

**SERVICE PLAN FOR THE QUANTUM 56 METROPOLITAN DISTRICT
ADAMS COUNTY, COLORADO**

Prepared by

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Approved: March 22, 2022

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I. Introduction

a. Purpose and Intent

This service plan (the “**Service Plan**”) for the Quantum 56 Metropolitan District (the “**District**”) is for a special district organized under Title 32 of the Colorado Revised Statutes to serve the public improvements and service needs for the Quantum 56 (the “**Project**”). The District is generally located at 465 West 56th Avenue (see Exhibits A and B), in unincorporated Adams County, Colorado. The District’s Service Area contains approximately sixty (60) acres.

Pursuant to the requirements of the Special District Control Act, C.R.S. 32-1-201, et seq., as amended (the “Special District Act”), and Adams County’s Development Standards and Regulations (“ACDS&R”) all of the Service Plan requirements of the Special District Act and the ACDS&R have been met by means of this Service Plan.

The Purpose of the District is to provide a part or all of the Public Improvements necessary and appropriate for the development of the property within the Service Area. The Public Improvements will be constructed for the use and benefit of the public, generally, and the property owners and users within the Service Area, specifically. The primary purpose of the District will be to finance the construction of the Public Improvements. In doing so, the District is also expected to collect property taxes and other legally available revenues sufficient for the debt service requirements of Debt issued to fund the costs associated with financing, acquisition, and construction of the Public Improvements.

b. Need for the District

There are currently no other governmental entities, including the County, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, and acquisition, construction, installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary for the Public Improvements and services required for the Project to be provided in the most economic manner possible.

c. Organizers and Consultants

This Service Plan has been prepared with assistance from the following entities and individuals:

Organizers

Quantum 56 Phase I LLC
1144 15th Street, Suite 2600
Denver, CO 80202
Phone: (303) 357-6300
Email: courtney.schneider@hines.com
Attn: Courtney Schneider

District Counsel

McGeady Becher P.C.
450 East 17th Avenue, Suite 400
Denver, CO 80203
Phone: (303) 592-4380
Email: mbecher@specialdistrictlaw.com
Attn: Megan Becher

Financial Advisor or Underwriter

RBC Capital Markets
1801 California St., #3840
Denver, CO 80202
Phone: (303) 778-5555
Email: tom.wendelin@rbccm.com
Attn: Tom Wendelin

Engineers

Ware Malcomb Civil
Engineering & Surveying
90 S. Broadway, Suite 320
Denver, CO 80209
Phone: (303) 561-3333

II. Definitions

In this Service Plan, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Approved Development Plan: means a development plan for the Project as approved in its final form by the County pursuant to the County Code, as may be amended from time to time pursuant to the County Code, that identifies, among other things (1) Public Improvements necessary for facilitating development of the property within the Service Area; and (2) any developer guarantees in connection with development of the property.

Board: means the board of directors of the District.

Board of County Commissioners: means the Board of County Commissioners of Adams County, Colorado.

County: means Adams County, Colorado

County Code: means the County Code of the County of Adams, Colorado.

C.R.S.: means the Colorado Revised Statutes, as the same may be amended from time to time.

Debt: means general obligation bonds or other financial obligations issued by the District, which are not subject to annual appropriation, the payment of which the District has promised to impose, collect, and pledge an ad valorem property tax mill levy and/or fees or charges.

Debt Limitation: means the maximum amount of Debt the District may issue, subject to the provisions of this Service Plan.

District: means the Quantum 56 Metropolitan District.

District Boundaries: means the boundaries of the District, as amended from time to time.

Financial Plan: means the Financial Plan described in Section VI and attached as Exhibit E which describes (i) how the Public Improvements are expected to be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

Maximum Debt Mill Levy: means a mill levy for debt service, subject to the limitation of the Maximum Total Mill Levy, as further described in Section VI.d. hereof.

Maximum Operations Mill Levy: means a mill levy to support the operations and maintenance of the District Services and Public Improvements, subject to the limitation of the Maximum Total Mill Levy, as further described in Section VI.e. hereof.

Maximum Total Mill Levy: means the maximum mill levy authorized to support debt service and operations and maintenance of the District, not to exceed a total of fifty (50) mills.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped, and financed by the District as generally described in the Special District Act and in Section V., below, in accordance with the Approved Development Plan, which improvements benefit the property within the District Boundaries and/or the Service Area, and which improvements will serve the future taxpayers and inhabitants of the property within the District Boundaries and/or the Service Area, as determined by the Board.

Service Area: means the approximately sixty (60) acre Project area described and depicted in Exhibits A, B, and C as may be amended pursuant to the requirements of the Special District Act from time to time.

Service Plan: means this service plan for the District approved by the Board of County Commissioners, as may be amended from time to time.

Special District Act: means Section 32-1-101, et. seq., of the Colorado Revised Statutes, as amended.

State: means the State of Colorado.

III. District Boundaries

The District is located in the Western ½ of the Southwest ¼ of Section 10 and the Southeast ¼ of the Southeast ¼ of Section 9, Township 3 South, Range 68 West of the Sixth Principal Meridian, Adams County, Colorado. The area within the District's boundaries includes approximately sixty (60) acres. A legal description of the District's boundaries (the "**District Boundaries**") along with a map showing the relationship of the District to surrounding topographic and cultural features, such as roads, streams, and existing governmental or quasi-governmental entities is attached hereto as Exhibits A, B, and C.

It is acknowledged that the District Boundaries may change as it undergoes exclusions and inclusions pursuant to the procedures set forth in the Special District Act. The District shall be permitted to undertake inclusions and exclusions within the Service Area at its discretion and without further amendment to this Service Plan, so long as such inclusions are in accordance with the Special District Act. Notice of any such boundary adjustment shall be provided to the County pursuant to the requirements of the annual report required herein under Section VII. The

County shall not be required to take any action to facilitate such boundary adjustments or obligations with respect to the same.

IV. Proposed Land Use, Population Projection, and Assessed Valuation

The property within the Service Area consists of approximately sixty (60) acres of land zoned as INDUSTRIAL-2 (I-2), which is planned to be developed for industrial uses. The Project is anticipated to consist of zero (0) residential units and eight hundred sixty-five thousand (865,000) square feet of industrial space, with a peak daytime population of approximately one thousand seven hundred thirty (1,730).

As further described in Section VI, Financial Plan, the current assessed valuation of the property within the District Boundaries is \$2,350,320 as of January 1, 2022. The estimated assessed value at full build-out is approximately \$23,525,000 and is expected to reasonably discharge the Debt under the Financial Plan.

Approval of this Service Plan by the County does not imply approval of the development of a specific area within the District, nor does it constitute or imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached hereto, unless such land use entitlements have been approved by the Board of County Commissioners in accordance with the ACDS&R.

V. Description of Proposed Powers, Services, and Improvements

a. General Powers of the District

The District shall have the power and authority to provide the public with improvements and related operation and maintenance services within the District Boundaries as such power and authority is permitted by this Service Plan and described in the Special District Act and other applicable statutes, laws, and regulations, subject to the limitations set forth in this Service Plan. The District shall have the power to provide any and all services necessary or incidental to the provision of the District Services and Public Improvements.

b. Services and Improvements

1. Fire Protection

The District shall have the power to finance, design, construct, install, relocate, or redevelop, facilities for fire suppression services by any available means; provided, in no way is this power and authority intended to limit or supplant the responsibility and authority of existing fire protection agencies (i.e., the Adams County Fire Protection District) within the boundaries of the District.

2. Parks and Recreation

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for facilities and services for parks and recreational facilities or programs within the District.

3. Traffic Safety Protection

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for safety protection through traffic and safety control and devices on streets, as well as such other facilities as may be necessary. All traffic and safety control shall be shown to be compatible with the ACDS&R and each interested party as defined in C.R.S. § 32-1-203(b).

4. Sanitation

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for sanitary sewers and any and all necessary or proper equipment and appurtenances incident thereto.

5. Stormwater

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for stormwater sewers, flood and surface drainage, and any and all necessary or proper equipment and appurtenances incident thereto.

6. Solid Waste Disposal Facilities or Collection and Transportation of Solid Waste

The District shall have the power and authority to provide for the collection and transportation of solid waste for and on behalf of the District.

7. Street Improvement

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for street improvements through the construction and installation of curbs, gutters, culverts, and other drainage facilities and sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping and other street improvements. All improvements shall be shown to be compatible with the ACDS&R and each interested party as defined in C.R.S. § 32-1-203(b).

8. Water

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for water system improvements for domestic and other public and private purposes by any available means and shall provide all necessary or proper facilities, equipment, and appurtenances incident thereto.

9. Security

The District shall have the power and authority to provide security services within the boundaries of the District, subject to the limitations set forth in C.R.S. § 32-1-1004(7), as amended; provided, in no way is this power and authority intended to limit or supplant the responsibility and authority of law enforcement agencies (i.e., the Adams County Sheriff's Department) within the boundaries of the District. The District will consult with

the Adams County Sheriff's Department prior to providing any security services within the District.

10. Covenant Enforcement

The District shall have the power and authority to provide covenant enforcement and design review services subject to the limitations set forth in C.R.S. § 32-1-1004(8), as amended.

11. Special Improvement District

Pursuant to Section 32-1-1101.7, C.R.S., the ("**SID Statute**"), and to encourage use and installation of improvements in accordance with the vision of sustainable community development associated with the Project, the District shall have the power to form one or more special improvement districts (the "**Green SID**") within the District Boundaries to encourage, accommodate, and finance "Renewable Energy Improvements," as defined in Section 31-25-501(4)(a), C.R.S., and "Energy Efficiency Improvements," as defined in Section 31-25-501(1.9), C.R.S., (collectively referred to herein as the "**Green Improvements**"). The SID Statute and Sections 31-25-500.2 *et seq.*, C.R.S., provide a means by which the District can incentivize and use the installation of Green Improvements through the organization of one or more Green SIDs to finance such Green Improvements with a repayment period of up to twenty (20) years through special assessments. Pursuant to the SID Statute, the District will only levy assessments within the Green SID with the written consent of one hundred percent (100%) of the owners of the property to be assessed or upon approval of a majority of the eligible electors of the Green SID. Upon formation of the Green SID and approval of the levying of assessments by the Green SID property owners, as described above, the Green SID may issue assessment bonds payable from assessment revenue (the "**SID Bonds**"). As more particularly detailed in Section VI.d. below, any SID Bonds shall be subject to applicable parameters for bonded debt issuance of the District. Prior written approval of the Director of Community and Economic Development shall be required before the District may organize a Green SID.

c. Service Plan Amendment

Pursuant to the Special District Act, Section 32-1-207, as amended, the District shall obtain prior written approval of the County before making any material modification to this Service Plan. Material Modifications require a service plan amendment and include modifications of a basic or essential nature, including, but not limited, to, the following: any addition to the types of services provided by the District; a decrease in the level of services; a decrease in the financial ability of the District to discharge existing or proposed indebtedness; or a decrease in the existing or projected need for organized service in the area. Inclusion of property that is in a county or municipality with no other territory within the District may constitute a material modification.

d. Engineering Surveys

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the District Boundaries. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained, or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the Service Area is approximately \$13,316,491, as more particularly described in Exhibit F.

All facilities and improvements shall be shown to be compatible with the standards of Adams County and each interested party as defined in C.R.S. § 32-1-203(b). Any improvements constructed outside of the Service Area must be designed and constructed to County standards and the District shall seek public acceptance of those improvements through the County procedure outlined in the ACDS&R.

VI. Financial Information

a. General

The District shall be authorized to provide for the District Services and Public Improvements from the proceeds of Debt to be issued by the District and from other legally available revenues of the District, including but not limited to an operations and maintenance mill levy and fees. The financial plan for the District shall be to issue such Debt as the District can reasonably pay from time to time based upon the generation of the revenue sources depicted in the Financial Plan, attached hereto as Exhibit E. The Financial Plan sets forth projections currently associated with planned development within the Service Area. The timing and amounts associated with the issuance of any Debt shall be based upon the pace at which development progresses within the Service Area and the discretion of the Board. Debt that the District issues may be issued on a schedule and in such year or years as the District determines will meet the needs of the Financial Plan and may be phased and altered to serve development as it occurs. The Financial Plan provides an illustration of how the Public Improvements and other services of the District may be financed; however, the actual terms of Debt financing are likely to be different and shall be determined by the District, subject to the key limiting parameters established within this Service Plan. As further described in the Financial Plan, the District anticipates issuing approximately \$17,000,000 of Debt to complete the Public Improvements. The actual amount of Debt may increase or decrease, depending on the timing of build-out, actual assessed value, tax collections, and market conditions. Notwithstanding the foregoing, the District shall not be permitted to issue Debt in excess of the Debt Limitation or impose a debt service mill levy which, combined with the District's operations and maintenance mill levy, exceeds the Maximum Total Mill Levy established hereunder, except as set forth herein.

b. Assumptions

The maximum Debt Limitation contained in Section VI.g. assumes that the assessed valuation within the Project at build-out will be approximately \$23,525,000 based on an estimated 865,000 square feet of commercial/industrial space. The Financial Plan demonstrates that the District can finance the Public Improvements as identified herein, will be capable of discharging the indebtedness on a reasonable basis, and will operate on a sound fiscal basis.

c. District Revenue

The District will impose a mill levy on taxable property within the District Boundaries as a primary source of revenue for repayment of Debt and for operations and maintenance. The District may also rely upon various other revenue sources authorized by law. At the District's discretion, these may include the power to assess fees, rates, tolls, penalties, or charges as provided for in the Special District Act, as amended.

