

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1

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Lakewood, Colorado 80228-1898
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<https://jeffersoncentermdl.colorado.gov>

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Gregg Bradbury	President	2027/May 2027
Jeff L. Nading	Treasurer	2025/May 2025
Charles Church McKay	Assistant Secretary	2027/May 2027
Steve Nading	Assistant Secretary	2025/May 2025
Brandon Dooling	Assistant Secretary	2027/May 2027
David Solin	Secretary	

DATE Monday, March 18, 2024

TIME: 3:00 P.M.

PLACE: **Physical Location**
Church Ranch Companies
20009 State Highway 72
Arvada, CO 80007

Zoom Meeting

<https://us02web.zoom.us/j/5469119353?pwd=SmtlcHJETFhCQUZEcVBBOGZVU3Fqdz09>

Phone Number: 1 (719) 359-4580

Meeting ID: 546 911 9353

Passcode: 912873

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda, confirm location of the meeting and posting of meeting notices.

II. PUBLIC COMMENT

A. _____

III. FINANCIAL MATTERS

- A. Conduct Public Hearing to consider Amendment to 2024 Budget and consider adoption of Resolution No. 2024-03-____, Resolution to Amend the 2024 Budget and appropriate expenditures.
-

IV. LEGAL MATTERS

- A. **Issuance of the District’s Second Subordinate Special Revenue Bonds, Series 2024C (the “Series 2024C Bonds”):**
1. Review and consider acceptance of Market Analysis and Valuation Study dated March 5, 2024, prepared by PGAV Planners, LLC (enclosure).

 2. Ratify approval of Agreement for Consulting Services between the District and MuniCap, Inc. (enclosure), and discuss preparation and delivery of External Financial Advisor Certification.

 3. Acknowledge submittal of 30-day notice and authorize submittal of Criteria Based Process / Incurrence of JCMD Obligations to the City of Arvada and the Arvada Urban Renewal Authority in accordance with the Amended and Restated Master Development Agreement.

 4. Review and consider approval of Third Amendment to Facilities Funding and Acquisition Agreement between the District and Cimarron Development Company (to be distributed).

 5. Review and consider approval of Project Funding and Reimbursement Agreement between the District and the Jeffrey L. Nading Trust (to be distributed), and authorize execution and submittal of Notice of Claim of Exemption from Registration for Certain Municipal Securities pursuant to Section 11-59-110(2), C.R.S.

7. Review and consider adoption of a resolution authorizing the issuance of the District’s Second Subordinate Special Revenue Bonds, Series 2024C, in a maximum aggregate principal amount of \$15,000,000 (the “**Series 2024C Bonds**”), for the purposes of financing public improvements necessary to support development in the District, refunding and restructuring a portion of the District’s outstanding indebtedness, and to pay other costs incurred in connection with the issuance of the Series 2024C Bonds (to be distributed). Such resolution will also authorize the execution of an Indenture of Trust and all agreements, documents, instruments, certificates, and actions necessary or appropriate in connection with the issuance of the Series 2024C Bonds, in connection with the restructuring thereof.

8. Review and consider adoption of a resolution approving an amendment to a Resolution dated November 1, 2010 Authorizing the Issuance of the District’s Subordinate Nonrevolving Line of Credit Note, Series 2010B (to be distributed).

V. CONSTRUCTION MATTERS

A. _____

VI. OTHER BUSINESS

A. _____

VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR MARCH 26, 2024.**

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1 MARKET ANALYSIS AND VALUATION STUDY

Prepared For:
Jefferson Center Metropolitan District No. 1

March 5, 2024

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SECTION I – OVERVIEW

Project Overview

The Jefferson Center Metropolitan District No. 1 (the “District”) retained PGAV Planners, LLC (“PGAV”) to develop an independent analysis (“the Report”) of the revenue generation potential of a mixed-use project called Jefferson Center (the “Project”) located within the city of Arvada, in Jefferson County, Colorado.

The District is located in the northwestern portion of the Denver metropolitan area, between the cities of Boulder and Golden, adjacent to the foothills of the Rocky Mountains. Boulder is located approximately 16 miles north, Golden is located approximately 8 miles to the south, Boulder is located approximately 10 miles to the north, and downtown Denver is located approximately 19 miles to the southeast. The District is non-contiguous and comprises approximately 3,612 acres of land containing a mix of housing, retail, food service, office, and industrial tenants serving the daily needs of local residents and visitors and an employment location for residents of the wider Denver metropolitan region.

The District was created in 1989 for the purpose of financing and constructing public improvements benefiting the inhabitants and taxpayers of the District and contains a number of developments constructed prior to those discussed in this analysis.

Certain portions of the Project were completed prior to this Report. This Report is intended to provide valuation and absorption information on the planned future components of the Project, and does not address prior development within the District. After the date of this Report, the Project is anticipated to include an additional 2,502 residential units and 1,720,451 square feet of commercial space.

The summary table on the following page gives an overview of and estimated statutory market value associated with each of the planned developments within the District. These values are based on comparable properties as described in the methodology below. Details regarding the selected comparable properties are listed within the body of the report, and location relative to the District is shown on a series of maps.

Methodology

Real Property and Personal Property Statutory Actual Value Estimation

Property within the boundaries of the District will be subject to a debt service levy (subject to adjustment). In order to determine a reasonable estimate of property tax generation for properties not yet built, comparable properties within Jefferson County were identified and their 2023 statutory actual values were collected from the Jefferson County Assessor. Statutory actual values for each subject property were estimated based on these values, adjusted based on location, age, marketability, and finish when appropriate.

Summary of Development & Estimated Statutory Market and Personal Property Values

The tables below give a summary of each planned component of development, anticipated year of completion, approximate number of units or square footage, and PGAV’s estimate of anticipated statutory actual value per unit or building square foot.

All values are estimates based on comparable developments within Jefferson County. In some cases, values are based on comparable development located within the District. Details regarding the location, tenants, size, and other features of these comparable developments are given in Section III – Development Analysis, later within the body of this report, as well as assessment of market demand and absorption for each development type.

Figure 1. Summary of Single Family Detached Housing Development and Estimated Statutory Market Values

Subject Development - Single Family Detached Homes					
Property	Location	Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Trailstone Town Collection	Trailstone	2024 - 2027	133	\$ 96,910,450	\$ 728,650
Trailstone Destination Collection	Trailstone	2024 - 2027	86	\$ 86,645,000	\$ 1,007,500
Trailstone City Collection	Trailstone	2024 - 2028	144	\$ 117,842,400	\$ 818,350
Trailstone Explorer	Trailstone	2024 - 2028	183	\$ 121,695,000	\$ 665,000

Figure 2. Summary of Single Family Attached Housing Development and Estimated Statutory Market Values

Subject Development - Townhomes					
Property	Location	Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Whisper Village Townhomes	Whisper Village	2024 - 2026	110	\$ 56,868,900	\$ 516,990
Trailstone Townhomes	Trailstone	2024 - 2026	132	\$ 71,753,880	\$ 543,590
For-Rent Townhomes - Rangewater P7	Eastern Candelas	2025	56	\$ 27,664,000	\$ 494,000

Figure 3. Summary of Multifamily Development and Estimated Statutory Market Values

Subject Development - Multifamily Housing					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Parcel 7 - Rangewater For Rent Apartments	Eastern Candelas	2025	324	\$ 110,160,000	\$ 340,000
Parcel 8 - Apartments	Southern Candelas	2028	330	\$ 112,200,000	\$ 340,000
Candelas Point Block 3 - Residential	Candelas Point	2032	116	\$ 39,440,000	\$ 340,000
Parcel 8 - Apartments	Southern Candelas	2032	330	\$ 112,200,000	\$ 340,000
Parcel 8 - Apartments	Southern Candelas	2036	330	\$ 112,200,000	\$ 340,000

Figure 4. Summary of Senior Care Facility Development and Estimated Statutory Market Values

Subject Development - Senior Care Facility					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Parcel 10 - Senior Care Facility	Eastern Candelas	2025	228	\$ 68,400,000	\$ 300,000

