DEFERRED PAYMENT FAMILY HOUSING PROGRAM—CONSTRUCTION, OPERATION, MAINTENANCE AND MANAGEMENT CONTRACT

WITNESSETH

Whereas, the Government pursuant to the Leased Bases Agreement of 1941-1948 maintains and operates a military installation at St. John's, Newfoundland, known as Pepperrell Air Force Base, at or in the vicinity of which there exists an acute shortage of housing for families of personnel assigned to duty at or near such military installation, and

Whereas, provision of such housing, as an integral part of Pepperrell Air Force Base, is essential for its continued maintenance and operation, and

WHEREAS, the Government is authorized to finance the construction and operation of such housing by guarantee, indemnity or other participation.

Now Therefore, under the authority contained in the Act of 14 July 1952 (Public Law 534, 82d Congress), and in consideration of the premises, it is mutually agreed as follows:

ARTICLE I

Project Site

The Government hereby makes available the lands necessary, within the confines of Pepperrell Air Force Base, to construct, operate, maintain and manage the subject housing project for a period of twenty (20) years to permit the Construction Agent to comply with the terms of this agreement. This period shall commence on the completion date as set forth in Article II of this agreement. The land available for utilization for this project by the Construction Agent on Pepperrell Air Force Base is as set forth in Annex "A", appended hereto.

The leasehold interest in such lands and improvements thereto will remain in the Government subject to this agreement and the provisions of the Leased Bases Agreement of 1941 and Supplements thereto by which Pepperrell Air Force Base is leased to the United States Government for a period of 99 years from the 17th day of June 1941 to the 16th of June 2040 by the Government of the United Kingdom, the Government of Canada having succeeded the Government of the United Kingdom as Lessor.

ARTICLE II

Construction of Project

1. The Construction Agent agrees to construct the housing project for the Government, comprised of 500 units referred to herein, in accordance with