A Maximum Total Mill Levy of *fifty (50) mills* is authorized to support debt service and operations and maintenance of the District. The District may request an amendment to the Service Plan, in accordance with Section V.c., to eliminate mill levy caps when the debt to assessed value ratio falls below fifty percent (50%). Any request to eliminate a mill levy cap is considered a material modification.

d. Debt Service Mill Levy

A maximum mill levy of fifty (50) mills is authorized to support the debt service of the District, subject to the Maximum Total Mill Levy. An initial debt service mill levy of forty-five (45) mills is anticipated to produce revenue sufficient to support debt service costs through the bond repayment period. (See Exhibit E, Financial Plan).

e. Operations and Maintenance Mill Levy

Prior to the imposition of a debt service mill levy pursuant to Section VI.d. hereof, a maximum mill levy of fifty (50) mills is authorized to support the operations and maintenance of the District Services and Public Improvements. At any time in which the District imposes a debt service mill levy pursuant to Section VI.d. hereof, the maximum mill levy authorized to support the operations and maintenance of the District Services and Public Improvements will decrease to fifteen (15) mills, subject to the limitation of the Maximum Total Mill Levy. An initial operations and maintenance mill levy of fifty (50) mills, when combined with any advances made by the developer, is anticipated to produce revenue sufficient to support the operations and maintenance of District Services and Public Improvements. (See Exhibit E, Financial Plan).

f. District's Operating Cost and District Expenditures

The estimated cost of acquiring land, engineering services, legal services, and other administrative services, together with the estimated costs of the District's organization and other costs related to initial operations, are anticipated to be \$360,000 which will be eligible for reimbursement from Debt proceeds and any other revenues legally available to the District, including fees and property taxes.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. In the early stages of development of the Project and prior to the District's issuance of Debt, it is anticipated that such funds may be provided by the developer of the District through one or more advance, acquisition, and/or reimbursement agreements between the District and the developer. The first year's operating budget is estimated to be \$100,000 which is anticipated to be derived from revenues of the District, including potential

advances made to the District by the developer of the District, which are anticipated to be repaid upon terms agreed to by the District.

g. Debt

i. Debt Limitation

The total Debt limit for the District is \$25,000,000 inclusive of costs, of issuance, inflation, and other similar costs, provided, however, that any refunding of any Debt shall not be included within, or be counted towards or against, the Debt limitation. For purposes of this Service Plan, Debt shall be considered any outstanding bonds, notes, contracts, or other financial obligations of the District payable in whole or in part from ad valorem taxes or other revenues of the District for the Purposes of financing, acquiring, constructing, or improving any of the public improvements as contemplated herein. The debt limit shall not be increased unless approved by the County as permitted by statute and the Colorado Constitution. Any change in debt limit shall be considered a material modification of the Service Plan. The debt limit shall not apply to any SID Bonds, and any debt of the Green SID issued as SID Bonds shall not reduce the aggregate debt authorization of the District. The maximum term of any bond issue, including any SID Bonds and refunding and refinancing bonds, shall be thirty (30) years from the original date of issuance.

ii. Maximum Voted Interest Rate and Maximum Underwriting Discount

The interest rate on any debt, including SID Bonds, is limited to the market rate at the time the debt is issued. In the event of a default, the maximum voted interest rate on any debt shall not exceed twelve percent (12%). The maximum underwriting discount shall be five percent (5%). Debt, when issued, shall comply with all relevant requirements of this Service Plan, State Law, and Federal Law as is then applicable to the issuance of public securities.

VII. Annual Report

a. General

The District shall be responsible for submitting an annual report to the Director of Community and Economic Development no later than June 1st of each year following the year in which the Order and Decree creating the district has been issued.

b. Reporting of Significant Events

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District Boundaries as of December 31 of the prior year.
2. Intergovernmental agreements with other governmental entities, either executed or proposed as of December 31 of the prior year.

3. Copies of the District's rules and regulations, effective December 31 of the prior year, if applicable.
4. A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year.
5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.
6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the County as of December 31 of the prior year.
7. The assessed valuation of the District for the current year.
8. Current year budget including a description of the Public Improvements to be constructed in such year.
9. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.
10. Notice of any uncured events of default by the District which continue beyond a ninety (90) day period, under any Debt instrument.
11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

VIII. Disclosure Statement

The District shall provide notice to all purchasers of the property in the District regarding the District's authority to levy and collect ad valorem taxes and to impose and collect rates, fees, tolls, and charges, by recording a disclosure statement against the property within the District with the Office of the Adams County Clerk and Recorder. Such disclosure statement shall also provide information concerning the structure of the Board and summarize how purchasers may participate in the affairs of the Board. The disclosure statement shall be recorded within thirty (30) days following recordation of the court decree organizing the District.

IX. Consolidation and Dissolution

The consolidation of the District with any other special district shall be subject to the approval of the County. The District shall take all steps necessary to dissolve pursuant to Section §§ 32-1-701 et. seq., C.R.S., as amended, at such time it does not need to remain in existence to discharge its final obligations or perform its services.

X. Intergovernmental Agreements

To the extent practicable, the District may enter into intergovernmental agreements to better ensure long-term provision of the Public Improvements identified herein or for other

lawful purposes. It is anticipated that sanitation and wastewater treatment services and water services will be provided to the District by appropriate governmental and quasi-governmental entities.

XI. Conclusion

It is submitted that this Services Plan for the District, as required by the ACDS&R and C.R.S. § 32-1-203, as amended, establishes that:

1. There is sufficient existing and projected need for the organized service in the area to be serviced by the District;
2. The existing service in the area to be served by the District is adequate for present and projected needs;
3. The District is capable of providing economical and sufficient service to the area within its proposed boundaries; and
4. The area to be included in the District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.
5. Adequate service is not, and will not be, available to the area through the County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.
6. The facility and service standards of the District are compatible with the facility and service standards of the County within which the special district is to be located and each municipal party which is an interested party under C.R.S. § 32- 1-204(1).
7. The proposal is in substantial compliance with the comprehensive plan, as amended, adopted pursuant to C.R.S. § 30-28-106, as amended.
8. The proposal is in compliance with any duly adopted County, regional, or state long-range water quality management plan for the area.
9. The creation of the District is in the best interest of the area proposed to be served.

EXHIBIT A
DISTRICT BOUNDARIES – LEGAL DESCRIPTION

PARCEL ONE:

ALL THAT CERTAIN TRACT OR PARCEL OF LAND SITUATE IN THE W ½ OF THE SW ¼ OF SECTION 10, TOWNSHIP 3 SOUTH, RANGE 68 WEST OF THE 6TH P.M., COUNTY OF ADAMS, STATE OF COLORADO, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SECTION, 50 FEET EAST OF THE SOUTHWEST CORNER OF SAID SECTION;

THENCE NORTH 0°5' EAST A DISTANCE OF 500 FEET;

THENCE EAST AT AN ANGLE OF 90° A DISTANCE OF 20 FEET;

THENCE N 0°5' EAST A DISTANCE OF 105.5 FEET;

THENCE NORTHEAST ON A CURVE TO THE EAST WITH A RADIUS OF 2252 FEET A DISTANCE OF 2315.15 FEET;

THENCE NORTH 59° EAST 27.4 FEET TO A POINT 1186.27 FEET EAST OF THE WEST LINE OF SAID SECTION ON A BOUNDARY LINE LOCATED 100 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER;

THENCE EAST ALONG SAID BOUNDARY LINE TO THE EAST LINE OF THE WEST HALF OF SAID SOUTHWEST QUARTER;

THENCE SOUTH ALONG SAID EAST LINE TO THE SOUTH LINE OF SAID SECTION;

THENCE WEST ALONG SAID SOUTH LINE 1270 FEET, MORE OR LESS, TO THE PLACE OF BEGINNING,

EXCEPT ANY PORTION THEREOF LYING WITHIN THE PLAT OF LAYTON TRUCK EQUIPMENT SUBDIVISION, RECORDED FEBRUARY 8, 2008 AT RECEPTION NO. 2008000010084,

AND EXCEPT THAT PORTION CONVEYED TO THE REGIONAL TRANSPORTATION DISTRICT IN QUIT CLAIM DEED RECORDED DECEMBER 27, 2011 AT RECEPTION NO. 20111000085351,

AND EXCEPT THE NORTH 30' OF THE 60' RIGHT OF WAY FOR WEST 56TH AVENUE CONVEYED PER ADAMS COUNTY ROAD PETITION 502 COMMISSIONERS' ROAD BOOK 1, PAGE 362 ON JULY 15, 1904,

COUNTY OF ADAMS,
STATE OF COLORADO.

FOR INFORMATIONAL PURPOSES: 465 W 56TH AVE / APN: R0177340

PARCEL TWO:

A PARCEL OF LAND LOCATED IN THE SE ¼ SE ¼ OF SECTION 9 AND THE S ½ NW ¼ SW ¼ AND THE SW ¼ SW ¼ OF SECTION 10, ALL IN TOWNSHIP 3 SOUTH, RANGE 68 WEST OF THE 6TH P.M., COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID PARCEL, WHENCE THE SOUTHWEST CORNER OF SAID SECTION 10 BEARS SOUTH 45°47' WEST, 69.80 FEET;

THENCE NORTH 0°05' EAST, 451.22 FEET;

THENCE SOUTH 89°55' EAST A DISTANCE OF 20 FEET;

THENCE NORTH 0°05' EAST A DISTANCE OF 105.50 FEET TO A POINT OF CURVE;

THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 2,252 FEET, AN ARC DISTANCE OF 1,430.06 FEET;

THENCE WEST 30.22 FEET TO A POINT OF NON-TANGENT CURVE ON THE SOUTHEASTERLY BOUNDARY LINE OF A STRIP OF GROUND CONVEYED TO THE DENVER AND SALT LAKE RAILROAD COMPANY BY DEED RECORDED IN BOOK 146 AT PAGE 415, ADAMS COUNTY, RECORDS;

THENCE SOUTHWESTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 2,526.60 FEET AND A CENTRAL ANGLE OF 5°07'51" AN ARC DISTANCE OF 226.25 FEET (THE CHORD OF WHICH BEARS SOUTH 35°18'55" WEST A DISTANCE OF 226.18 FEET) TO A POINT OF TANGENT; THENCE SOUTH 32°45' WEST ALONG SAID SOUTHEASTERLY BOUNDARY LINE A DISTANCE OF 961.00 FEET TO A 6" SQUARE WOOD FENCE POST;

THENCE SOUTH 24°58'35" EAST ALONG A LINE WHICH IS MARKED BY A 6' CHAIN LINK FENCE WITH A THREE-STRAND BARBED WIRE BARRIER ATOP A 4" SQUARE WOOD FENCE POSTS, A DISTANCE OF 473.29 FEET TO A 6" SQUARE WOOD FENCE POST;

THENCE NORTH 89°37'16" WEST ALONG A LINE WHICH IS MARKED BY A 6' CHAIN LINK FENCE WITH A THREE-STRAND BARBED WIRE BARRIER ATOP A 4" SQUARE WOOD FENCE POSTS, A DISTANCE OF 198.42 FEET TO A 6" SQUARE WOOD FENCE POST;

THENCE SOUTH 24°46'59" EAST ALONG A LINE WHICH IS MARKED BY A 6' CHAIN LINK FENCE WITH A CANTILEVERED FOUR-STRAND BARBED WIRE BARRIER ATOP AND 7" DIAMETER WOOD FENCE POSTS, A DISTANCE OF 518.73 FEET TO THE POINT OF BEGINNING,

EXCEPT THAT PORTION CONVEYED TO THE REGIONAL TRANSPORTATION DISTRICT IN QUIT CLAIM DEED RECORDED DECEMBER 27, 2011 AT RECEPTION NO. 20111000085351,

COUNTY OF ADAMS,
STATE OF COLORADO

THE SAME PROPERTY ALSO BEING DESCRIBED AS FOLLOWS BASED ON THE ALTA/NSPS LAND TITLE SURVEY PREPARED BY WARE MALCOMB CIVIL ENGINEERING & SURVEYING DATED MAY 25, 2021.

A PARCEL OF LAND LOCATED IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 10 AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 9, TOWNSHIP 3 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, ADAMS COUNTY, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS;

COMMENCING AT THE WEST SIXTEENTH CORNER OF SAID SECTION 10 AND 15 AND CONSIDERING THE CENTER SOUTHWEST SIXTEENTH CORNER OF SAID SECTION 10 TO BEAR NORTH 00°10'45" WEST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 00°10'45" WEST ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SOUTHWEST QUARTER OF SECTION 10, A DISTANCE OF 490.00 FEET TO THE NORTH LINE OF LOT 1, LAYTON TRUCK EQUIPMENT SUBDIVISION RECORDED AT RECEPTION NUMBER 2008000010084 IN THE RECORDS OF THE ADAMS COUNTY CLERK AND RECORDER AND THE POINT OF BEGINNING;

THENCE ALONG SAID LOT 1 THE FOLLOWING FOUR COURSES:

1. SOUTH 89°51'58" WEST, A DISTANCE OF 346.60 FEET;
2. SOUTH 19°34'42" EAST, A DISTANCE OF 365.87 FEET;
3. NORTH 89°51'58" EAST, A DISTANCE OF 195.08 FEET;
4. SOUTH 00°10'45" EAST, A DISTANCE OF 115.00 FEET TO THE NORTHERLY RIGHT OF WAY OF WEST 56TH AVENUE AS RECORDED IN ADAMS COUNTY ROAD PETITION 502;

THENCE SOUTH 89°51'58" WEST ALONG SAID NORTHERLY RIGHT-OF-WAY, A DISTANCE OF 1,235.04 FEET TO THE EASTERLY RIGHT-OF-WAY OF THE REGIONAL TRANSPORTATION DISTRICT DESCRIBED AT RECEPTION NUMBER 2011000085351 IN SAID RECORDS AND A NON-TANGENT CURVE TO THE LEFT;

THENCE ALONG SAID EASTERLY RIGHT-OF-WAY AND CURVE HAVING A CENTRAL ANGLE OF 0°25'49", A RADIUS OF 1733.05 FEET, AN ARC LENGTH OF 13.01 FEET, AND A CHORD THAT BEARS NORTH 14°26'26" WEST, A DISTANCE OF 13.01 FEET TO A POINT OF NON-TANGENCY;

THENCE NORTH 00°02'35" WEST ALONG SAID EASTERLY RIGHT-OF-WAY, A DISTANCE OF 6.12 FEET;

THENCE NORTH 25°20'00" WEST ALONG SAID EASTERLY RIGHT-OF-WAY, A DISTANCE OF 7.70 FEET TO A NON-TANGENT CURVE TO THE LEFT;

THENCE ALONG SAID EASTERLY RIGHT-OF-WAY AND CURVE HAVING A CENTRAL ANGLE OF 16°44'04", A RADIUS OF 1733.05 FEET, AN ARC LENGTH OF 506.17 FEET, AND A CHORD THAT BEARS NORTH 23°41'35" WEST, A DISTANCE OF 504.37 FEET TO A POINT OF NON-TANGENCY AND THE SOUTHERLY LINE OF A PARCEL DESCRIBED AT RECEPTION NUMBER 2010000086807 IN SAID RECORDS;

THENCE SOUTH 89°54'33" EAST ALONG SAID PARCEL, A DISTANCE OF 183.99 FEET;

THENCE NORTH 24°55'49" WEST ALONG SAID PARCEL, A DISTANCE OF 475.52 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF THE UNION PACIFIC RAILROAD RECORDED IN PAGE 415 OF BOOK 146 IN SAID RECORDS;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY THE FOLLOWING SIX COURSES:

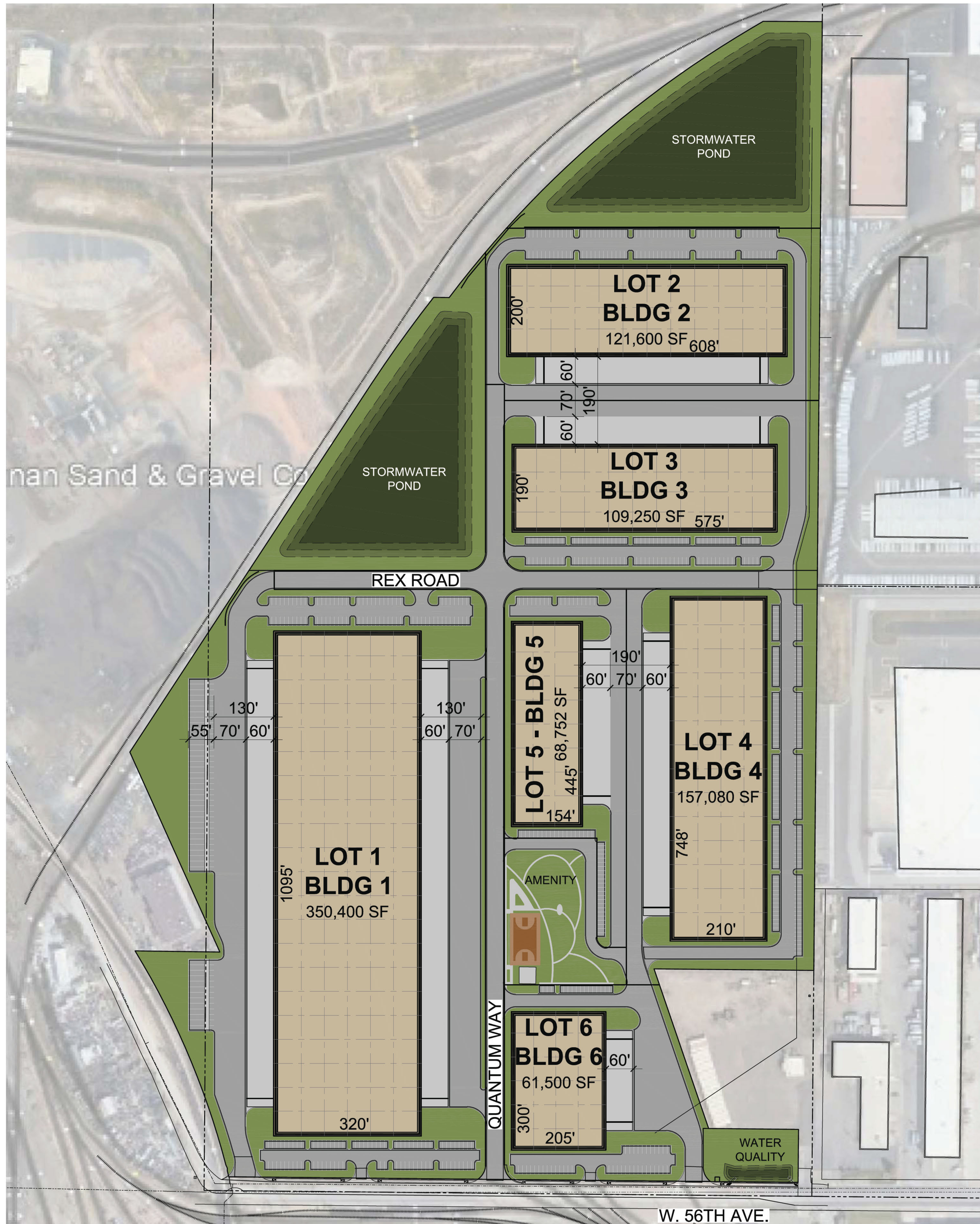
1. NORTH 32°34'04" EAST, A DISTANCE OF 959.95 FEET TO A TANGENT CURVE TO THE RIGHT;
2. ALONG SAID CURVE HAVING A CENTRAL ANGLE OF 4°38'06", A RADIUS OF 2796.60 FEET, AN ARC LENGTH OF 226.24 FEET, AND A CHORD THAT BEARS NORTH 35°08'00" EAST, A DISTANCE OF 226.17 FEET TO A POINT OF NON-TANGENCY;
3. NORTH 89°49'04" EAST, A DISTANCE OF 33.75 FEET TO A NON-TANGENT CURVE TO THE RIGHT;
4. ALONG SAID CURVE HAVING A CENTRAL ANGLE OF 22°30'18", A RADIUS OF 2252.00 FEET, AN ARC LENGTH OF 884.55 FEET, AND A CHORD THAT BEARS NORTH 47°37'16" EAST, A DISTANCE OF 878.88 FEET;
5. THENCE NORTH 58°52'25" EAST, A DISTANCE OF 28.56 FEET;
6. THENCE NORTH 89°28'31" EAST, A DISTANCE OF 128.35 FEET TO THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10;

THENCE SOUTH 00°11'12" EAST ALONG SAID EAST LINE, A DISTANCE OF 1224.02 FEET TO THE CENTER SOUTHWEST SIXTEENTH CORNER OF SECTION 10;

THENCE SOUTH 00°10'45" EAST ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, A DISTANCE OF 833.89 FEET TO THE POINT OF BEGINNING;

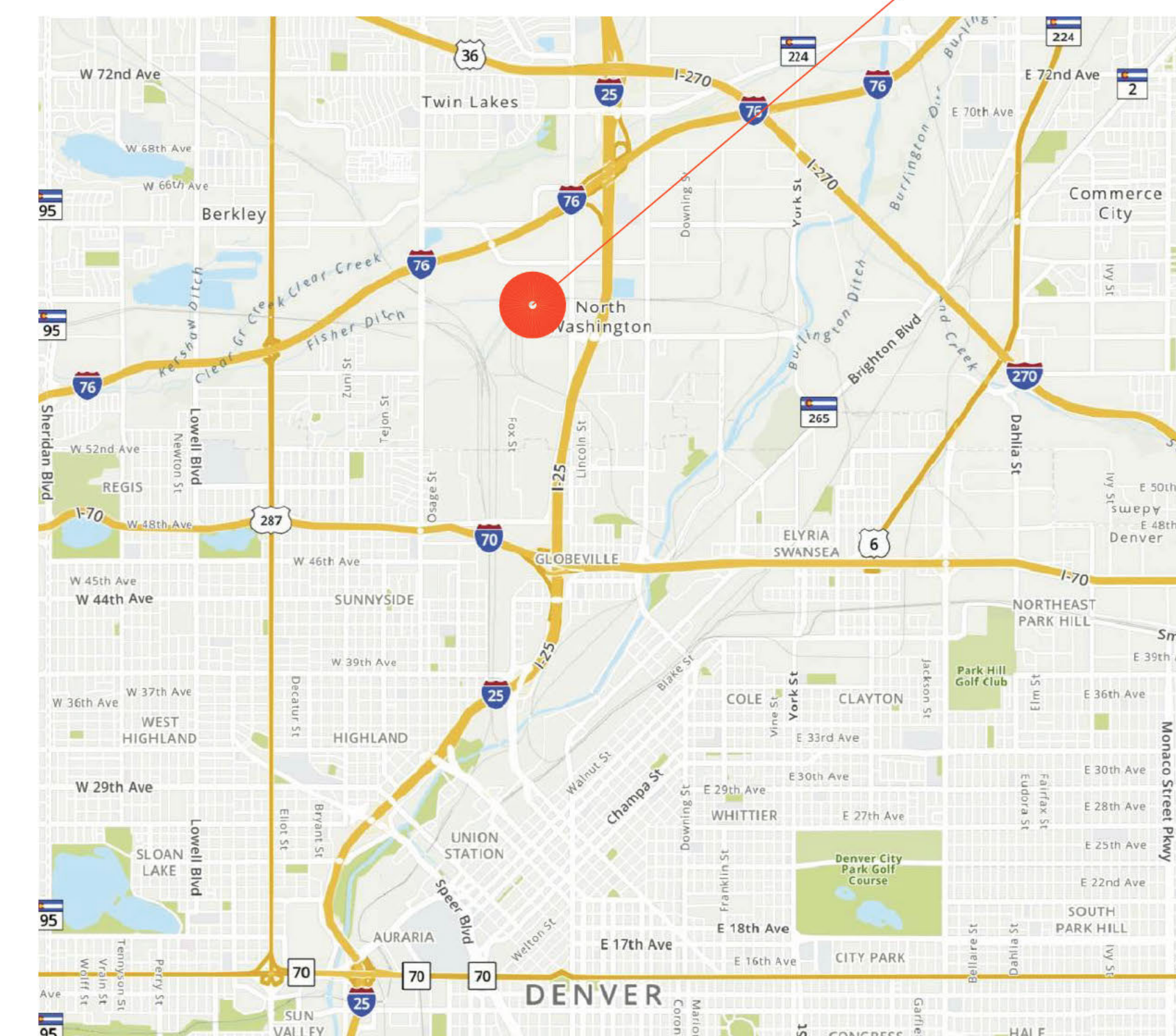
SAID PARCEL CONTAINS A SURVEYED AREA OF 2,626,447 SQUARE FEET OR 60.295 ACRES, MORE OR LESS

**EXHIBIT B
SITE PLAN**



TABULATIONS		
GROSS SITE AREA	+/- 2,626,446 SF	+/- 60.29 AC
TRACT AREA	+/- 598,384 SF	+/- 13.74 AC
NET SITE AREA	+/- 2,028,062 SF	+/- 46.56 AC
COVERAGE		42.8%
BUILDING/LOT AREA	BLDG	LOT
BUILDING 1	+/- 350,400 SF	+/- 19.31 AC
BUILDING 2	+/- 121,600 SF	+/- 6.16 AC
BUILDING 3	+/- 109,250 SF	+/- 5.75 AC
BUILDING 4	+/- 157,080 SF	+/- 7.82 AC
BUILDING 5	+/- 68,752 SF	+/- 3.61 AC
BUILDING 6	+/- 61,500 SF	+/- 3.91 AC
TOTAL BUILDING AREA	+/- 868,582 SF	+/- 46.56 AC
PARKING		
BUILDING 1	173 STALLS	
AUTO	48 STALLS	
TRAILER		
BUILDING 2	114 STALLS	
AUTO		
BUILDING 3	106 STALLS	
AUTO		
BUILDING 4	154 STALLS	
AUTO		
BUILDING 5	38 STALLS	
AUTO		
BUILDING 6	43 STALLS	
AUTO		
PARK PARKING		
AUTO	40 STALLS	

SITE



Ware Malcomb's services will be provided in accordance with its standard of care and will be based on physical or "social" distancing and health guidelines of the applicable federal, state and local authorities concerning the Covid-19 pandemic; which are in effect as of the date such Instruments of service are issued/delivered by Ware Malcomb to the client. Ware Malcomb will use its best professional judgment in interpreting and applying the requirements of all laws applicable to the Ware Malcomb's services such as those applicable to Covid-19; but compliance with these laws as they may be eventually interpreted by others cannot be guaranteed. In this regard, for those laws relating to Covid-19 health guidelines, such guidelines are and continue to be modified or amended by the applicable authorities; as such, Ware Malcomb's design is dependent on factors outside of its control and Ware Malcomb does not and cannot warrant or guarantee that Covid-19 or other illnesses will be prevented.

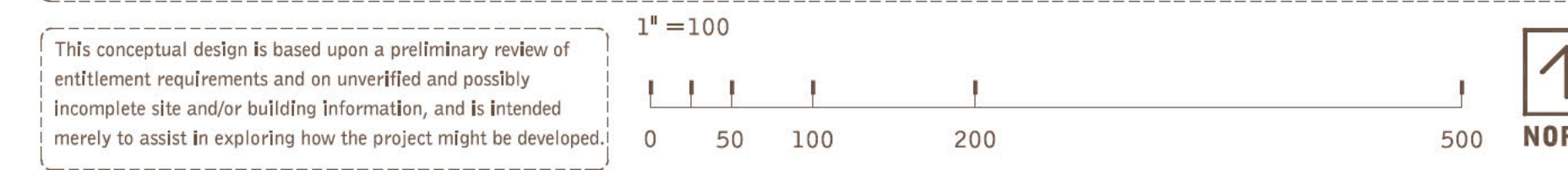
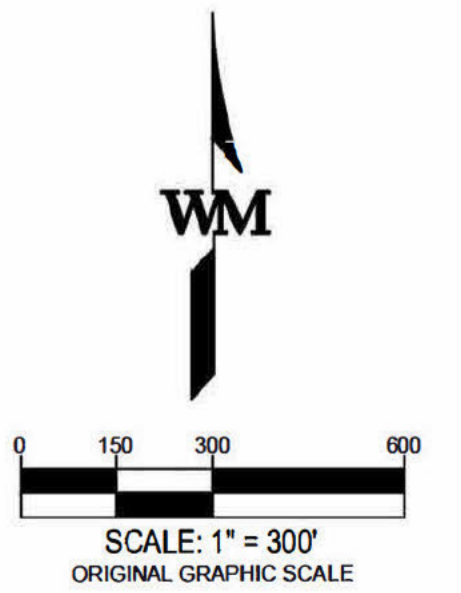
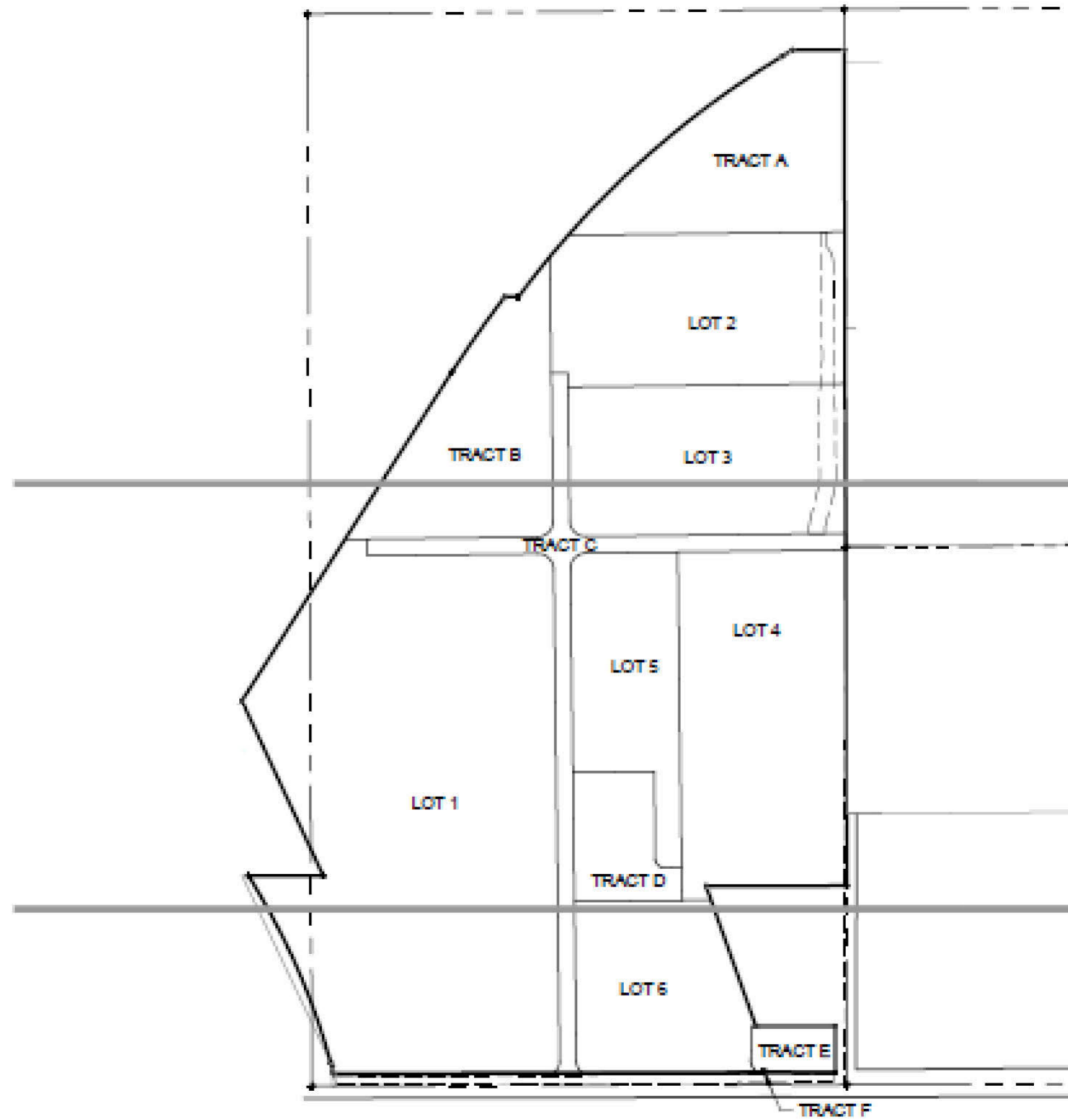