Figure 5. Recent Construction Not Yet Captured in District's 2023 Assessed Value

Subject Development - Recent Construction Not Yet Captured in District's 2023 Assessed Value						
Development	Development Type	Location	Year of Completion	Square Feet	Total Appraised Value	Estimated Statutory Market Value
Parcel 10 - Ted's Express Car Wash	Car Wash	Eastern Candelas	Prior to date of Report	5,903	\$ 2,361,200	\$ 400
Whisper Village - Block 1, Lot 5 - Murphy's USA	Gas Station & Convenience Store	Whisper Village	Prior to date of Report	2,800	\$ 1,764,000	\$ 630
Whisper Village - Block 1, Lot 4 - Brakes Plus	Auto Service	Whisper Village	Prior to date of Report	4,946	\$ 1,310,690	\$ 265
Whisper Village - Block 1, Lot 9 - Little Sunshine's Playhouse	Day Care	Whisper Village	Prior to date of Report	10,886	\$ 2,449,350	\$ 225

Figure 6. Summary of Retail & Service Commercial Development and Estimated Statutory Market Values

Subject Development - Restaurant					
Property		Year of Completion	Square Feet	Total Appraised Value	Estimated Statutory Market Value per Square Foot
Whisper Village - Block 1, Lot 7 - Restaurant	Whisper Village	2025	3,800	\$ 969,000	\$ 255
Subject Development - Fast Food Restaurant					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Whisper Village - Block 1, Lot 3 - Taco Bell	Whisper Village	2024	2,700	\$ 1,431,000	\$ 530
Subject Development - Coffee Shop					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Parcel 1 - Starbucks	Western Candelas	2025	2,220	\$ 1,176,600	\$ 530
Subject Development - Car Wash					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Whisper Village - Block 1, Lot 6 - Car Wash	Whisper Village	2024	3,800	\$ 1,520,000	\$ 400
Tunnel Car Wash	Western Candelas	2025	5,800	\$ 2,320,000	\$ 400
Subject Development - Gas Station & Convenience Store					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Kum & Go	Western Candelas	2025	3,500	\$ 2,205,000	\$ 630
Parcel 10 - Gas Station	Eastern Candelas	2025	3,500	\$ 2,205,000	\$ 630
Parcel 1 - 7-Eleven	Western Candelas	2026	3,064	\$ 1,930,320	\$ 630
Subject Development - Auto Service Store					
Property		Year of Completion	Square Feet	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Whisper Village - Block 2, Lot 1 - O'Reilly Auto Parts	Whisper Village	2024	5,000	\$ 1,325,000	\$ 265
Whisper Village - Block 2, Lot 2 - Discount Tire	Whisper Village	2025	9,000	\$ 2,385,000	\$ 265

Figure 7. Summary of Retail & Service Commercial Development and Estimated Statutory Market Values (Cont.)

Subject Development - Day Care					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Candelas Point/Parcel 7 - Kiddie Academy	Candelas Point	2024	11,000	\$ 2,475,000	\$ 225
Subject Development - Bank					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Whisper Village - Block 1, Lot 1 - Bank of America	Whisper Village	2024	3,500	\$ 1,575,000	\$ 450
Subject Development - Urgent Care					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Parcel 1 - SCL Urgent Care	Western Candelas	2025	10,000	\$ 4,000,000	\$ 400
Subject Development - General Retail					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Whisper Village - Block 1, Lot 2 - Inline Retail	Whisper Village	2024	10,000	\$ 2,500,000	\$ 250
Whisper Village - Block 1, Lot 8 - Retail	Whisper Village	2024	8,000	\$ 2,000,000	\$ 250
Parcel 9 - Retail	Eastern Candelas	2025	8,000	\$ 2,000,000	\$ 250
Parcel 10 - Inline Retail	Eastern Candelas	2026	10,202	\$ 2,550,500	\$ 250
Parcel 9 - Retail	Eastern Candelas	2026	8,701	\$ 2,175,250	\$ 250
Parcel 1 - Retail	Western Candelas	2028	17,206	\$ 4,301,500	\$ 250
Parcel 8 - Retail	Southern Candelas	2032	50,000	\$12,500,000	\$ 250
Parcel 2 - Retail	Western Candelas	2037	10,000	\$ 2,500,000	\$ 250
Parcel 8 - Retail	Southern Candelas	2040	50,000	\$12,500,000	\$ 250
Parcel 2 - Retail	Western Candelas	2043	10,000	\$ 2,500,000	\$ 250
Parcel 11 - Retail	Southern Candelas	2045	45,000	\$11,250,000	\$ 250
Parcel 2 - Retail	Western Candelas	2049	10,000	\$ 2,500,000	\$ 250
Parcel 8 - Retail	Southern Candelas	2050	75,000	\$18,750,000	\$ 250

Figure 8. Summary of Office and Industrial Development and Estimated Statutory Market Values

Subject Development - Office Development					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Candelas Point - Lot 1 Flex Office	Candelas Point	2026	9,000	\$ 1,935,000	\$ 215
Candelas Point - Lot 1 Flex Office	Candelas Point	2028	12,000	\$ 2,580,000	\$ 215
Parcel 1 - Office	Western Candelas	2028	40,000	\$ 8,600,000	\$ 215
Parcel 3 - Office	Western Candelas	2032	44,000	\$ 9,460,000	\$ 215
Parcel 1 - Office	Western Candelas	2033	40,000	\$ 8,600,000	\$ 215
Parcel 3 - Office	Western Candelas	2034	44,000	\$ 9,460,000	\$ 215
Parcel 1 - Office	Western Candelas	2036	40,000	\$ 8,600,000	\$ 215
Parcel 5 - Office	Western Candelas	2036	55,000	\$11,825,000	\$ 215
Parcel 3 - Office	Western Candelas	2037	44,000	\$ 9,460,000	\$ 215
Parcel 1 - Office	Western Candelas	2039	40,000	\$ 8,600,000	\$ 215
Parcel 3 - Office	Western Candelas	2040	44,000	\$ 9,460,000	\$ 215
Parcel 5 - Office	Western Candelas	2040	55,000	\$11,825,000	\$ 215
Parcel 1 - Office	Western Candelas	2042	40,000	\$ 8,600,000	\$ 215
Parcel 3 - Office	Western Candelas	2043	44,000	\$ 9,460,000	\$ 215
Parcel 5 - Office	Western Candelas	2044	55,000	\$11,825,000	\$ 215
Parcel 1 - Office	Western Candelas	2045	40,000	\$ 8,600,000	\$ 215
Parcel 5 - Office	Western Candelas	2048	55,000	\$11,825,000	\$ 215
Parcel 5 - Office	Western Candelas	2050	55,000	\$11,825,000	\$ 215
Subject Development - Industrial - Self-Storage					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Parcel 4 - Luxxe Locker	Western Candelas	2025	144,838	\$14,483,800	\$ 100
Parcel 10 - TBD Storage Facility	Eastern Candelas	2025	90,000	\$ 9,000,000	\$ 100
Subject Development - Industrial					
Property		Year of Completion	Units	Total Estimated Statutory Value	Estimated Statutory Market Value per Square Foot
Parcel 6 OCC - Industrial	Western Candelas	2024	183,185	\$27,477,750	\$ 150
Parcel 6 OCC - Industrial	Western Candelas	2026	167,435	\$25,115,250	\$ 150

SECTION II – DEMOGRAPHIC ANALYSIS

District Location

The majority of the District is located in two large contiguous areas, but there are several small noncontiguous areas, which are shown on the map on the following page. The distances discussed in this report use a point centered within the largest developing portion of the District, which is indicated by a marker in the following map.

