At ILM, the airport supported 20,905 jobs, \$192.3M in tax revenue, and had a \$3.3B economic impact. ILM supports the community and economy through business/corporate use, disaster relief, flight instructions, overnight packages, personal/recreation, search and rescue and more. The Authority sees the importance of continuing to support the economic growth of the region by developing and growing activities at ILM. Based on 907,000 enplanements in 2025, the estimated economic impact for ILM increased to \$4.5B. NCDOT will release their next report in January 2027 based on 2025 data.

MARKETING MATRIX

Website Metrics



Clicks on Airline Websites

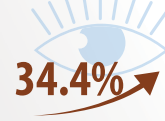


Social Media Metrics

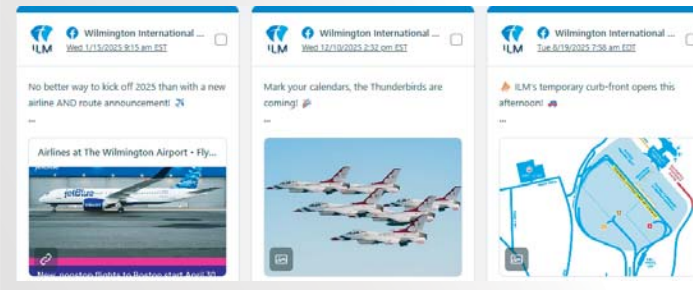
Total Audience (2025)
 • 46,680 (+8.6% compared to last year) **8.6%**



Total Impressions (2025)
 • 13,631,670
 (+34.4% compared to last year) **34.4%**



Top Performing Posts from 2025



Air Service Development

In 2025 ILM added 2 new airlines, Breeze and JetBlue with multiple new non-stop routes. Existing Carriers expanded services as well leading to the increase in enplanements of 23% at ILM. Additionally, ILM has attended 5+ airline networking events to build relationships and work toward future airlines service. In 2026 ILM will attend at least 5 of these types of events and visit airlines at their headquarters.



Business Park

The business park continues to grow. Currently we have \$3.2M in annual revenues from ground leases. By 2031 that number is expected to be \$5.6M.