EXHIBIT C
DISTRICT BOUNDARIES MAP & VICINITY MAP

DISTRICT BOUNDARIES MAP



VICINITY MAP

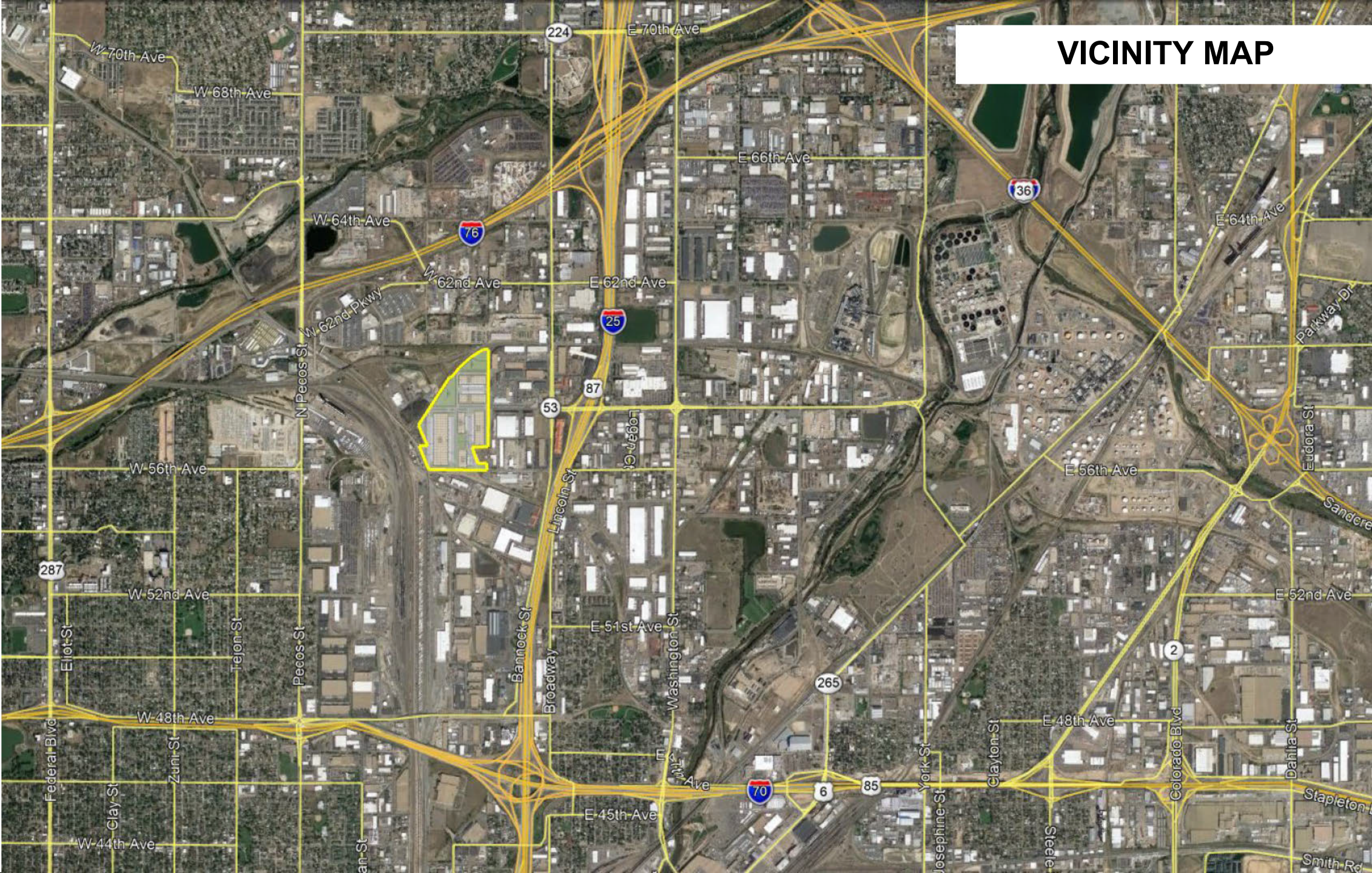


EXHIBIT D DISTRICT SERVICES

The District anticipates financing, designing, constructing, acquiring, and installing public improvements, including the following:

1. Grading & Erosion Control
2. Exterior Street
3. Interior Streets
4. Water Utility System
5. Sanitary Sewer System
6. Stormwater Drainage and Detention System
7. Renewable Energy Improvements

The District anticipates operating and maintaining public improvements, including the following:

1. Interior Streets
2. Stormwater Drainage and Detention System
3. Onsite sanitary sewer
4. Parks & open space
5. Renewable Energy Improvements

EXHIBIT E
FINANCIAL PLAN



Summary of Financing Assumptions

January 10, 2022

Quantum 56 Metropolitan District Financial Plan Service Plan Submission

We have prepared the following Financial Plan for the initial formation of the Quantum 56 Metropolitan District. This Financial Plan is based upon development information that has been provided to us by Quantum 56 Phase I LLC (“District Organizer”).

Based upon the assumptions below, the Financial Plan demonstrates that the District has the ability to finance a significant portion of the public improvements identified within the Service Plan and will be capable of discharging that indebtedness on a reasonable basis. It is assumed that the District will impose a total mill levy of 50 mills on all taxable property within its boundaries and this mill levy will be used as the primary source of revenue for repayment of this debt and for operations and maintenance. It is anticipated that 47.5 mills will be for debt service and 2.5 mills for operations and maintenance with a max mill levy of 50 mills. It is anticipated that the District’s portion of Specific Ownership Tax related to the debt mill levy, estimated at 6.0%, will also be pledged for bond repayment.

This forecast is based upon certain assumptions with facts and circumstances as we know them today and sets forth a reasonable estimate of growth within the development. Since events and circumstances frequently do not occur as expected there will usually be differences between the forecasted and actual results. Based upon these assumptions, the financial forecast shows that the District can levy 47.5 mills for debt and discharge its debt at reasonable rate. While these represent conservative assumptions provided by the District Organizer, it is the expectation that the District will be able to levy fewer mills. The following is a summary of the assumptions used in preparation of the Financial Plan.

Financial Plan Assumptions

The following assumptions have been provided by the Developer and form the basis of the financial analysis. All prices below reflect anticipated 2022 market values. The development is comprised of six industrial buildings for a total of 868,360 square feet. The buildings are anticipated to be completed between 2024 and 2027. The table below outlines the development buildout plan and estimated value per building. The estimated market value per unit figures below reflect 2022 market values. Such market values are modeled in the financial plan at a 1.50% biennial price inflation.

Commercial Development Summary													
Phase	Description	Type	Sq Ft	2022	2022	2022	2022	Complete Yr	2022	2023	2024	2025	Total
				MV SF	Total MV	AV SF	Total AV		Collect Yr	2024	2025	2026	
1	Building 1	C	350,400	80	28,032,000	23	8,129,280				350,400		350,400
1	Building 2	C	121,600	100	12,160,000	29	3,526,400				121,600		121,600
1	Building 3	C	109,250	100	10,925,000	29	3,168,250				109,250		109,250
2	Building 4	C	157,080	100	15,708,000	29	4,555,320					157,080	157,080
2	Building 5	C	68,530	110	7,538,300	32	2,186,107					68,530	68,530
2	Building 6	C	61,500	110	6,765,000	32	1,961,850					61,500	61,500
Totals			868,360	93	81,128,300	27	23,527,207		-	-	581,250	287,110	868,360
Cumulative Commercial Sq Ft Built										-	-	581,250	868,360
% of Total Commercial Sq Ft Built										0%	0%	67%	100%

District Mill Levies:		
	Anticipated Mill Levy for Debt	47.500
	Anticipated Mill Levy for O&M	2.500
	Total Mill Levy	50.000
	Specific Ownership Tax %	6.00%

District Debt:		
	Estimated Senior Bond Interest Rate	6.00%
	Estimated Subordinate Bond Interest Rate	8.00%
	Bond Issuance Year(s)	2023
	Anticipated Bond Term	30 Years
	Principal Amount	\$17,420,000
	Net Project Funds	\$12,946,300
	Capitalized Interest	\$ 2,610,000
	Debt Service Reserve Fund	\$1,341,100
	Costs of Issuance	\$522,600
	Total	17,420,000

Similar Developments

The following represents the total mill levy for various developments within the Denver Metropolitan Area that are comprised of similar industrial buildings.

Mill Levy Comparisons (2020 for 2021 Collection)	
<u>Project</u>	<u>Total Mills</u>
Park 1200 Tech Center	101.6
Prologis Park Central	100.8
Hub 25	100.8
Crossroads Commerce Park (Denver)	119.1
Crossroads Commerce Park (Adams)	142.0
Enterprise Park	131.9
Stapleton Business Center North	101.1
Stapleton Business Center	101.1
Gateway Park	142.0
Majestic Commercenter	142.8
Eastpark 70	155.8
Airways Business Center	129.8
First Aurora Commerce Center	154.8
Tower Business Center	138.8
Park 70	154.8
Stafford Logistics Center	125.7
Highpoint Logistics Park	153.3
Nexus at DIA	173.4

Subject Property (2020 for 2021 Collection)	
<u>Quantum 56 Metropolitan District</u>	<u>Total Mills</u>
465 W 56th Ave Mill Levy	99.5
Maximum Metropolitan District Mill Levy	50.0
Total Potential Mill Levy	149.5

Summary

As we've described above the financing plan proposes an ultimate build-out over the next 3-5 years with industrial property development. The model assumes 47.5 debt service mills for the industrial property. As a result of the financial modeling with debt service coverage of 1.31 times, the bonding capacity of the District is \$17,500,000 assuming a 30 year bond issue. It is anticipated that the District will issue debt at the appropriate time as the capital markets will allow based on the buildout at that point in time.

The assumptions disclosed in the Financial Plan are those of the District Organizer and have not been independently reviewed by RBC Capital Markets. All of the revenues pledged to debt service are dependent solely upon the timely build-out at the projected market and assessed values per unit. The forecasted absorption schedule is based upon certain assumptions with facts and circumstances as we know them today and sets forth an estimate of growth within the development. As true with financial projections included in any model for a metropolitan district, these financial projections do not constitute a commitment to construct any specific buildings, nor do they obligate the Developer to begin new construction on any specific timetable.

The ability to issue debt in the future will also depend on the level of development achieved within the District, and on the rate of taxes imposed by the District within to the limits created by the Service Plan. There is a high probability that the forecasted results will differ from future tax base factors and such variations can be material. The assumptions as defined above should be viewed in conjunction with the attached Financial Plan.

It is contemplated that RBC Capital Markets will provide investment banking services to the District in connection with its future bond financings or other borrowings. RBC Capital Markets is not acting as a financial advisor to the Quantum 56 Metropolitan District. RBC Capital Markets has not independently reviewed the assumptions that the financial model is based upon and RBC Capital Markets cannot assure the achievability of the information provided by the Development. Due to the inherent nature of future events, which are subject to change, the actual results may vary materially from the results presented herein. RBC Capital Markets has no responsibility or obligation to update this information or this financial model for events occurring after the date of this report.