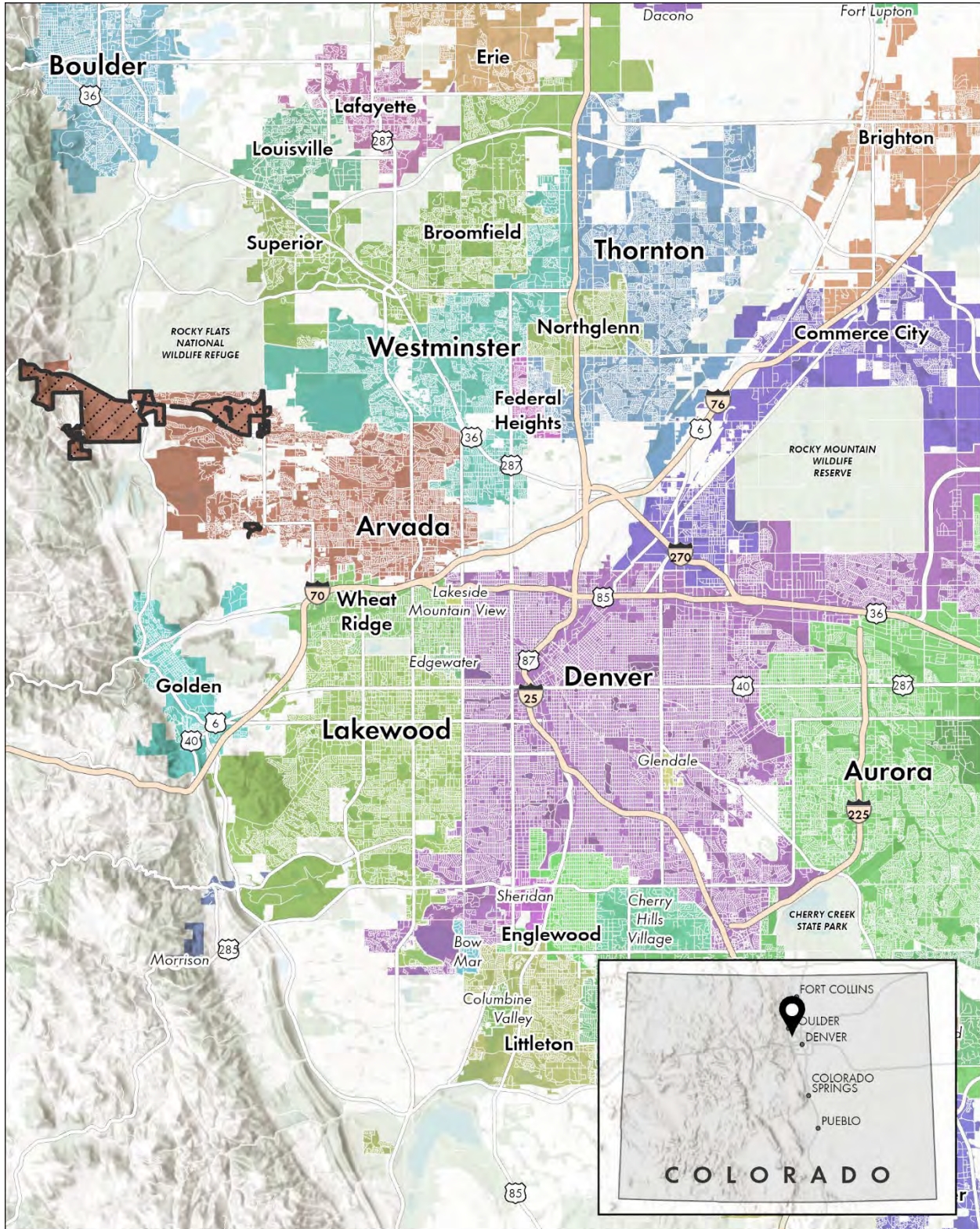
The District comprises approximately 3,612 acres of land that is located in the northwestern portion of the Denver metropolitan area, between the cities of Boulder and Golden, adjacent to the foothills of the Rocky Mountains, in the city of Arvada. Boulder is located approximately 10 miles north, Golden is located approximately 8 miles to the south, and downtown Denver is located approximately 19 miles to the southeast.

State Highway 72, known as Coal Creek Canyon Road, is the main east-west arterial serving the District. According to the Colorado Department of Transportation, this segment of State Highway 72 had average annual daily traffic counts of 5,800 vehicles per day in 2022.¹ State Highway 93 is the main north-south arterial on the western extent of the District, and Indiana Street/State Highway 72 is the main north-south arterial on the eastern extent of the District. The nearest interstate interchange, the Interstate 70 and State Highway 72 interchange, is located about 6.3 miles to the southeast. Without traffic, the drive to downtown Denver takes about 35 minutes. Currently, the District is not served by public transportation.

The areas within the vicinity of the District are being developed as a result of the growth and expansion of the Denver Metropolitan Area, which has added nearly 520,000 residents since 2010, driving demand for housing, goods, and services throughout the Metro Area, particularly in suburban and exurban locations where developable sites are available.

The map on the following page shows the location of the District within the Denver Metro Area.

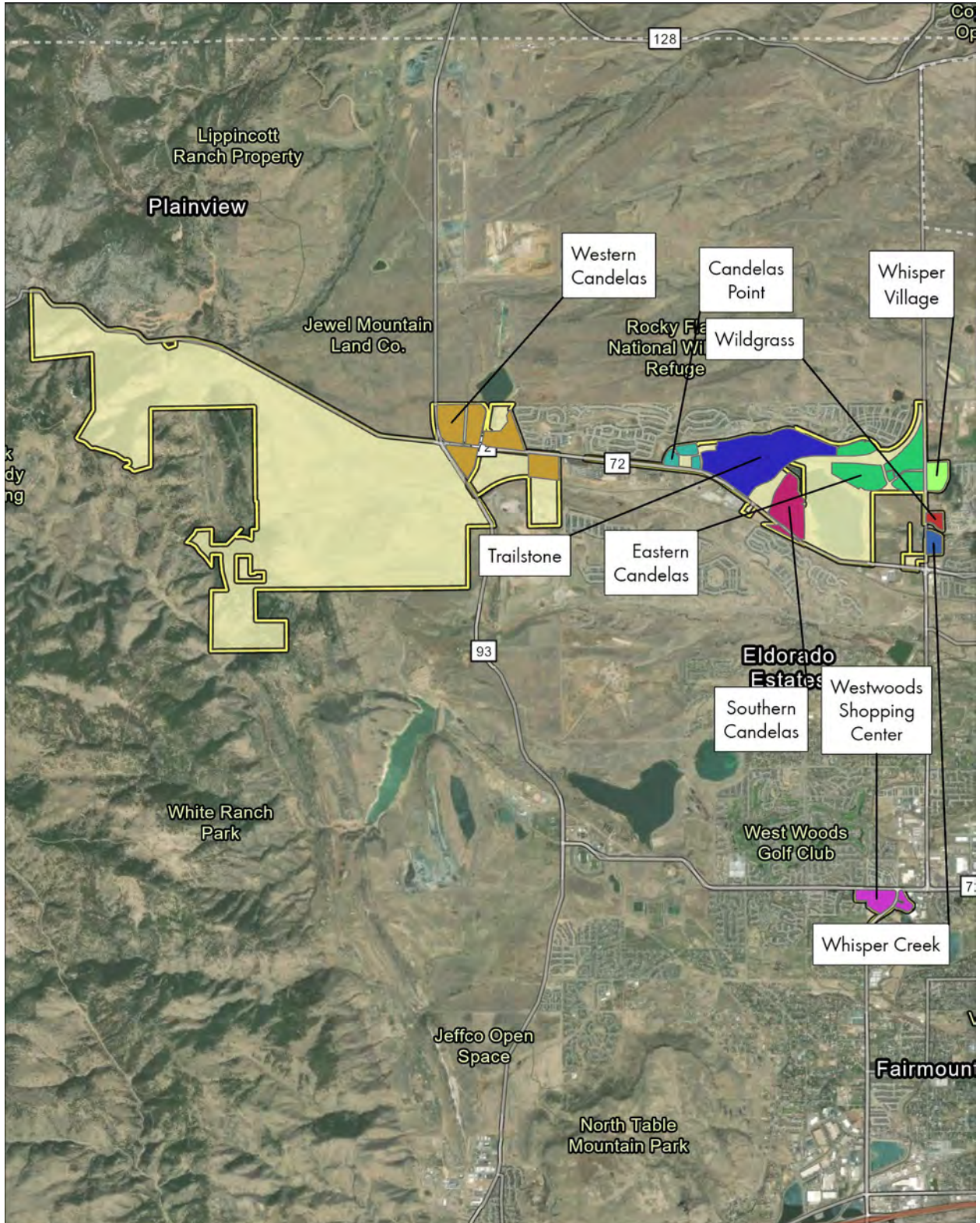
¹ https://experience.arcgis.com/experience/ab7c09a831be45148991181947a97e12?data_id=dat-183cc9f1505-layer-55%3A20060