COMMERCIAL LEASES

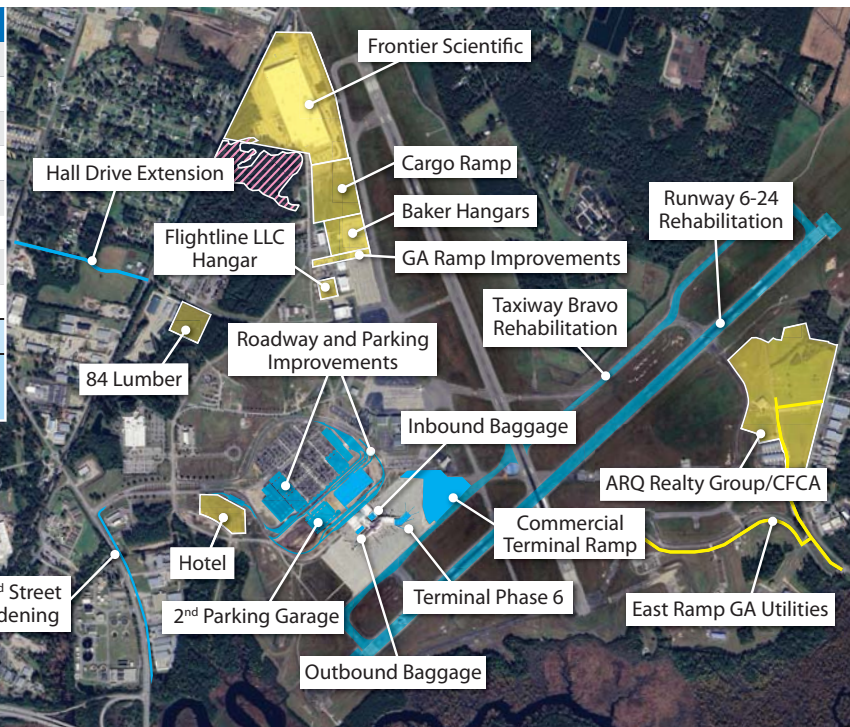


Tenant	Rent Commencement	Status
1 Circle K		Actively Paying
2 VA Clinic		Actively Paying
3 84 Lumber		Actively Paying
4 Fat Cat Pottery		Actively Paying
5 Toshiba		Actively Paying
6 Battle House		Actively Paying
7 All American Aviation		Actively Paying
8 Enterprise Holdings		Actively Paying
9 Southern Sass Hair		Actively Paying
10 Turf Masters		Actively Paying
11 Fit Fight Fitness		Actively Paying
12 First Class Real Estate		Actively Paying
13 Wilmington Business Development		Actively Paying
14 Flightline LLC Hangar		Actively Paying
15 Frontier Scientific		Actively Paying
15a Frontier Scientific Ramp		Pending
16 CIL ILM Phase 2, LLC	7/1/26	Financing
17 CIL ILM Phase 3, LLC	1/1/27	Financing
18 ILM Hotel Partners	Covered Through Fees	Financing
19 84 Lumber		Actively Paying
20 VCKH's Magnolia LLC (Bank)	10/1/26	Financing
21 VCKH's Magnolia LLC (North Side Hangars)	1/1/28	Due Diligence
22 VCKH's Magnolia LLC	10/1/26	Site Plan Approval/Construction
23 ARQ Realty Group/CFCA (East Side Hangars Phase 1)	12/6/26	Due Diligence
24 ARQ Realty Group/CFCA (East Side Hangars Phase 2)	12/6/28	Due Diligence
25 ARQ Aviation MX, LLC (East Side Maintenance Hangar)		Actively Paying
26 Airpark Hangars, Inc.		Actively Paying
27 Modern Aviation FBO		Actively Paying
28 Aero Center FBO		Actively Paying
29 Live Oak Bank (North Side Hangar)		Actively Paying
30 Rental Car Service Centers		Actively Paying
31 Parker Landscaping		Actively Paying
32 Edge Landscaping		Actively Paying
33 Coastal Mobility, LLC (South Side Hangars)	12/1/27	Due Diligence
34 Intercoastal Land Maintenance		Actively Paying

- Annual Rent for projects in development: \$2,365,629
- Annual Rent for actively paying: \$3,244,161

2026 ACTIVE TENANT CAPITAL CONSTRUCTION AND DESIGN PROJECTS

Tenant Capital Projects	Costs
▶ 84 Lumber	\$5,000,000
▶ ARQ Realty Group/CFCA	\$50,000,000
▶ Cargo Ramp	\$10,000,000
▶ Flightline LLC Hangar	\$15,000,000
▶ Frontier Scientific	\$100,000,000
▶ Hotel	\$40,000,000
▶ Baker Hangars	\$30,000,000
Total Tenant Capital Projects	\$250,000,000
▶ Total Airport Capital Projects	\$238,774,781
Total Airport-Wide Capital Projects	\$488,774,781



Section 8 | AIRSHOW

The Airport plans to assist in developing a world-class, over the water airshow, in our community. The show will be a community event, sponsored in part by ILM (a decision the board supports) that will promote awareness and community recognition of ILM's role.

The airport will host with one or two other presenting sponsors a mini airshow in April of 2026 to help get ready for the much larger scale airshow in 2027 that is scheduled to include the Thunder Birds.

Additional benefits from the show are anticipated to include a positive economic benefit to county. ILM will attempt to track visitors and economic impact of the visitors and the event itself.



Hosted by:

▶ Air Show #1 Dates: April 24-26, 2026

▶ Air Show #2 Dates: September 10-12, 2027

POLICY DISCUSSIONS



FORECASTS

▶ Policy discussion on what forecast model to use for capital planning purposes (optimistic, base, TAF) | *The Authority discussed policy related to the forecast model and set policy to continue to use the optimistic forecast for capital planning purposes. For enplanements and budgeting target midpoint between Base and Optimistic forecasts (2026 enplanements of 875,000).*



TEN-YEAR CAPITAL PLAN (2022-2031)

▶ Policy discussion related to the Capital Plan and whether to pursue Option 1 or Option 2. Option 1 has the commercial terminal ramp construction on schedule to start July 2026 and complete June 2027 and Terminal Phase 6 construction to start July 2027 and complete September 2028 with reserve balance dipping to \$15M in 2028. Option 2 has the commercial terminal ramp construction starting July 2026 and complete December 2027 and Terminal Phase 6 construction starting July 2028 and complete September 2029 (one year later). Reserves under option 2 will remain at \$25 million. *The Authority discussed the pros and cons of both options and set policy to continue to pursue Option 1. Staff will report back to the Authority in 6 months, and a decision can be made to go with Option 1 or Option 2 based on funding at that time.*