Sincerely,



Tom Wendelin

Director

RBC CAPITAL MARKETS

Quantum 56 Metropolitan District
 Limited Tax General Obligation Bonds, Series 2023
 Service Plan Submission - Financial Plan
 D/S Mill Levy = 47.500 Mills

Financing Summary

Sources and Uses			
Sources	Senior	Subordinate	Total
Par Amount	14,500,000	2,920,000	17,420,000
Premium/(Discount)			-
Other			-
Total Sources	14,500,000	2,920,000	17,420,000

Uses	Senior	Subordinate	Total
Project Fund	10,113,900	2,832,400	12,946,300
Debt Service Reserve Fund	1,341,100	-	1,341,100
Capitalized Interest Fund	2,610,000	-	2,610,000
Estimated Issuance Costs (3.00%)	435,000	87,600	522,600
Total Uses	14,500,000	2,920,000	17,420,000

Development Assumptions	
Residential Units	-
Average Market Value per Unit (Uninflated)	-
Total Residential Market Value (Uninflated)	-
Total Residential Assessed Value (Uninflated)	-
Commercial Sq Ft	868,360
Average Market Value per Sq Ft (Uninflated)	93
Total Commercial Market Value (Uninflated)	81,128,300
Total Commercial Assessed Value (Uninflated)	23,527,207
Total Market Value (Uninflated)	81,128,300
Total Assessed Value (Uninflated)	23,527,207

Issue Information		
Issue Date	09/01/2023	09/01/2023
Maturity Date	12/01/2052	12/15/2052
Stated Term	29.3 Yrs	29.3 Yrs
Estimated Interest Rate	6.00%	8.00%

Senior Debt Service Summary	
Principal	14,500,000
Interest	19,455,000
Total Principal & Interest	33,955,000
Less: Capitalized Interest (Principal & Earnings @ 0%)	(2,610,000)
Less: Debt Service Reserve Fund (Principal & Earnings @ 0%)	(1,341,100)
Net Debt Service	30,003,900
Maximum Annual Net Debt Service	1,377,800

Subordinate Debt Service Summary	
Principal	2,920,000
Interest	7,043,226
Total Principal & Interest	9,963,226
Less: Debt Service Reserve Fund (Principal & Earnings @ 0%)	N/A
Net Debt Service	9,963,226
Maximum Annual Net Debt Service	N/A

Other Assumptions	
Debt Mill Levy	47.500 Mills
Operations Mill Levy	2.500 Mills
Total Mill Levy	50.000 Mills
Specific Ownership Tax %	6.00%
Maximum Total Mill Levy Allowed	50.000 Mills
Property Tax Collection Costs	2.00%
Commercial Assessment Rate	29.00%
Residential Assessment Rate	7.15%
Biennial Reappraisal Change	3.00%
Minimum Coverage Requirement	1.25-1.35
Actual Coverage at Stabilization (2028)	1.31

Quantum 56 Metropolitan District
 Limited Tax General Obligation Bonds, Series 2023
 Service Plan Submission - Financial Plan
 D/S Mill Levy = 47.500 Mills

Commercial Development Summary													
Phase	Description	Type	Sq Ft	2022 MV SF	2022 Total MV	2022 AV SF	2022 Total AV	Complete Yr	2022	2023	2024	2025	Total
								Collect Yr	2024	2025	2026	2027	
1	Building 1	C	350,400	80	28,032,000	23	8,129,280				350,400		350,400
1	Building 2	C	121,600	100	12,160,000	29	3,526,400				121,600		121,600
1	Building 3	C	109,250	100	10,925,000	29	3,168,250				109,250		109,250
2	Building 4	C	157,080	100	15,708,000	29	4,555,320					157,080	157,080
2	Building 5	C	68,530	110	7,538,300	32	2,186,107					68,530	68,530
2	Building 6	C	61,500	110	6,765,000	32	1,961,850					61,500	61,500
Totals			868,360	93	81,128,300	27	23,527,207		-	-	581,250	287,110	868,360
Cumulative Commercial Sq Ft Built									-	-	581,250	868,360	
% of Total Commercial Sq Ft Built									0%	0%	67%	100%	

Commercial Sq Ft Developed	Collect Yr	2024	2025	2026	2027
Commercial Market Value		-	-	54,230,025	86,069,013
Commercial Assessed Value		-	-	15,726,707	24,960,014

Commercial Undeveloped Land	Collect Yr	2024	2025	2026	2027		
Undeveloped Land		% of Total MV	6.58%	5,500,000	5,500,000	1,873,046	-
Assessor Discount Factor				0%	0%	0%	0%
Undeveloped Land Market Value (Discounted)		5,500,000	5,500,000	1,873,046	-		
Land Assessed Value		1,595,000	1,595,000	543,183	-		

Total Commercial Development	Collect Yr	2024	2025	2026	2027
Total Market Value		5,500,000	5,500,000	56,103,071	86,069,013
Total Assessed Value		1,595,000	1,595,000	16,269,891	24,960,014

Reappraisal Change		3.00%		3.00%	
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Cash Flow Summary											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Property Tax Revenue Information											
Beginning Assessed Value	-	-	-	1,595,000	1,595,000	16,269,891	24,960,014	25,708,814	25,708,814	26,480,079	26,480,079
Additions	-	-	1,595,000	-	14,627,041	8,690,123	-	-	-	-	-
Reappraisal Adjustments	-	-	-	-	47,850	-	748,800	-	771,264	-	794,402
Ending Assessed Value	-	-	1,595,000	1,595,000	16,269,891	24,960,014	25,708,814	25,708,814	26,480,079	26,480,079	27,274,481
D/S Mill Levy	-	47.500	47.500	47.500	47.500	47.500	47.500	47.500	47.500	47.500	47.500
% Reappraisal Growth			3.00%		3.00%		3.00%		3.00%		3.00%
D/S Property Tax Revenue	-	-	75,763	75,763	772,820	1,185,601	1,221,169	1,221,169	1,257,804	1,257,804	1,295,538
Specific Ownership Taxes @ 6.00%	-	-	4,546	4,546	46,369	71,136	73,270	73,270	75,468	75,468	77,732
Treasurer's Fee - 2.00%	-	-	(1,606)	(1,606)	(16,384)	(25,135)	(25,889)	(25,889)	(26,665)	(26,665)	(27,465)
Total Revenue for Debt Service	-	-	78,702	78,702	802,805	1,231,602	1,268,550	1,268,550	1,306,607	1,306,607	1,345,805
Senior Debt Service Information											
Debt Service	-	217,500	870,000	870,000	870,000	940,000	965,800	969,800	998,200	994,500	1,025,500
Capitalized Interest	-	(217,500)	(870,000)	(870,000)	(652,500)	-	-	-	-	-	-
DSR Fund	-	-	-	-	-	-	-	-	-	-	-
Total Net Debt Service	-	-	-	-	217,500	940,000	965,800	969,800	998,200	994,500	1,025,500
D/S Coverage Ratio	-	-	-	-	3.69	1.31	1.31	1.31	1.31	1.31	1.31
D/S Coverage Ratio at Max Levy of 47.500 Mills	-	-	-	-	3.69	1.31	1.31	1.31	1.31	1.31	1.31
Revenue After Senior D/S	-	-	78,702	78,702	585,305	291,602	302,750	298,750	308,407	312,107	320,305
Surplus Fund Deposits = \$690,000	-	-	78,702	78,702	532,596	-	-	-	-	-	-
Revenue After Surplus Fund Deposit	-	-	-	-	52,709	291,602	302,750	298,750	308,407	312,107	320,305
Subordinate Bond Information											
Beginning Balance	-	-	2,987,484	3,226,483	3,484,602	3,710,661	3,715,912	3,710,435	3,708,520	3,696,794	3,680,431
Additions	-	2,920,000	-	-	-	-	-	-	-	-	-
Interest Rate	-	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Interest	-	67,484	238,999	258,119	278,768	296,853	297,273	296,835	296,682	295,744	294,434
Payments	-	-	-	-	(52,709)	(291,602)	(302,750)	(298,750)	(308,407)	(312,107)	(320,305)
Ending Balance	-	2,987,484	3,226,483	3,484,602	3,710,661	3,715,912	3,710,435	3,708,520	3,696,794	3,680,431	3,654,560
Revenue After Subordinate D/S	-	-	-	-	-	-	-	-	-	-	-
Surplus Fund Information											
Deposits	-	-	78,702	78,702	532,596	-	-	-	-	-	-
Interest at 0.00%	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	-	78,702	157,404	690,000	690,000	690,000	690,000	690,000	690,000	690,000
O&M Mill Summary Information											
Assessed Value	-	-	1,595,000	1,595,000	16,269,891	24,960,014	25,708,814	25,708,814	26,480,079	26,480,079	27,274,481
O&M Mill Levy	-	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500
O&M Property Tax Revenue	-	-	3,988	3,988	40,675	62,400	64,272	64,272	66,200	66,200	68,186
Specific Ownership Taxes @ 6.00%	-	-	239	239	2,440	3,744	3,856	3,856	3,972	3,972	4,091
Treasurer's Fee - 2.00%	-	-	(85)	(85)	(862)	(1,323)	(1,363)	(1,363)	(1,403)	(1,403)	(1,446)
O&M Property Tax Revenue	-	-	4,142	4,142	42,253	64,821	66,766	66,766	68,769	68,769	70,832

Cash Flow Summary											
	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Property Tax Revenue Information											
Beginning Assessed Value	27,274,481	27,274,481	28,092,716	28,092,716	28,935,497	28,935,497	29,803,562	29,803,562	30,697,669	30,697,669	31,618,599
Additions	-	-	-	-	-	-	-	-	-	-	-
Reappraisal Adjustments	-	818,234	-	842,781	-	868,065	-	894,107	-	920,930	-
Ending Assessed Value	27,274,481	28,092,716	28,092,716	28,935,497	28,935,497	29,803,562	29,803,562	30,697,669	30,697,669	31,618,599	31,618,599
D/S Mill Levy	47.500	47.500	47.500	47.500	47.500	47.500	47.500	47.500	47.500	47.500	47.500
% Reappraisal Growth		3.00%		3.00%		3.00%		3.00%		3.00%	
D/S Property Tax Revenue	1,295,538	1,334,404	1,334,404	1,374,436	1,374,436	1,415,669	1,415,669	1,458,139	1,458,139	1,501,883	1,501,883
Specific Ownership Taxes @ 6.00%	77,732	80,064	80,064	82,466	82,466	84,940	84,940	87,488	87,488	90,113	90,113
Treasurer's Fee - 2.00%	(27,465)	(28,289)	(28,289)	(29,138)	(29,138)	(30,012)	(30,012)	(30,913)	(30,913)	(31,840)	(31,840)
Total Revenue for Debt Service	1,345,805	1,386,179	1,386,179	1,427,764	1,427,764	1,470,597	1,470,597	1,514,715	1,514,715	1,560,157	1,560,157
Senior Debt Service Information											
Debt Service	1,024,100	1,057,100	1,057,400	1,086,800	1,088,500	1,124,000	1,121,200	1,157,200	1,154,600	1,190,500	1,192,500
Capitalized Interest	-	-	-	-	-	-	-	-	-	-	-
DSR Fund	-	-	-	-	-	-	-	-	-	-	-
Total Net Debt Service	1,024,100	1,057,100	1,057,400	1,086,800	1,088,500	1,124,000	1,121,200	1,157,200	1,154,600	1,190,500	1,192,500
D/S Coverage Ratio	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31
D/S Coverage Ratio at Max Levy of 47.500 Mills	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31
Revenue After Senior D/S	321,705	329,079	328,779	340,964	339,264	346,597	349,397	357,515	360,115	369,657	367,657
Surplus Fund Deposits = \$690,000	-	-	-	-	-	-	-	-	-	-	-
Revenue After Surplus Fund Deposit	321,705	329,079	328,779	340,964	339,264	346,597	349,397	357,515	360,115	369,657	367,657
Subordinate Bond Information											
Beginning Balance	3,654,560	3,625,220	3,586,159	3,544,272	3,486,850	3,426,534	3,354,060	3,272,988	3,177,312	3,071,382	2,947,435
Additions	-	-	-	-	-	-	-	-	-	-	-
Interest Rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Interest	292,365	290,018	286,893	283,542	278,948	274,123	268,325	261,839	254,185	245,711	235,795
Payments	(321,705)	(329,079)	(328,779)	(340,964)	(339,264)	(346,597)	(349,397)	(357,515)	(360,115)	(369,657)	(367,657)
Ending Balance	3,625,220	3,586,159	3,544,272	3,486,850	3,426,534	3,354,060	3,272,988	3,177,312	3,071,382	2,947,435	2,815,573
Revenue After Subordinate D/S	-	-	-	-	-	-	-	-	-	-	-
Surplus Fund Information											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Interest at 0.00%	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	690,000	690,000	690,000	690,000	690,000	690,000	690,000	690,000	690,000	690,000	690,000
O&M Mill Summary Information											
Assessed Value	27,274,481	28,092,716	28,092,716	28,935,497	28,935,497	29,803,562	29,803,562	30,697,669	30,697,669	31,618,599	31,618,599
O&M Mill Levy	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500
O&M Property Tax Revenue	68,186	70,232	70,232	72,339	72,339	74,509	74,509	76,744	76,744	79,046	79,046
Specific Ownership Taxes @ 6.00%	4,091	4,214	4,214	4,340	4,340	4,471	4,471	4,605	4,605	4,743	4,743
Treasurer's Fee - 2.00%	(1,446)	(1,489)	(1,489)	(1,534)	(1,534)	(1,580)	(1,580)	(1,627)	(1,627)	(1,676)	(1,676)
O&M Property Tax Revenue	70,832	72,957	72,957	75,145	75,145	77,400	77,400	79,722	79,722	82,114	82,114

Quantum 56 Metropolitan District
 Limited Tax General Obligation Bonds, Series 2023
 Service Plan Submission - Financial Plan
 D/S Mill Levy = 47.500 Mills

Cash Flow Summary										
	2044	2045	2046	2047	2048	2049	2050	2051	2052	Totals
Property Tax Revenue Information										
Beginning Assessed Value	31,618,599	32,567,157	32,567,157	33,544,172	33,544,172	34,550,497	34,550,497	35,587,012	35,587,012	
Additions	-	-	-	-	-	-	-	-	-	24,912,164
Reappraisal Adjustments	948,558	-	977,015	-	1,006,325	-	1,036,515	-	1,067,610	11,742,458
Ending Assessed Value	32,567,157	32,567,157	33,544,172	33,544,172	34,550,497	34,550,497	35,587,012	35,587,012	36,654,622	36,654,622
D/S Mill Levy	47.500	47.500	47.500	47.500	47.500	47.500	47.500	47.500	47.500	
% Reappraisal Growth	3.00%		3.00%		3.00%		3.00%		3.00%	
D/S Property Tax Revenue	1,546,940	1,546,940	1,593,348	1,593,348	1,641,149	1,641,149	1,690,383	1,690,383	1,741,095	38,512,764
Specific Ownership Taxes @ 6.00%	92,816	92,816	95,601	95,601	98,469	98,469	101,423	101,423	104,466	2,310,766
Treasurer's Fee - 2.00%	(32,795)	(32,795)	(33,779)	(33,779)	(34,792)	(34,792)	(35,836)	(35,836)	(36,911)	(816,471)
Total Revenue for Debt Service	1,606,961	1,606,961	1,655,170	1,655,170	1,704,825	1,704,825	1,755,970	1,755,970	1,808,649	40,007,059
Senior Debt Service Information										
Debt Service	1,227,400	1,228,100	1,261,400	1,260,200	1,301,300	1,302,000	1,339,400	1,341,100	2,718,900	33,955,000
Capitalized Interest	-	-	-	-	-	-	-	-	-	(2,610,000)
DSR Fund	-	-	-	-	-	-	-	-	(1,341,100)	(1,341,100)
Total Net Debt Service	1,227,400	1,228,100	1,261,400	1,260,200	1,301,300	1,302,000	1,339,400	1,341,100	1,377,800	30,003,900
D/S Coverage Ratio	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	
D/S Coverage Ratio at Max Levy of 47.500 Mills	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	
Revenue After Senior D/S	379,561	378,861	393,770	394,970	403,525	402,825	416,570	414,870	430,849	10,003,160
Surplus Fund Deposits = \$690,000									(690,000)	
Revenue After Surplus Fund Deposit	379,561	378,861	393,770	394,970	403,525	402,825	416,570	414,870	1,120,849	10,003,160
Subordinate Bond Information										
Beginning Balance	2,815,573	2,661,258	2,495,297	2,301,151	2,090,273	1,853,970	1,599,463	1,310,850	1,000,848	-
Additions										2,920,000
Interest Rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	
Interest	225,246	212,901	199,624	184,092	167,222	148,318	127,957	104,868	80,068	7,043,226
Payments	(379,561)	(378,861)	(393,770)	(394,970)	(403,525)	(402,825)	(416,570)	(414,870)	(1,080,916)	(9,963,227)
Ending Balance	2,661,258	2,495,297	2,301,151	2,090,273	1,853,970	1,599,463	1,310,850	1,000,848	-	-
Revenue After Subordinate D/S	-	-	-	-	-	-	-	-	39,933	39,933
Surplus Fund Information										
Deposits	-	-	-	-	-	-	-	-	(690,000)	-
Interest at 0.00%	-	-	-	-	-	-	-	-	-	-
Ending Balance	690,000	690,000	690,000	690,000	690,000	690,000	690,000	690,000	-	-
O&M Mill Summary Information										
Assessed Value	32,567,157	32,567,157	33,544,172	33,544,172	34,550,497	34,550,497	35,587,012	35,587,012	36,654,622	
O&M Mill Levy	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	
O&M Property Tax Revenue	81,418	81,418	83,860	83,860	86,376	86,376	88,968	88,968	91,637	2,026,988
Specific Ownership Taxes @ 6.00%	4,885	4,885	5,032	5,032	5,183	5,183	5,338	5,338	5,498	121,619
Treasurer's Fee - 2.00%	(1,726)	(1,726)	(1,778)	(1,778)	(1,831)	(1,831)	(1,886)	(1,886)	(1,943)	(42,972)
O&M Property Tax Revenue	84,577	84,577	87,114	87,114	89,728	89,728	92,419	92,419	95,192	2,105,635