REGIONAL LOCATION

Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado
December 2023





BOUNDARY & SUBAREAS OF DISTRICT

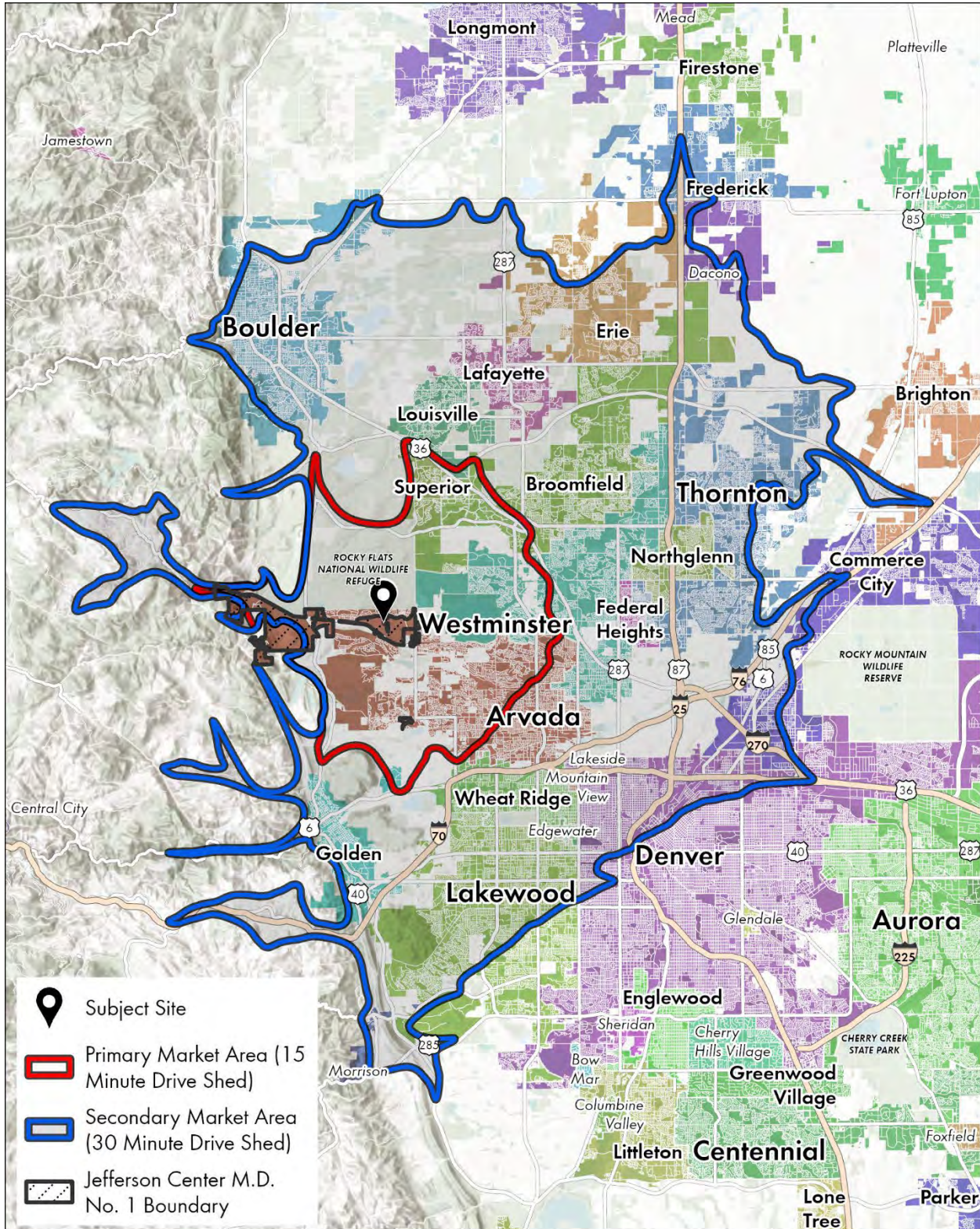
Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado



Market Area Overview

Two market areas were defined using drive-time data. For the purpose of this analysis, a point was placed at the approximate midpoint of the eastern portion of the District, which approximates the center of where most of the development discussed in this report will take place. Therefore, the drive times represent the distance from this point.

The Primary Market Area (“PMA”) was defined as the area within a fifteen-minute drive of the District. This area includes the western portions of Arvada and Westminster, the Rocky Flats National Wildlife Refuge, the city of Superior, a small portion of west Broomfield, and portions of unincorporated areas. The Secondary Market Area (“SMA”) was defined as the area within a thirty-minute drive of the District. It extends north to Boulder, east to Louisville, Lafayette, Erie, the eastern portion of Broomfield, the eastern portion of Westminster, Thornton, Northglenn, Federal Heights, the western portion of Commerce City, the northwest portion of Denver, the northern portion of Lakewood, Wheat Ridge, Golden, and additional unincorporated areas in Jefferson and the surrounding counties. The secondary market area contains a mixture of urban, suburban, and exurban areas. These market areas are shown on the map on the following page.



15- AND 30- MINUTE DRIVE SHEDS

Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado
December 2023

0 1.3 2.5 5 Miles

PGA PLANNERS



Population and Households

There were an estimated 235,000 residents living within a fifteen minute drive of the District (the Primary Trade Area, or “PTA”) in 2023. Since 2010, the PTA has grown by 37,500 residents, an average annual rate of 1.3%. The Secondary Trade Area (“STA”) was home to over 1,414,000 residents in 2023, having added 227,500 residents since 2010, for an average annual growth rate of 1.4%.

The City of Arvada has also experienced population growth, adding about 17,500 residents (some within the District) since 2010, for an average annual growth rate of 1.2%.