- **Parking** – Policy discussion related to design for second parking garage and expanded rental car facilities being included in the five-year capital budget. *The Authority set policy to include schematic design in the 5-year capital plan.*
- **Airfield** – Policy discussion regarding plan to complete the runway rehabilitation project over three phases based on funding. *The Authority set policy to proceed with Phase 1 in 2026.*
- **Roadway Infrastructure** – Policy discussion regarding Hall Drive extension per TIA. *The Authority set policy to proceed with the design of the Hall Drive extension design in 2026.*
- **Taxiway B Rehab** – Policy discussion related to Taxiway B rehabilitation being included in five-year capital budget. *The Authority set policy to include schematic design funds for Taxiway B rehabilitation in the five-year capital budget.*



- **Commercial Ramp** – Policy discussion regarding commercial ramp expansion being a priority to permit the Terminal Expansion to move forward. *The Authority set policy to continue with plan to expand commercial ramp starting construction in 2026. It was discussed that this must be done prior to the Terminal Expansion. That project can't move forward until this is done.*
- **Outbound Baggage** – Policy discussion regarding starting outbound baggage project in 2026. *The Authority set policy to proceed with design and construction of Outbound Baggage in 2026.*
- **2026 Terminal Enhancements** – Policy discussion regarding terminal enhancements to include smarte carts (or similar), massage chairs, privacy pods, and sidewalk between shuttle/employee parking lot and terminal. *The Authority set policy to proceed with the recommended enhancements in 2026.*
- **Wetland Mitigation** – Policy discussion regarding proceeding with project in early 2026 if permitted under new regulations. *The Authority set policy to move forward on this project as long as law permits.*
- **Land Acquisition** - Policy discussion related to purchasing land in identified area when it becomes available per the vision plan budget. *The Authority set policy to continue to purchase land as previously identified and also to pursue the property adjacent to the Hall Drive extension project.*



FINANCIAL PLAN

- ▶ Policy discussion related to net operating income for 2026. *The Authority set policy to target 25% net operating income for 2026.*
- ▶ Policy discussion regarding CPE of \$4.00 on average. *The Authority set policy to continue with CPE of \$4.00 on average.*
- ▶ Policy discussion regarding increasing fees in parking/rental car return lots. *The Authority set policy to target \$14 for parking/rental car return. Plan to be implemented in 2026 and/or 2027.*
- ▶ Policy discussion regarding cash reserve and debt issuance. *The Authority set policy to continue \$15M operating cash reserve and \$10M emergency cash reserve.*

ENVIRONMENTAL/NOISE STUDIES

- ▶ Policy discussion related to Noise Study. *The Authority set policy to complete the noise study in 2026 and seek federal funding for Noise Compatibility Program once complete.*
- ▶ Policy discussion regarding DEQ stormwater permitting. *The Authority set policy to continue previously established DEQ stormwater permitting schedule for multiple applications in each submission.*
- ▶ Policy discussion regarding stormwater master plan. *The Authority set policy to complete the stormwater master plan in 2026.*
- ▶ Policy discussion regarding EA for Terminal Expansion Phase 6. *The Authority set policy to proceed to update the EA for the Terminal Expansion Phase 6 project in 2026.*

ECONOMIC IMPACT STUDY

- ▶ Policy discussion related to ILM's position as a major economic driver for our region. *The Authority set policy to continue to position ILM as a major economic driver for our region.*
- ▶ Policy discussion regarding investing in capital infrastructure. *The Authority set policy to continue to invest in capital infrastructure to support commercial, general aviation and military demand.*

COMMUNICATION AND MARKETING PLAN

- ▶ Policy discussion regarding marketing plan. *The Authority set policy to continue with aggressive marketing plan and to maintain the marketing budget as a percentage of total revenue from FY 2025.*
- ▶ Policy discussion regarding marketing efforts. *The Authority set policy that marketing efforts will garner 100M impressions in 2026.*
- ▶ Policy discussion regarding community outreach. *The Authority set policy to continue outreach to stakeholders and community with 50 engagements in 2026.*
- ▶ Policy discussion regarding air service development. *The Authority set policy for staff to continue to seek new routes and new airlines to service them by attending air service development and networking events with airlines with at least 5 meetings in 2026.*



AIRSHOW

- ▶ Policy discussion regarding annual or bi-annual airshow. *The Authority set policy to work with ILM Aerospace Foundation to bring a recurring airshow to our area. Staff will track airport investment in this community outreach event and economic impact and visitation from these events.*