Debt Service Summary

Senior - Series 1 - 2023

Date	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Principal	-	-	-	-	-	70,000	100,000	110,000	145,000	150,000	190,000
Coupon	-	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Interest	-	217,500	870,000	870,000	870,000	870,000	865,800	859,800	853,200	844,500	835,500
Total P+I	-	217,500	870,000	870,000	870,000	940,000	965,800	969,800	998,200	994,500	1,025,500
CAP1	-	(217,500)	(870,000)	(870,000)	(652,500)	-	-	-	-	-	-
DSR	-	-	-	-	-	-	-	-	-	-	-
Net D/S	-	-	-	-	217,500	940,000	965,800	969,800	998,200	994,500	1,025,500

Senior - Total

Date	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Principal	-	-	-	-	-	70,000	100,000	110,000	145,000	150,000	190,000
Interest	-	217,500	870,000	870,000	870,000	870,000	865,800	859,800	853,200	844,500	835,500
Total P+I	-	217,500	870,000	870,000	870,000	940,000	965,800	969,800	998,200	994,500	1,025,500
CAP1	-	(217,500)	(870,000)	(870,000)	(652,500)	-	-	-	-	-	-
DSR	-	-	-	-	-	-	-	-	-	-	-
Net D/S	-	-	-	-	217,500	940,000	965,800	969,800	998,200	994,500	1,025,500

Quantum 56 Metropolitan District
 Limited Tax General Obligation Bonds, Series 2023
 Service Plan Submission - Financial Plan
 D/S Mill Levy = 47.500 Mills

Debt Service Summary											
Senior - Series 1 - 2023											
Date	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Principal	200,000	245,000	260,000	305,000	325,000	380,000	400,000	460,000	485,000	550,000	585,000
Coupon	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Interest	824,100	812,100	797,400	781,800	763,500	744,000	721,200	697,200	669,600	640,500	607,500
Total P+I	1,024,100	1,057,100	1,057,400	1,086,800	1,088,500	1,124,000	1,121,200	1,157,200	1,154,600	1,190,500	1,192,500
CAP1	-	-	-	-	-	-	-	-	-	-	-
DSR	-	-	-	-	-	-	-	-	-	-	-
Net D/S	1,024,100	1,057,100	1,057,400	1,086,800	1,088,500	1,124,000	1,121,200	1,157,200	1,154,600	1,190,500	1,192,500

Senior - Total											
Date	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Principal	200,000	245,000	260,000	305,000	325,000	380,000	400,000	460,000	485,000	550,000	585,000
Interest	824,100	812,100	797,400	781,800	763,500	744,000	721,200	697,200	669,600	640,500	607,500
Total P+I	1,024,100	1,057,100	1,057,400	1,086,800	1,088,500	1,124,000	1,121,200	1,157,200	1,154,600	1,190,500	1,192,500
CAP1	-	-	-	-	-	-	-	-	-	-	-
DSR	-	-	-	-	-	-	-	-	-	-	-
Net D/S	1,024,100	1,057,100	1,057,400	1,086,800	1,088,500	1,124,000	1,121,200	1,157,200	1,154,600	1,190,500	1,192,500

Debt Service Summary

Senior - Series 1 - 2023

Date	2044	2045	2046	2047	2048	2049	2050	2051	2052	Totals
Principal	655,000	695,000	770,000	815,000	905,000	960,000	1,055,000	1,120,000	2,565,000	14,500,000
Coupon	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	
Interest	572,400	533,100	491,400	445,200	396,300	342,000	284,400	221,100	153,900	19,455,000
Total P+I	1,227,400	1,228,100	1,261,400	1,260,200	1,301,300	1,302,000	1,339,400	1,341,100	2,718,900	33,955,000
CAP1	-	-	-	-	-	-	-	-	-	(2,610,000)
DSR	-	-	-	-	-	-	-	-	(1,341,100)	(1,341,100)
Net D/S	1,227,400	1,228,100	1,261,400	1,260,200	1,301,300	1,302,000	1,339,400	1,341,100	1,377,800	30,003,900

Senior - Total

Date	2044	2045	2046	2047	2048	2049	2050	2051	2052	Totals
Principal	655,000	695,000	770,000	815,000	905,000	960,000	1,055,000	1,120,000	2,565,000	14,500,000
Interest	572,400	533,100	491,400	445,200	396,300	342,000	284,400	221,100	153,900	19,455,000
Total P+I	1,227,400	1,228,100	1,261,400	1,260,200	1,301,300	1,302,000	1,339,400	1,341,100	2,718,900	33,955,000
CAP1	-	-	-	-	-	-	-	-	-	(2,610,000)
DSR	-	-	-	-	-	-	-	-	(1,341,100)	(1,341,100)
Net D/S	1,227,400	1,228,100	1,261,400	1,260,200	1,301,300	1,302,000	1,339,400	1,341,100	1,377,800	30,003,900



To: Tom Wendelin, Director, RBC Capital Markets

From: Mitch Zatz, Managing Director, Jones Lang LaSalle
 Jason White, Industrial Broker, Jones Lang LaSalle

Date: January 5, 2022

RE: Broker's Opinion of Market Feasibility for Quantum 56

Jones Lang LaSalle has been asked to provide a Broker's Opinion of Market Feasibility for the proposed Quantum 56 Business Logistic Park located at 465 West 56th Avenue in unincorporated Adams County, CO (the Project). The memorandum that follows provides an assessment of proposed Project absorption and assessed valuation as shown in the RBC Capital Markets Financial Plan (aka the Quantum 56 Metropolitan District Limited Tax General Obligation Bonds, Series 2023 (Service Plan Submission), dated December 15, 2021, and based on current market conditions in the Metro Denver Industrial Market and the North Central Denver Industrial Submarket.

Project Overview / Planned Development

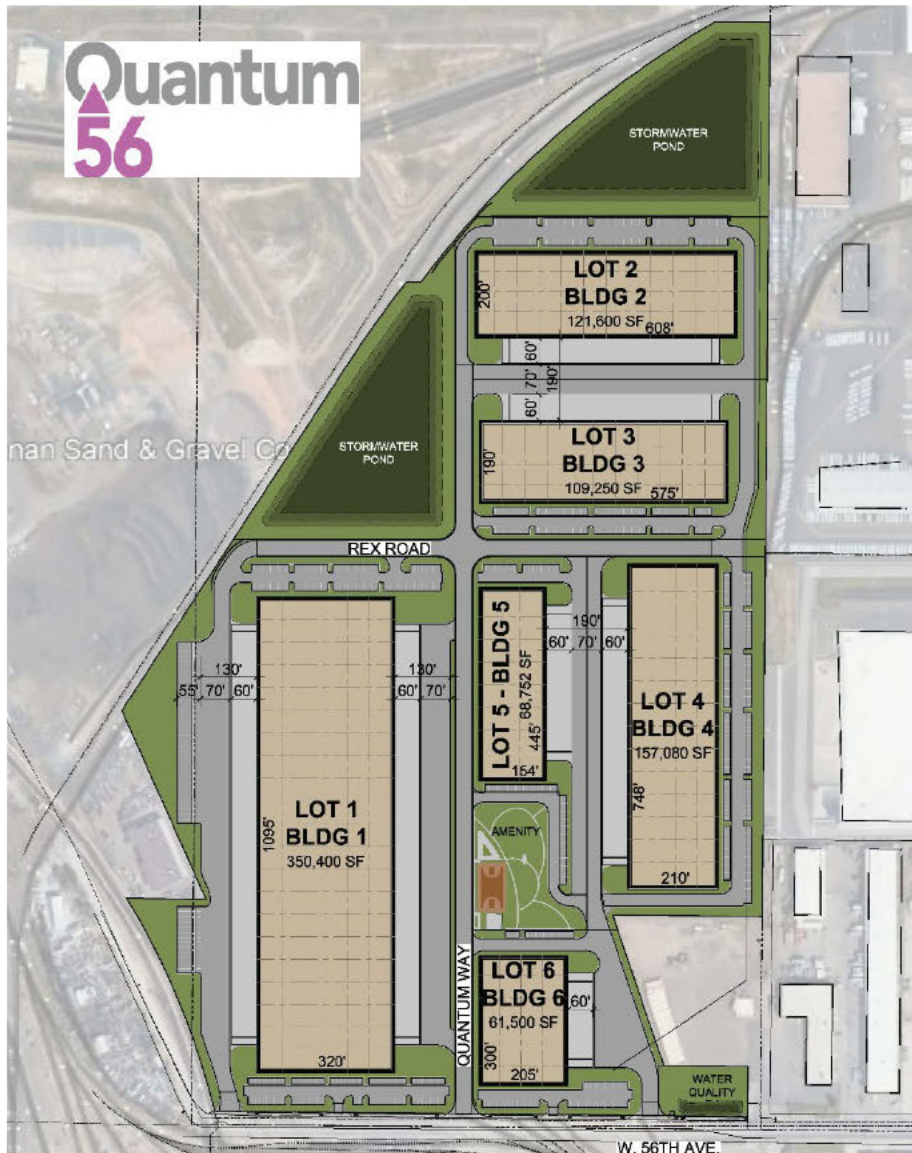
The Quantum 56 development is projected to include 868,360 SF of Class-A industrial spread across 6 buildings ranging in size from 61,500 SF to 350,400 SF, including a range of single and multi-tenant cross-dock and front-load buildings.

Table 1: Quantum 56 – Planned Development

Development Assumptions	Phase 1			Phase 2			SubTotal
	Bldg 1	Bldg 2	Bldg 3	Bldg 4	Bldg 5	Bldg 6	
Land SqFt	1,033,560	325,052	325,052	445,988	196,890	215,767	2,542,310
Residual Raw Land Value PSF	\$ 2.15	\$ 2.15	\$ 2.15	\$ 2.15	\$ 2.15	\$ 2.15	
Residual Improved Land Value PSF	\$ 4.93	\$ 4.93	\$ 4.93	\$ 4.93	\$ 4.93	\$ 4.93	
Commercial Development Type	Industrial	Industrial	Industrial	Industrial	Industrial	Industrial	
Commercial Square Feet	350,400	121,600	109,250	157,080	68,752	61,500	868,582
Assessor's Market Value per SF	\$ 80	\$ 100	\$ 100	\$ 100	\$ 110	\$ 110	
Year of Construction Completion	2024	2024	2024	2025	2025	2025	
Year of Taxable Assessed Value	2026	2026	2026	2027	2027	2027	

The development plan, and therefore financial model anticipates two phases of development, with Buildings 1-3 (581,250 total SF) being constructed in Phase 1, and Buildings 4-6 (287,110 total SF) being constructed in Phase 2. Phase 1 construction starts in 2023, is complete in 2024, and fully on tax rolls for property tax collection in 2026. Phase 2 construction starts in 2024, is complete in 2025, and fully on tax rolls for property tax collection in 2027.

Exhibit 1: Quantum 56 Site Plan



Denver Industrial Market / Quantum 56 Projected Absorption

The Quantum 56 development is expected to begin active leasing concurrent with the start of vertical construction in 2023. The financial model assumes it will be fully constructed and at least 90% leased / occupied by December 2025. The anticipated three-year lease-up requires average annual absorption of 289,500 SF.

JLL's Q3 2021 Market Insights Report for the Denver Metro Industrial Market is attached and shows continued demand for industrial space in Metro Denver. In the fourth quarter of 2021, the Denver market had absorbed more than 4.75M SF of new space (JLL) and year-end absorption hit 10.3M SF – the largest rate of net annual absorption on record.

The Denver Industrial Market weathered the 2008 recession better than most, averaging 1.77M SF of net absorption between 2009 and 2015 (CBRE, Colliers), and since 2015 that number has steadily grown.

Table 2: Metro Denver Net Annual Absorption of Industrial Space

Year	Net Annual Absorption (SF)
2016	4.1 M
2017	3.8 M
2018	2.7 M
2019	2.9 M
2020	3.3 M
2021	10.3 M
5-Year Average	4.5 M

Source: JLL, Colliers

With average annual net absorption of 4.5M SF, the Quantum 56 financial model only requires capturing 6.7% of total project demand annually for the three-year lease-up period. Given the Site's access to I-25 and central location, JLL projects the Project's true capture rate will be much higher.

The Quantum 56 Project is located within the North Central Denver Industrial Submarket (see Appendix A). The North Central Submarket is supply constrained and has one of the lowest vacancy rates in the Metro Denver market at 7.9% and saw 1.3M SF of new construction in 2021 (14.6% of total Metro Denver industrial development) and absorbed more than 1.2M SF during the same period. The resulting 18.5% capture rate is almost three times higher than the Quantum 56 underwriting assumptions and reflects the continued pent-up demand for warehouse industrial development in the land-constrained central submarkets.

There are currently no developments of the size or variety of product offerings planned or under construction within the North Central Submarket that will compete directly with Quantum 56 during the planned lease-up period. Significant projects within submarket include:

Pecos Logistics Park I (former Rocky Mountain Pre-Stress Site)

- 66 acres located at the NWC of W 56th and Pecos

- Phase 1 was delivered in Q3 2021, including at 283,500 SF built to suit distribution facility for Pepsi Co and three speculative buildings totaling 392,000. This Phase is 68% leased and expected to be fully leased before Q56 begins construction.
- Phase 2 is under construction and includes three buildings comprising 471,000 SF that is slated for delivery in Q2 2022. Phase 2 is expected to be fully leased by the time Q56 begins actively leasing.

Pecos Logistics Park II (301 W 60th Pl.)

