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Boeing [NYSE: BA] has signed a lease with MROTC Development Partners to construct three hangars that will be used to upgrade the U.S. Airborne Warning and Control System (AWACS) aircraft fleet.

MROTC Development Partners is a joint venture between Trammell Crow Company and Battelle Memorial Institute.

Located at the Oklahoma Maintenance, Repair & Overhaul Technology Center (MROTC) across from Tinker Air Force Base in Oklahoma City - home to the AWACS fleet - the hangars represent the first phase of development in the MROTC. It is planned as a major military and commercial aircraft facility with 17 hangars and more than one million square feet of related industrial space and education and training facilities.

Situated on approximately 370 acres, the MROTC will be connected to Tinker AFB by a towway just south of the Twaddle Armed Forces Reserve Center. The towway and first hangar are scheduled for completion by November of this year with the two other hangars to be completed by August 2008.

"The MROTC is an important move for Boeing," said George Muellner, vice president and general manager of Boeing Air Force Systems. "By locating to the MROTC and partnering with the Air Logistics Center, the company can speed up delivery of new capabilities and offer a best value solution to the Air Force customer."

The economic impact of Boeing's future work at the MROTC will become clearer once contract details are finalized, but between 275 and 325 new jobs for Boeing and Air Logistics personnel are projected.

The initial fleet upgrades at the MROTC in 2006 involve flight navigation and communications systems. Future modernizations known as Block 40/45 include new mission computing hardware and software, improved operational console displays and controls, and upgraded radar equipment. Boeing and Tinker personnel will begin installing the enhancements in 2009.

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses. Headquartered in St. Louis, Boeing Integrated Defense Systems is a \$30.5 billion business. It provides network-centric system solutions to its global military, government, and commercial customers. It is a leading provider of intelligence, surveillance and reconnaissance systems; the world's largest military aircraft manufacturer; the world's largest satellite manufacturer and a leading provider of space-based communications; the primary systems integrator for U.S. missile defense and Department of Homeland Security; NASA's largest contractor; and a global leader in sustainment solutions and launch services.

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