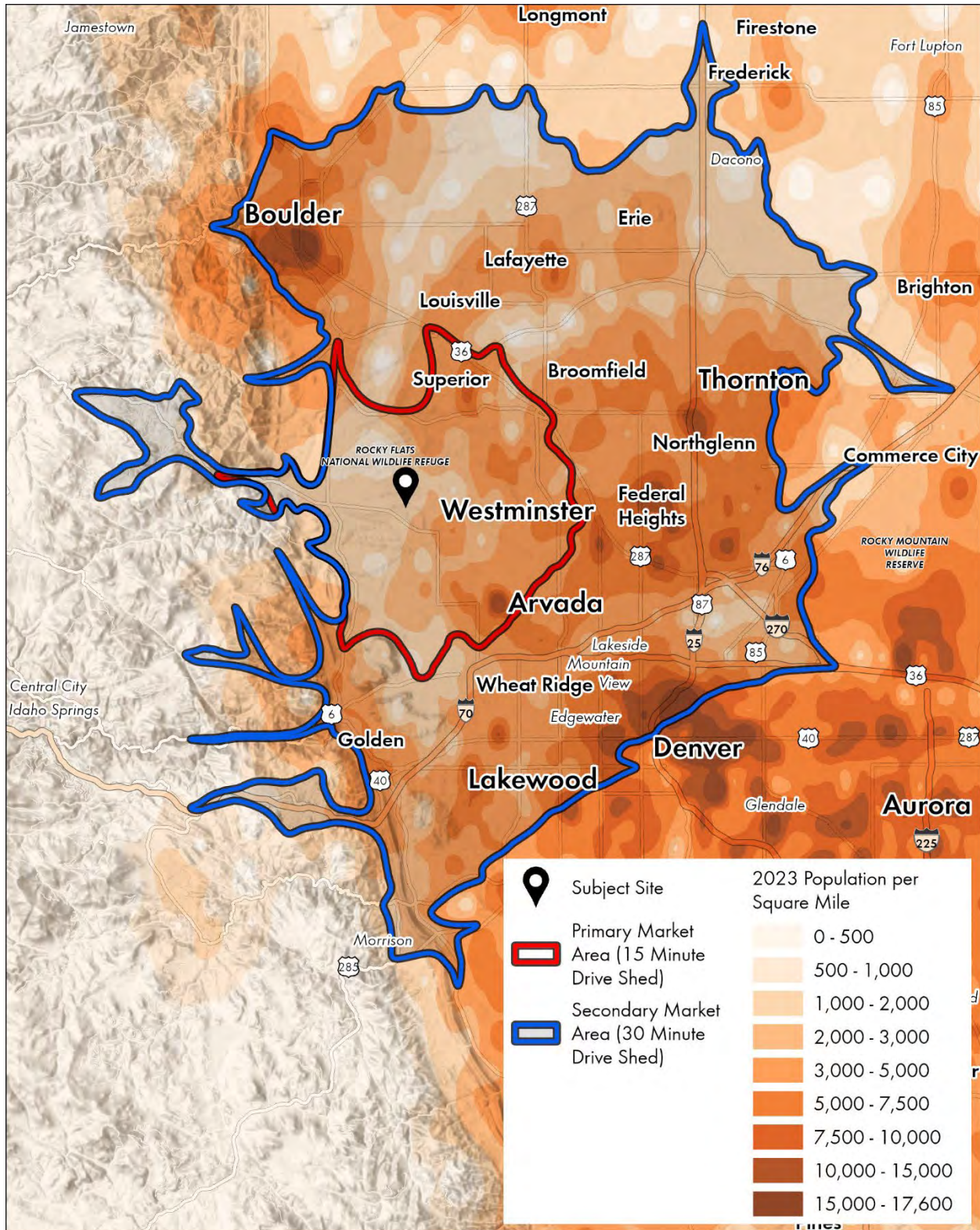
Over the next five years, the PTA is expected to add approximately 8,340 new residents, driving demand for nearly 3,430 additional housing units, as well as complementary land uses such as retail and office space.

The maps on the following pages show the District in relation to the region’s major population concentrations and in relation to locations that have seen population growth since 2010. The District is located in a high growth area. The table below shows the population totals and trends since 2010.

Figure 9. Population Trends

Population Trends						
	Primary Market Area 15-Minute Drive Time Area	Secondary Market Area 30-Minute Drive Time Area	City of Arvada	Jefferson County	Denver-Aurora-Lakewood, CO MSA	Colorado
<i>Population Totals</i>						
2010 Total Population	197,434	1,187,176	107,704	534,643	2,543,486	5,029,196
2020 Total Population	229,796	1,378,609	124,433	582,910	2,963,821	5,773,714
2023 Total Population	234,963	1,414,670	125,235	589,915	3,062,784	5,971,129
2028 Total Population (Est.)	243,303	1,453,838	128,955	591,388	3,154,841	6,161,512
<i>Population Change</i>						
Annual Pop Growth Rate 2010 - 2023	1.3%	1.4%	1.2%	0.8%	1.4%	1.3%
Annual Pop Growth Rate (Est.) 2023 - 2028	0.7%	0.5%	0.6%	0.0%	0.6%	0.6%
<i>Household Size</i>						
Average Household Size	2.43	2.44	2.48	2.40	2.49	2.49
<i>Housing Units Needed</i>						
Additional Residents by 2028 (Est.)	8,340	39,168	3,720	1,473	92,057	190,383
Housing Units Needed (Est.)	3,432	16,052	1,500	614	36,971	76,459

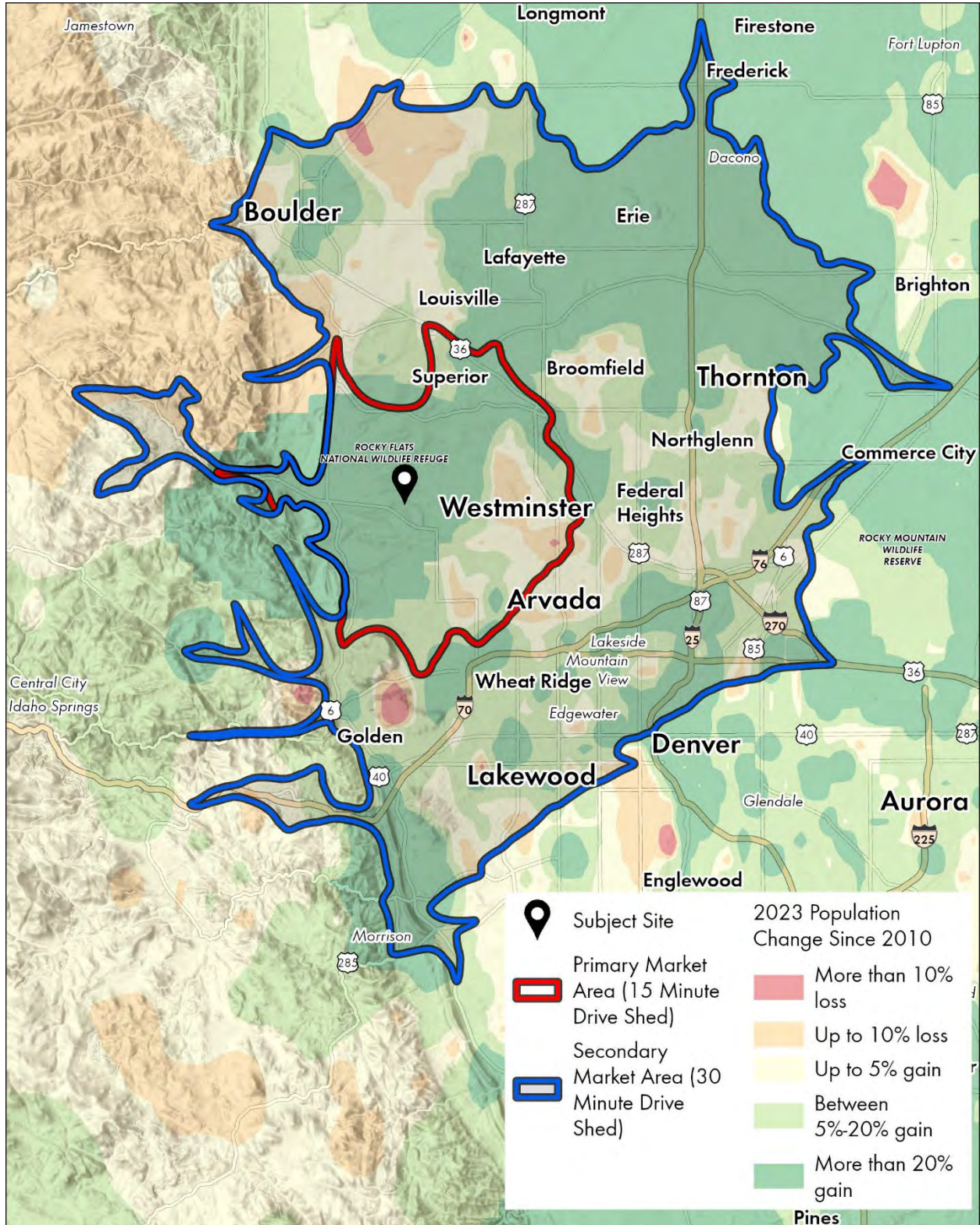
Source: U.S. Census, ESRI (2023)



2023 POPULATION DENSITY

Jefferson Center Metropolitan District No. 1
 Jefferson County, Colorado
 December 2023