- 22.6 acres located at the NWC of W 60th Pl and Broadway.
- No specific plans announced, but the long and narrow site configuration is expected to result in one or two separate build-to-suit opportunities totaling between 250,000 and 400,000 SF. As such, the project will not be directly competitive with a multi-building full-service logistics park such as Q56.

Pivot Denver (former Denver Merchandise Mart)

- 30.3 acres located at the NEC of 58th and Washington
- No specific site plans released, but currently marketed as a mixed-use site targeting big box retailers, “last-mile” distribution facilities and large scale medical and MOB. As such, the project will not be directly competitive with a multi-building full-service logistics park such as Q56.

104th Commerce Park

- 89.6 acres located at 104th Avenue east of I-76 and SH 85
- Currently under construction, the project includes 5 speculative industrial buildings totaling 1.2M SF.
- Located on the border between the Denver North and I-76/Brighton Submarkets and slated for delivery more than a year ahead of Q56, the project is not considered a significant competitor to Q56; however, the lease up periods will overlap.

Given the limited number of actively leasing projects in the area and the North Central Submarket’s historic ability to capture between 15% and 20% of total market demand, JLL believes the Quantum 56 financial model’s assumption that the Project will capture +/- 7% of annual demand is a conservative estimate well supported by the available market data.

Quantum 56 Projected Assessed Valuation

As shown in Table 1, the Quantum 56 financial model assumes an average assessor’s market value of \$80 PSF for the 350,000 SF Building 1, \$100 PSF for Buildings 2, 3, and 4 which range between 100,000 SF and 160,000 SF, and \$110 PSF for Buildings 5 and 6 each of which is less than 100,000 SF.

The modeled assumptions are inclusive of taxable commercial personal property which has historically averaged between 13% and 18% of the associated real property valuation in the Denver market. As such, the assumed market valuations are very conservative when compared to comparable sales in the Denver market which have average above \$180 PSF for similar product in recent years.

Table 3: Recent Comparable Metro Denver Industrial Sales

Development	Sale Date	Size (SF)	Sale Price	PPSF	Buyer	Seller
Pecos Logistics Park	Dec-21	1,146,100	\$ 318,000,000	\$ 277	JP Morgan	Westfield
Tower Business Center	Feb-21	422,691	\$ 66,450,000	\$ 157	EverWest RE Investors	United Properties
Enterprise Park	Dec-20	461,224	\$ 77,000,000	\$ 167	Nuveen RE	Etkin Johnson
Enterprise Business Center #6	May-20	647,000	\$ 85,700,000	\$ 132	Zurich Alt. Asst. Mgmt.	United Properties
Central 62	Sep-18	421,499	\$ 74,000,000	\$ 176	JP Morgan	Corum RE Group
Uninflated Average				\$ 182		

While market sales have climbed significantly in the past five years, area property tax assessments typically lag the market by at least two years and have not kept pace and, as such, are considerably lower. A summary of comparable properties from area tax rolls indicates that the valuations included in the Quantum 56 financial model are inline with area assessors' market valuations for similar product.

Table 4: Assessors' Market Valuation for North Central Denver Industrial Buildings

Development	Assessor	Year Built	Bldg size	2021 value/sf	Est. Personal Property	Total Market Value
> 300k SF						
Crossroads Commerce Park	Adams	2015	376,598	\$ 65.55	\$ 18.67	\$ 84.22
100k SF > 200k SF						
Central 62	Adams	2016	123,904	\$ 96.76	\$ 14.27	\$ 111.03
Central Connection	Adams	2020	153,300	\$ 80.58	\$ 11.89	\$ 92.47
Crossroads Commerce Park	Adams	2016	126,600	\$ 90.25	\$ 2.63	\$ 92.88
< 100k SF						
Central Connection	Adams	2020	41,280	\$ 83.62	\$ 12.33	\$ 95.95
Crossroads Commerce Park	Adams	2016	69,114	\$ 99.89	\$ 14.73	\$ 114.63
Crossroads Commerce Park	Denver	2016	60,155	\$ 126.52	\$ 18.66	\$ 145.18
Crossroads Commerce Park	Denver	2016	58,035	\$ 134.37	\$ 19.82	\$ 154.19
Central 64	Adams	2020	62,870	\$ 82.07	\$ 12.11	\$ 94.18

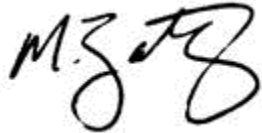
Source: Adams and Denver County Assessor's Offices

Given that the financial model assumes a modest 3% bi-annual inflation beginning in 2022, JLL believes the assumed \$80 to \$110 PSF assessor's market valuation (inclusive of business personal property) is a conservative estimate that is supported by current market conditions and that recent comparable sales will result in future biannual reassessments well in excess of the assumed 3%.

Attachment:

Jones Lang LaSalle – Q4 2021 Market Insights Report for the Denver Metro Industrial Market.

Sincerely,



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Denver

Record-shattering absorption despite project delays and supply-chain chokehold

- 3.4 million s.f. delivered this quarter, resulting in 9.3 million s.f. of annual completions for 2021.
- The bulk of leasing activity occurred in I-70/East (41%) and North I-25 (22%) submarkets, with the average lease size around 50,000 s.f.
- Westfield’s sale of Pecos Logistics Park for \$318 million was the top transaction of Q4, with 1.2 million s.f. trading hands to JP Morgan.
- Asking rents climbed as vacancy dropped by 60 basis points as a result of activity volume but also delayed move-ins from prolonged construction.

Absorption in Q4 2021 eclipsed the record level seen in Q3 by roughly 1.4 million s.f. and amounted to nearly half of the total 10.3 million s.f. absorbed in 2021. The completion of Lowe’s and an e-commerce company’s build to suit projects accounted for roughly 2.3 million s.f. of newly occupied space alone.

The drive for last-mile hubs and the desire for consumer proximity following Colorado’s population growth spurred more new leases and expansions than relinquished space, resulting in less vacant space quarter-over-quarter. However, the lag of new vacancies to market may be a symptom of construction delays, as tenants like US Autoforce and Sashco, among others, idled in their old spaces as they awaited buildouts.

New deliveries exceeded last quarter by a little over 300,000 s.f., nearly 56% of which was pre-leased. We continued to see competitive asking rates in the Airport, I-70 / East and Northeast submarkets where development activity is most concentrated. However, the average asking rate for Denver increased overall, partially attributable to 22.5% of new construction coming from the Southeast and 14.3% from North Central submarkets, where rates are slightly above those in the I-70 / East & Airport submarkets.

Outlook

2022 promises another strong year for development with 6 million s.f. in projected deliveries in Q1 and Q2. Without any notion of supply chain resolve, tenants will continue choosing existing or spec spaces to speed up time to market. The stability of the market depends on this preference toward, particularly for large occupiers who would otherwise trend toward build to suit space, to curb the amount of available space that has steadily crept up each quarter this year even with the recent record absorption.

Fundamentals	Forecast
YTD net absorption	10,257,259 s.f. ▼
Under construction	9,943,569 s.f. ▲
Total vacancy	6.0% ►
Sublease vacancy	1,052,547 s.f. ►
Direct asking rent	\$7.82 p.s.f. ▲
Sublease asking rent	\$6.79 p.s.f. ▲
Concessions	Stable ►

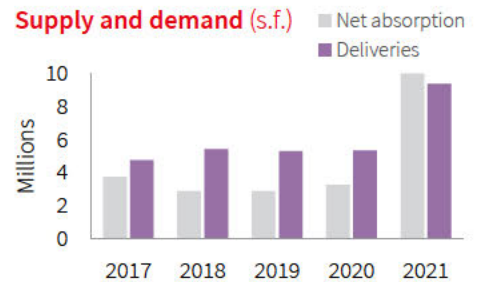
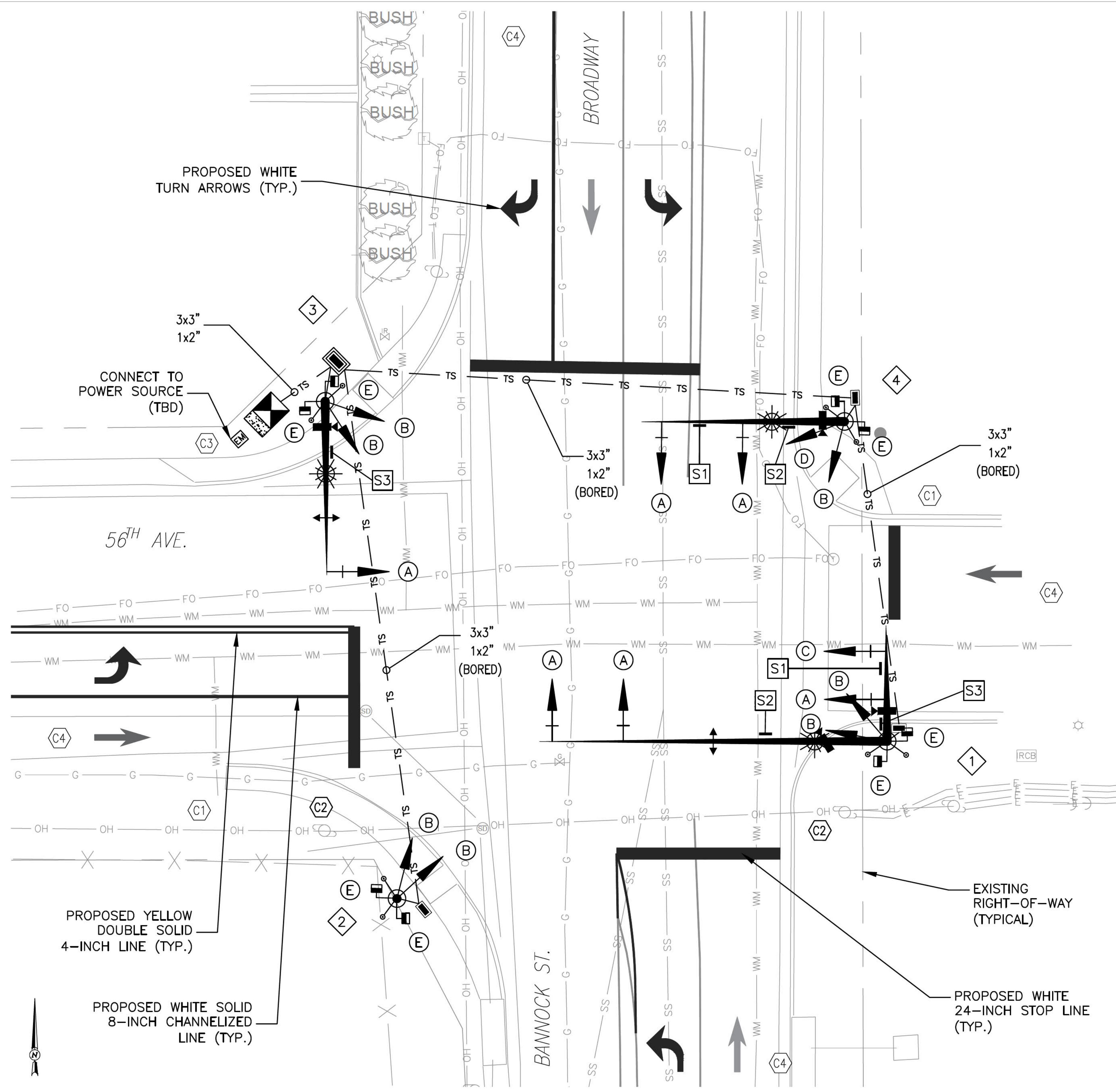


EXHIBIT F
IMPROVEMENTS MAP AND COST ESTIMATE

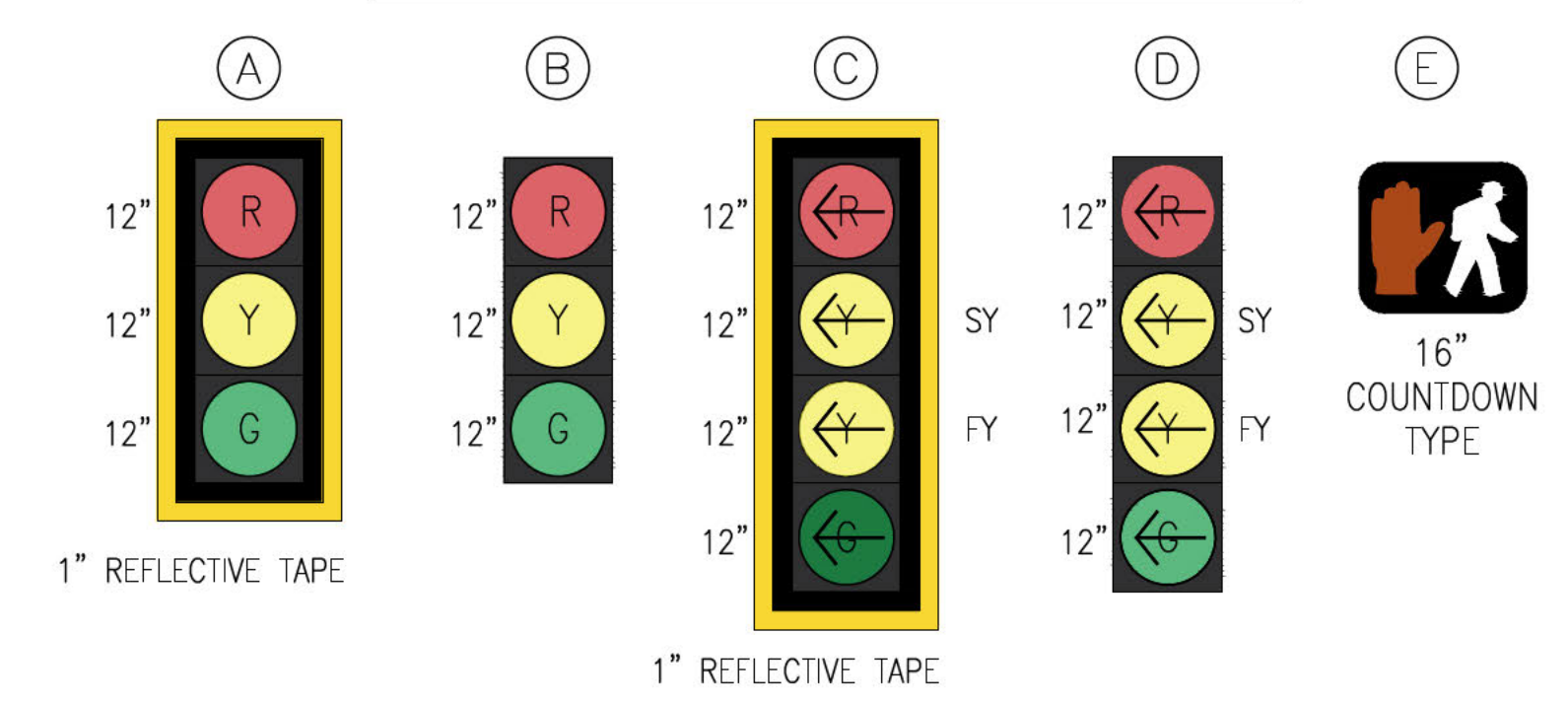
Drawing File: C:\Users\cassie\Dropbox (Fox Tuttle)\FH Team Only\Projects\2021\21010 Kopper Redevelopment Traffic Study\Signal design\21010_Signal Design_v2.dwg
 Plotted by: cassie
 Plotted Date: Dec 01, 2021 - 2:26pm