CHANGE IN POPULATION FROM 2010 TO 2023

Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado
December 2023

0 1.25 2.5 5 Miles

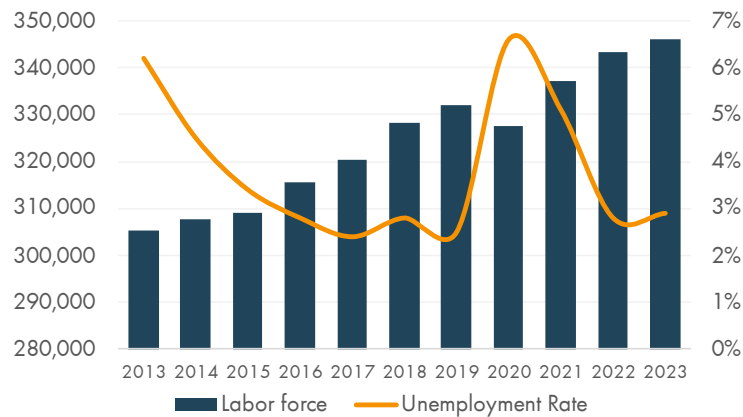
PGA PLANNERS



Employment

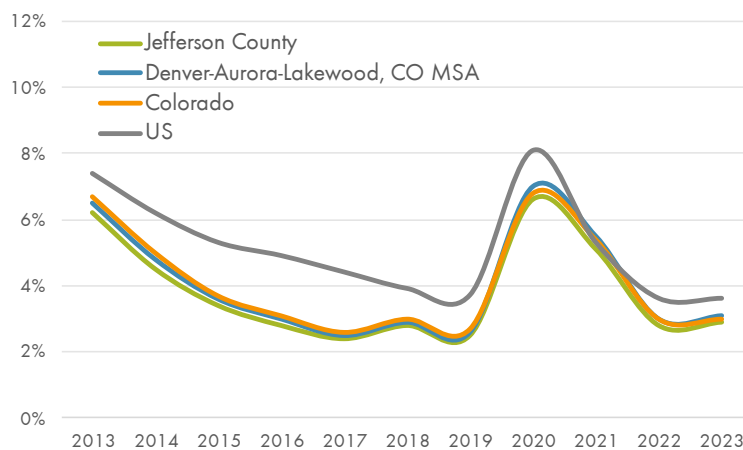
According to the Bureau of Labor Statistics (2023), the largest industries in the MSA by number of employees are (1) Professional and Business Services, (2) Trade, Transportation, and Utilities; and (3) Government. The table below shows the total labor force and unemployment rate since 2013 for the County. The County’s labor force decreased temporarily due to the COVID-19 pandemic in 2020, but rebounded the following year, and has continued to grow. The labor force year-over-year percentage change dropped in 2020 at the height of the COVID-19 pandemic but has since continued to grow.

Figure 10. Jefferson County Labor Force & Unemployment Rate 2013-2023
(Bureau of Labor Statistics, 2024)

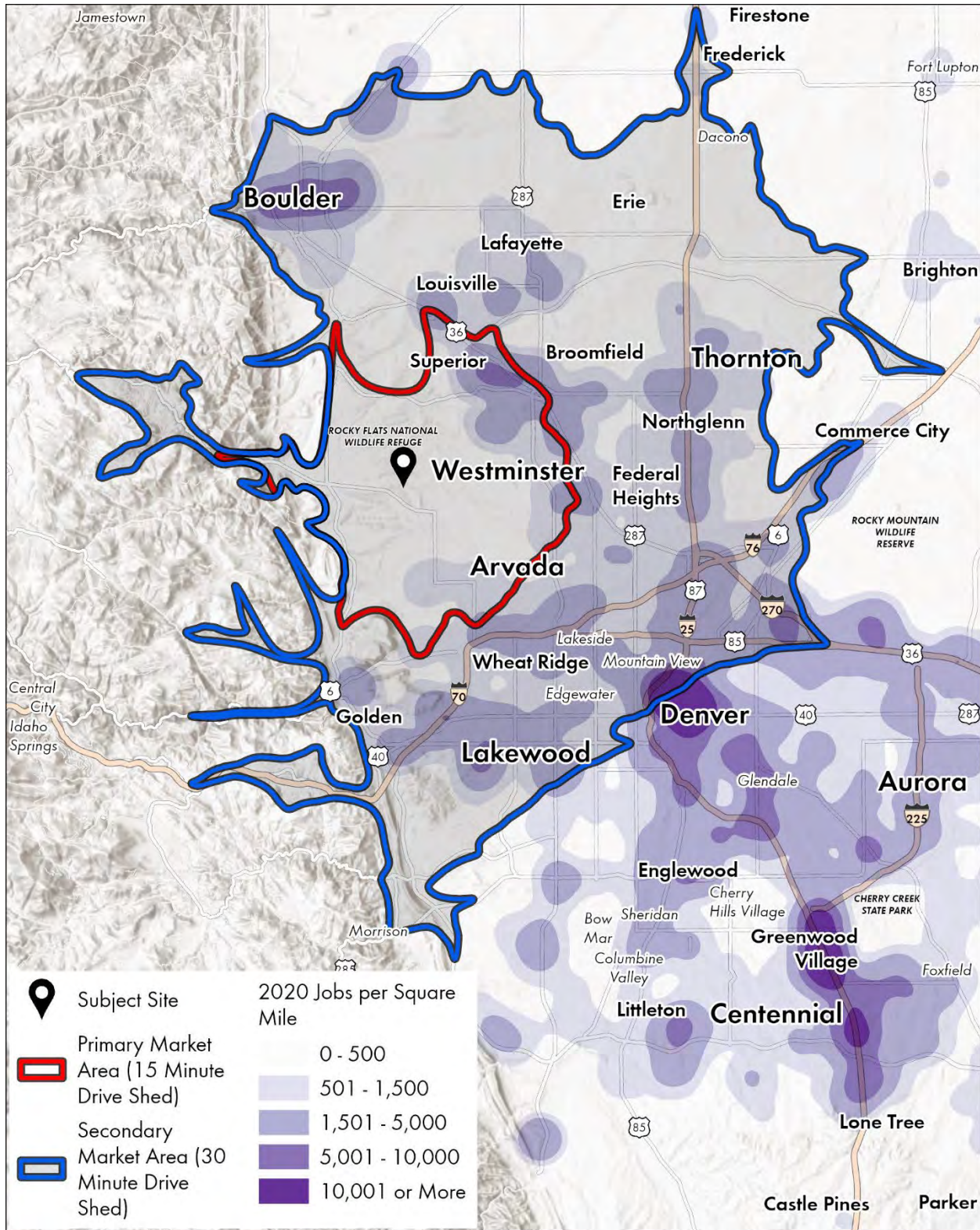


A comparison of local, state, and national trends shows that the county, metro area, and state generally have lower unemployment than the national average. Overall, except for the rise in unemployment due to the COVID-19 pandemic, the employment trends within the County and MSA are positive, and both have seen growing economies and the addition of new jobs.

Figure 11. Local, State, and National Unemployment Rate Comparison 2013-2023
(Bureau of Labor Statistics, 2024)

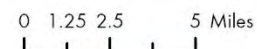


The map on the following page displays the location of the major employment concentrations in the Denver metro area, and where they are located in relation to the District. Downtown Denver is the region's largest employment concentration, and is located about 30 minutes from the District. The closest employment concentration to the District is located in Interlocken, in Broomfield, about 10-15 minutes from the District. Currently, most residents of the PMA will need to commute at least 10-15 minutes for work opportunities, which are abundant in the region. As the District and the surrounding areas develop, a greater number of nearby jobs will be available to District residents.



REGIONAL EMPLOYMENT LOCATIONS

Jefferson Center Metropolitan District No. 1
 Jefferson County, Colorado
 December 2023



PG&V PLANNERS



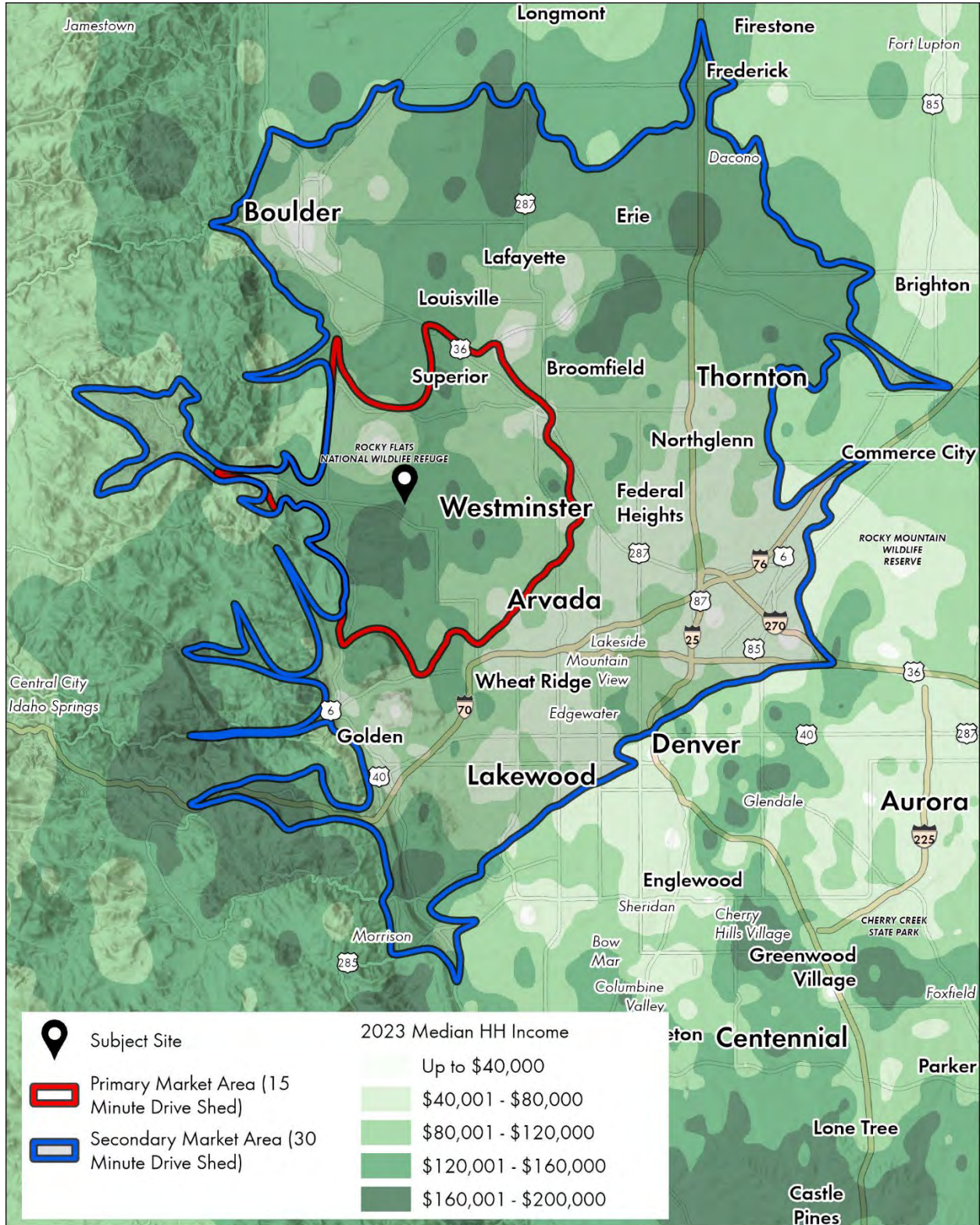
Income

The median household income in the PMA was \$101,500 in 2023, which is similar to the City of Arvada (\$102,700), both of which are higher than the SMA, county, region, and state. Median household incomes in the PMA, SMA, City and County are expected to increase approximately 2-3% annually over the next five years, which is lower than the estimated annual increase in median home value over the next five years. The table below shows median household income trends locally and regionally.

Figure 12. Household Income Trends

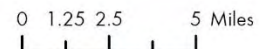
Household Income							
	Primary Market Area 15-Minute Drive Time Area	Secondary Market Area 30-Minute Drive Time Area	City of Arvada	Jefferson County	Denver-Aurora-Lakewood, CO MSA	Colorado	
<i>Income by Range</i>							
Less than \$25,000	7.6%	11.8%	7.9%	9.3%	10.7%	12.2%	
\$25,000 to \$49,999	13.3%	14.5%	13.1%	14.0%	14.0%	15.6%	
\$50,000 to \$74,999	14.4%	14.3%	13.3%	13.8%	14.6%	15.7%	
\$75,000 to \$99,999	13.6%	12.9%	13.8%	13.2%	12.9%	13.1%	
\$100,000 to \$149,999	22.3%	19.9%	23.1%	21.4%	20.1%	19.2%	
\$150,000 or more	28.8%	26.7%	28.9%	28.4%	27.8%	24.2%	
<i>Per Capita and Median Household Income</i>							
Per Capita Income	\$55,222	\$51,102	\$53,754	\$55,104	\$52,058	\$47,764	
Median Household Income	\$101,521	\$91,922	\$102,718	\$99,328	\$94,899	\$85,656	
<i>Household Income Trends</i>							
2028 Median Household Income (Est.)	\$113,964	\$107,070	\$115,185	\$112,033	\$109,524	\$101,751	
Annual Increase (Est.) 2023 - 2028	2.3%	3.1%	2.3%	2.4%	2.9%	3.5%	

Source: U.S. Census, ESRI (2023)



2023 MEDIAN HOUSEHOLD INCOME

Jefferson Center Metropolitan District No. 1
 Jefferson County, Colorado
 December 2023



PCAV PLANNERS



SECTION III – DEVELOPMENT ANALYSIS

Residential Development - Single Family Housing

Project Overview

An estimated 844 units of single family housing may be added to the District between 2024 and 2028. This housing is planned to include a mix of for-sale single family detached housing units (546 total units) and a mix of for-sale or rental townhomes (298 total units). The number of housing units planned per year by type is shown in the summary table below.

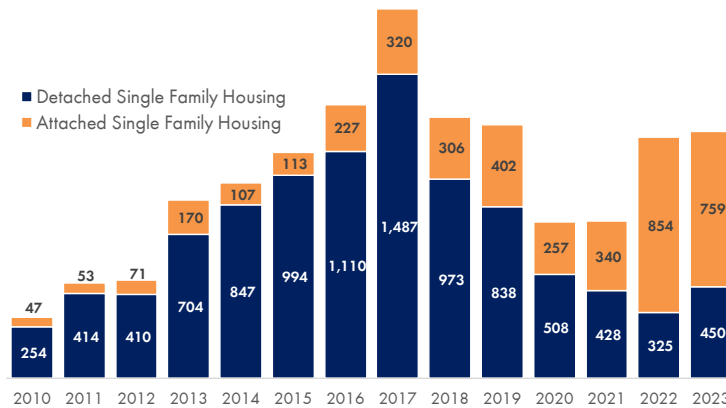
Figure 13. Summary of District Single Family Development

Subject Development - Single Family Homes			
Year	Single Family Detached	Single Family Attached Townhomes	Number of Units
2024	86	48	134
2025	156	163	319
2026	156	87	243
2027	119	0	119
2028	29	0	29
Total	546	298	844

Single Family Market Trends

Since 2010, an average of about 930 single family housing units were built in Jefferson County each year. As shown in the graph below, homebuilding activity is influenced by economic cycles. The peak of single family construction was in 2017, with 1,807 total units. Since the COVID-19 pandemic in 2020 and 2021, construction has accelerated, with an average of about 1,200 units built each year. Unlike in previous years, beginning in 2022, attached single family housing was the dominant type of new housing, accounting for about two-thirds of new housing in 2022 and 2023.