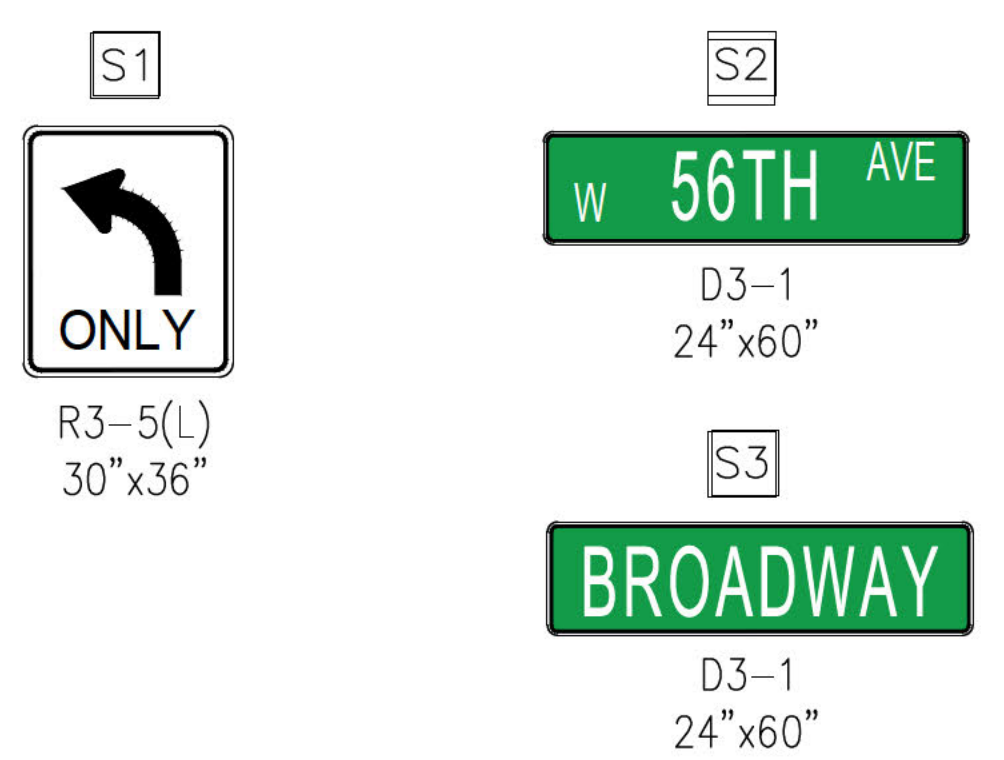
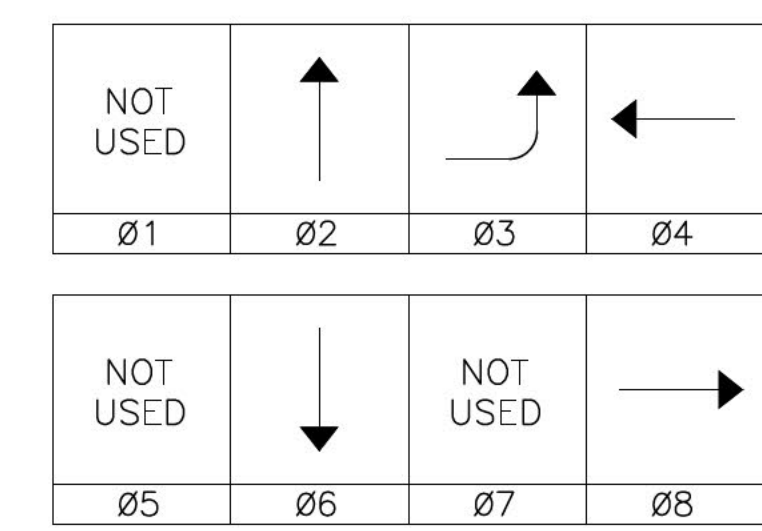
LEGEND

- NEW TRAFFIC SIGNAL LIGHT POLE
- NEW TRAFFIC SIGNAL PEDESTAL POLE
- NEW PEDESTRIAN SIGNAL INDICATION
- NEW SIGNAL INDICATION
- NEW SIGNAL INDICATION WITH BACK PLATE
- NEW PVC CONDUIT (SCHEDULE 80)
- NEW LUMINAIRE
- NEW PULL BOXES (13"x24"x12")
- NEW CABINET HOME RUN PULL BOXES (24"x36"x18")
- NEW PEDESTRIAN PUSH BUTTON
- NEW OPTICOM PREEMPTION DEVICE (LOCATION TBD)
- NEW CLOSED CIRCUIT TELEVISION (PTZ CAMERA)
- NEW ELECTRICAL METER PEDESTAL
- NEW TRAFFIC SIGNAL CONTROLLER AND CABINET (COLBALT ATC & TS2 TYPE 1 WITH UPS PEDESTAL)

SIGNAL AND OVERHEAD SIGN DETAILS:



PHASING DIAGRAM:

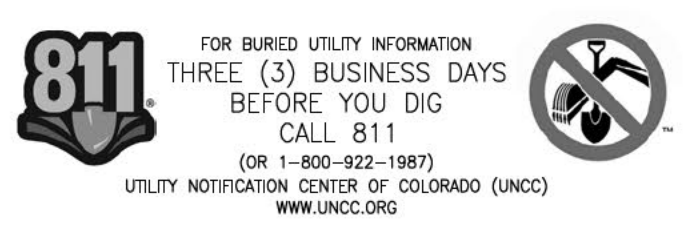
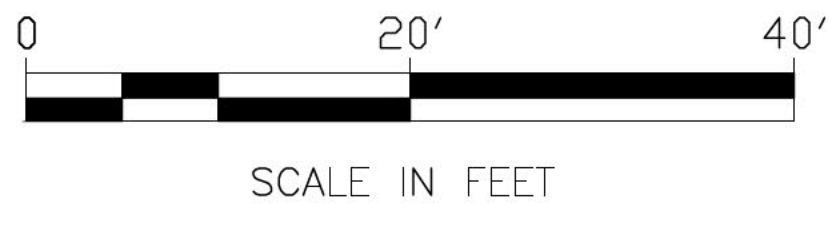


SIGNAL POLE SCHEDULE:

NO.	BASE LOCATION	COORDINATES	SIGNAL DIMENSIONS			LED LUM	SIGNAL HEAD(S)
			HEIGHT	SIG. MAST ARM	LUM MAST ARM		
1	SE CORNER	E:3144041.1232 N:1716040.5767	40'-0"	20'-0" 60'-0"	15'-0"	250W	A, B, C, E A, A, B, E
2	SW CORNER	E:3143956.5472 N:1716013.4217	15'-0"	N/A	N/A	N/A	B, B, E, E
3	NW CORNER	E:3143944.1630 N:1716099.2386	40'-0"	30'-0"	15'-0"	250W	A, B, B, E, E
4	NW CORNER	E:3144033.7445 N:1716095.7553	40'-0"	35'-0"	15'-0"	250W	A, A, B, D, E, E

CONSTRUCTION NOTES:

- REMOVE CONFLICTING TRAFFIC CONTROL WHEN NEW SIGNAL IS IN REGULAR OPERATION.
- SIGNAL EQUIPMENT MUST REMAIN 10 FEET FROM ALL ELECTRIC POLES AND OVERHEAD LINES IN ALL DIRECTIONS.
- INSTALL METER PEDESTAL FOR ELECTRIC METER.
- THROUGH LANE ARROWS SHOWN FOR INFORMATIONAL PURPOSES.



90% DESIGN
 NOT FOR CONSTRUCTION



**BROADWAY AT 56TH AVENUE
 ADAMS COUNTY, CO
 TRAFFIC SIGNAL PLAN**

REVISIONS		DATE	DESCRIPTION	BY

ENGINEER:	GRS
FT. PROJECT #:	21010
FILE NAME:	SIG DESIGN
ORIGINAL SCALE:	AS NOTED
DATE:	8/20/2021

SUBSET: TRAFFIC

4

SHEET 4 OF 4

WARE MALCOMB

ARCHITECTURE | PLANNING | INTERIORS

BRANDING | CIVIL ENGINEERING

Quantum 56 - LandCO

Engineer's Estimate of Probable Cost

for
EFG / Hines

3/19/2021

HARD COSTS - PHASE 1 - Site	
Grading and Erosion Control	\$ 4,269,984
Roads	\$ 2,018,050
Overhead Relocation / Dry util estimate	\$ 300,000
Water	\$ 932,000
Sanitary Sewer	\$ 497,700
Storm Sewer	\$ 2,225,720
Sub Total Hard Cost - LandCO	\$ 10,243,454
15% Contingency	\$ 1,536,518
Sub Total Hard Costs	\$ 11,779,973
SOFT COSTS - PHASE 1 - Site	
Permitting Fees (2%)	\$ 204,869
Design Fees (Engineering) (3%)	\$ 307,304
Survey and Testing (3%)	\$ 307,304
GC Overhead and Profit (5%)	\$ 512,173
Bonding (2%)	\$ 204,869
Sub Total Soft Cost	\$ 1,536,518
Soft Const Contingency (15%)	\$ 230,478
TOTAL COST - LandCO	\$ 13,316,491
TOTAL COST/sf (61 acres)	\$ 5.01

Quantum 56 - LandCO

Engineer's Estimate of Probable Cost

for
 EFG / Hines

3/19/2021

Description	Unit	Quantity	Unit Cost	Amount
Grading & Erosion Control - 61 acres				
Clearing and Grubbing (assume 4" on 30 ac)	CY	16,117	\$ 2.00	\$ 32,234
Earthwork	CY	100,000	\$ 3.00	\$ 300,000
Earthwork Import	CY	160,000	\$ 12.00	\$ 1,920,000
HEIC	AC	41	\$ 38,000.00	\$ 1,558,000
Inlet Protection	EA	40	\$ 200.00	\$ 8,000
Silt Fencing	LF	5,000	\$ 2.50	\$ 12,500
Vehicle Tracking Control Pad	EA	3	\$ 5,000.00	\$ 15,000
Concrete Washout	EA	2	\$ 2,000.00	\$ 4,000
Erosion Control Log	LF	5,000	\$ 2.00	\$ 10,000
Check Dam	EA	30	\$ 75.00	\$ 2,250
Water Truck	Day	90	\$ 600.00	\$ 54,000
Re-seeding	AC	36	\$ 1,500.00	\$ 54,000
Rail Removal	LS	1	\$ 300,000.00	\$ 300,000
Sub Total Grading & Erosion Control				\$ 4,269,984

Quantum 56 - LandCO

Engineer's Estimate of Probable Cost

for
 EFG / Hines

3/19/2021

Description	Unit	Quantity	Unit Cost	Amount
56th				
Full-Depth Asphalt (1-lane, Assumed Depth 9")	SY	4,044	\$ 60.00	\$ 242,667
6-in Type IIB Curb and Gutter	LF	1,300	\$ 24.00	\$ 31,200
5.5-Foot attached Sidewalk (6-inch)	SF	7,150	\$ 6.00	\$ 42,900
Street Lights	EA	4	\$ 6,000.00	\$ 26,000
Traffic Signals (56th and Broadway)	EA	1	\$ 500,000.00	\$ 500,000
Monument Signage	EA	1	\$ 30,000.00	\$ 30,000
Railroad removal	LS	1	\$ 100,000.00	\$ 100,000
			Sub Total	\$ 972,767
Internal Roads - Phase 1 - Tracts				
Full-Depth Asphalt (Assumed Depth 9")	SY	12,456	\$ 60.00	\$ 747,333
6-in Type IIB Curb and Gutter	LF	5,900	\$ 24.00	\$ 141,600
Attached Sidewalk (6-inch)	SF	16,225	\$ 6.00	\$ 97,350
Street Lights	EA	10	\$ 6,000.00	\$ 59,000
			Sub Total	\$ 1,045,283

Quantum 56 - LandCO

Engineer's Estimate of Probable Cost

for
 EFG / Hines

3/19/2021

Description	Unit	Quantity	Unit Cost	Amount
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UTIL

overhead electric remove/replace	LS	1	\$ 300,000.00	\$ 300,000.00
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Subtotal Overhead System \$ 300,000.00

Water System (onsite) - phase 1

Tie Into Existing System	EA	2	\$ 5,000.00	\$ 10,000.00
12" Water Main	LF	9000	\$ 75.00	\$ 675,000.00
Valves	EA	46	\$ 2,500.00	\$ 115,000.00
Fire Hydrant Assembly	EA	22	\$ 6,000.00	\$ 132,000.00

Subtotal Water System \$ 932,000.00

Sanitary Sewer System - phase 1

4-inch Force Mail	LF	4800	\$ 40.00	\$ 192,000.00
8-inch SS	LF	510	\$ 70.00	\$ 35,700.00
SS Ejector System	EA	5	\$ 50,000.00	\$ 250,000.00
SSMH	EA	4	\$ 5,000.00	\$ 20,000.00

Subtotal Sewer System \$ 497,700.00

Storm Sewer System - phase 1

60" RCP	LF	478	\$ 320.00	\$ 152,960
48" RCP	LF	674	\$ 260.00	\$ 175,240
42" RCP	LF	834	\$ 230.00	\$ 191,820
36" RCP	LF	52	\$ 200.00	\$ 10,400
36" HDPE	LF	1404	\$ 180.00	\$ 252,720
30" HDPE	LF	1313	\$ 150.00	\$ 196,950
24" RCP	LF	15	\$ 140.00	\$ 2,100
24" HDPE	LF	1410	\$ 120.00	\$ 169,200
18" RCP	LF	127	\$ 100.00	\$ 12,700
18" HDPE	LF	864	\$ 80.00	\$ 69,120
12" PVC	LF	4793	\$ 70.00	\$ 335,510
ST Manholes	EA	34	\$ 5,000.00	\$ 170,000
ST Inlets	EA	37	\$ 6,000.00	\$ 222,000
Detention Pond Outlet Structure	EA	1	\$ 15,000.00	\$ 15,000
Retention Pond Outlet Structure	EA	2	\$ 35,000.00	\$ 70,000
Detention Pond Forebays	EA	5	\$ 10,000.00	\$ 50,000
Retention Pond	EA	2	\$ 50,000.00	\$ 100,000
Detention Pond	EA	1	\$ 15,000.00	\$ 15,000
Downstream Stabilization (rr ROW)	LF	300	\$ 50.00	\$ 15,000

Subtotal Storm Sewer \$ 2,225,720