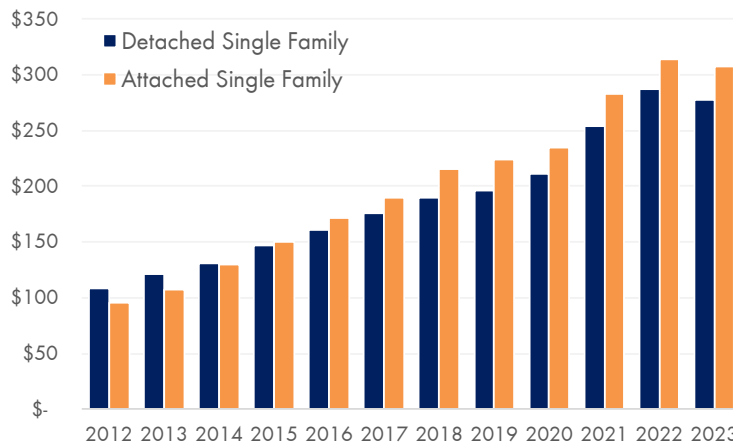
**Figure 14. Jefferson County Single Family Home Constuction 2010 – 2023
(Jefferson County Assessor, 2023)**



Based on population growth trends, approximately 690 new housing units are needed per year to meet housing unit demand in the PMA, and 3,200 housing units are needed in the SMA. However, since population growth is related to the availability of housing, population is expected to grow where housing units are available. In recent years, constraints in the supply and availability of housing, as well as challenges within the supply chain and construction labor market, have had dramatic effects on housing affordability and have driven up demand for new housing wherever it can be built. Using methods to increase the supply of new housing has been a strategy explored in many communities to address housing affordability.

The table below shows trends in average price per square foot in Jefferson County. Since 2012, the sale price per square foot has increased by an average of 8.9% for detached single family housing and 11.2% for attached single family housing. This increase in price indicates the need for additional housing supply. The approximately 169 new units of housing per year over five years within the District are expected to absorb quickly.

Figure 15. Jefferson County Average Sale Price per Square Foot 2012 – 2023 (Redfin, 2023)



Single Family Housing Estimate of Value

The following table shows estimated statutory actual value per unit for District single family attached and detached housing types, based on the value per square foot of recently-developed single family detached and attached properties in Candelas and Leyden Rock, adjacent to the District. For the purpose of this analysis, only units developed since 2018 were included, although these housing developments contain a larger number of units than listed here when including units developed prior to 2018.

Using the value per square foot for recently-developed properties in Candelas and Leyden Rock, coupled with the anticipated size of District housing units, values per unit were estimated for each of the housing products anticipated for the District. The value of single family detached homes was estimated to range from \$665,000 to \$1,007,500 per unit and the value of the townhomes was estimated to range between \$494,000 and \$543,590.

These values and the values of the comparable developments used to calculate these values are shown in detail in the following table. Their locations relative to the District are shown in the map following the table.

Figure 16. Single Family Home Comparable Properties and Estimated Statutory Market Value

Subject Development - Single Family Detached Homes							
Property	Location	Year of Completion	Units	Estimated Total Appraised Value	Unit Size (SF)	Average Value per Square Foot	Estimated Statutory Market Value per Unit
Trailstone Town Collection	In District	2024 - 2027	133	\$ 96,910,000	1,661 - 2,823	\$ 325	\$ 728,650
Trailstone Destination Collection	In District	2024 - 2027	86	\$ 86,645,000	2,406 - 3,794	\$ 325	\$ 1,007,500
Trailstone City Collection	In District	2024 - 2028	144	\$ 117,842,000	2,061 - 2,975	\$ 325	\$ 818,350
Trailstone Explorer	In District	2024 - 2028	183	\$ 96,910,000	1,600 - 1,900	\$ 380	\$ 665,000
Comparable Developments							
Property	Distance (Miles)	Year of Construction	Units	Total Appraised Value	Average Unit Square Feet	Average Value per Square Foot	2023 Statutory Market Value per Unit
Whisper Creek at Wildgrass	In District	2018 - 2020	50	\$ 42,174,000	2,077	\$ 406	\$ 843,480
Candelas - CanyonView	Adjacent	2018 - 2022	386	\$ 317,894,000	2,484	\$ 332	\$ 823,560
Candelas - MountainView	Adjacent	2018 - 2022	223	\$ 228,737,000	3,230	\$ 318	\$ 1,025,726
Candelas - SkyView	Adjacent	2018 - 2022	80	\$ 97,290,000	3,610	\$ 337	\$ 1,216,125
Candelas - TownView	Adjacent	2018 - 2020	77	\$ 52,991,000	2,333	\$ 295	\$ 688,195
Candelas - ValleyView	Adjacent	2018 - 2021	142	\$ 121,437,000	2,784	\$ 307	\$ 855,190
Leyden Rock	Adjacent	2018 - 2020	304	\$ 263,879,000	2,648	\$ 328	\$ 868,023
Subject Development - Townhomes							
Property	Location	Year of Completion	Units	Estimated Total Appraised Value	Average Unit Size (SF)	Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Whisper Village Townhomes	In District	2024 - 2026	110	\$ 56,868,900	1,099 - 1,622	\$ 380	\$ 516,990
Trailstone Townhomes	In District	2024 - 2026	132	\$ 71,753,880	1,248 - 1,613	\$ 380	\$ 543,590
Rangewater For-Rent Townhomes	In District	2025	56	\$ 27,664,000	1,200 - 1,600 (Est)	\$ 380	\$ 494,000
Comparable Developments							
Property	Distance (Miles)	Year of Construction	Units	Total Appraised Value	Average Unit Square Feet	Average Value per Square Foot	2023 Statutory Market Value per Unit
Candelas Townhomes	Adjacent	2020 - 2022	104	\$ 53,602,283	1,327	\$ 388	\$ 515,407
Clear Creek Terrace Townhomes	7.1	2021 - 2021	26	\$ 14,823,946	1,689	\$ 338	\$ 570,152
Hometown South Townhomes	4.0	2017 - 2019	188	\$ 98,313,307	1,552	\$ 337	\$ 522,943
Riverside Terrace Townhomes	7.2	2020 - 2021	18	\$ 10,286,451	1,695	\$ 337	\$ 571,470



DETACHED & ATTACHED SINGLE FAMILY SELECTED PROPERTIES

Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado

0 0.2 0.4 0.8 Miles

PCAV PLANNERS



Residential Development - Multifamily Housing

Project Overview

An estimated 1,430 units of multifamily housing may be added to the District between 2025 and 2036. The number of housing units planned per year by type is shown in the summary table below. Over the eleven year period of development, there will be an average of 130 multifamily units added annually.

Figure 17. Summary of District Multifamily Development

Subject Development - Multifamily Housing Units			
Development	Location	Year Built	Number of Units
Parcel 7 - Rangewater For Rent Apartments	Eastern Candelas	2025	324
Parcel 8 - Apartments	Southern Candelas	2028	330
Candelas Point Block 3 - Residential	Candelas Point	2032	116
Parcel 8 - Apartments	Southern Candelas	2032	330
Parcel 8 - Apartments	Southern Candelas	2036	330
Total			1,430
		Years of Development	Avg. Units per Year
Average Units per Year		11	130

Multifamily Demand

The table below shows the total number of multifamily units added in the Primary Market Area and the Denver Metro Area over the past ten years, as well as an estimation of multifamily unit demand over the next five years. From 2023 to 2028, the Primary Market Area is expected to generate demand for about 624 new multifamily housing units annually, while the Denver Metro Area is expected to generate demand for just over 12,300 new multifamily housing units annually.

Occupancy rates and average lease rates per square foot can indicate the extent to which new multifamily units are being absorbed in the market. Historically, the primary market area has had similar occupancy and lease rates per square foot as the Denver metro area. Overall, occupancy within the PMA has been a little less than “full occupancy” (typically 95%) over the past decade, indicating a potential slight oversupply of units or of a particular type of unit. As shown in the tables below, the average lease rate per square foot has grown quickly over the past decade, at an annual average rate of 3.8% in the PMA. A large jump in lease rate per square foot took place between 2020 and 2021, when average rates increased by about \$0.20 per square foot. Between 2021 and 2022, average rates increased by an additional \$0.10 per square foot.

The District is expected to add an average of 130 units annually from 2025 to 2036, which is equal to about 21 percent of total annual demand in the Primary Market Area. Normally this would represent a somewhat high capture rate; however, the District accounts for about 7.4% of the area of the total PMA, or over 16% of the developable area of the PMA when the Rocky Flats National Wildlife Refuge is not considered. Therefore, this capture rate would be considered reasonable given the large size of the District relative to the PMA.

Figure 18. Historic and Projected Multifamily Demand in the Primary Market Area and the Denver Metro Area

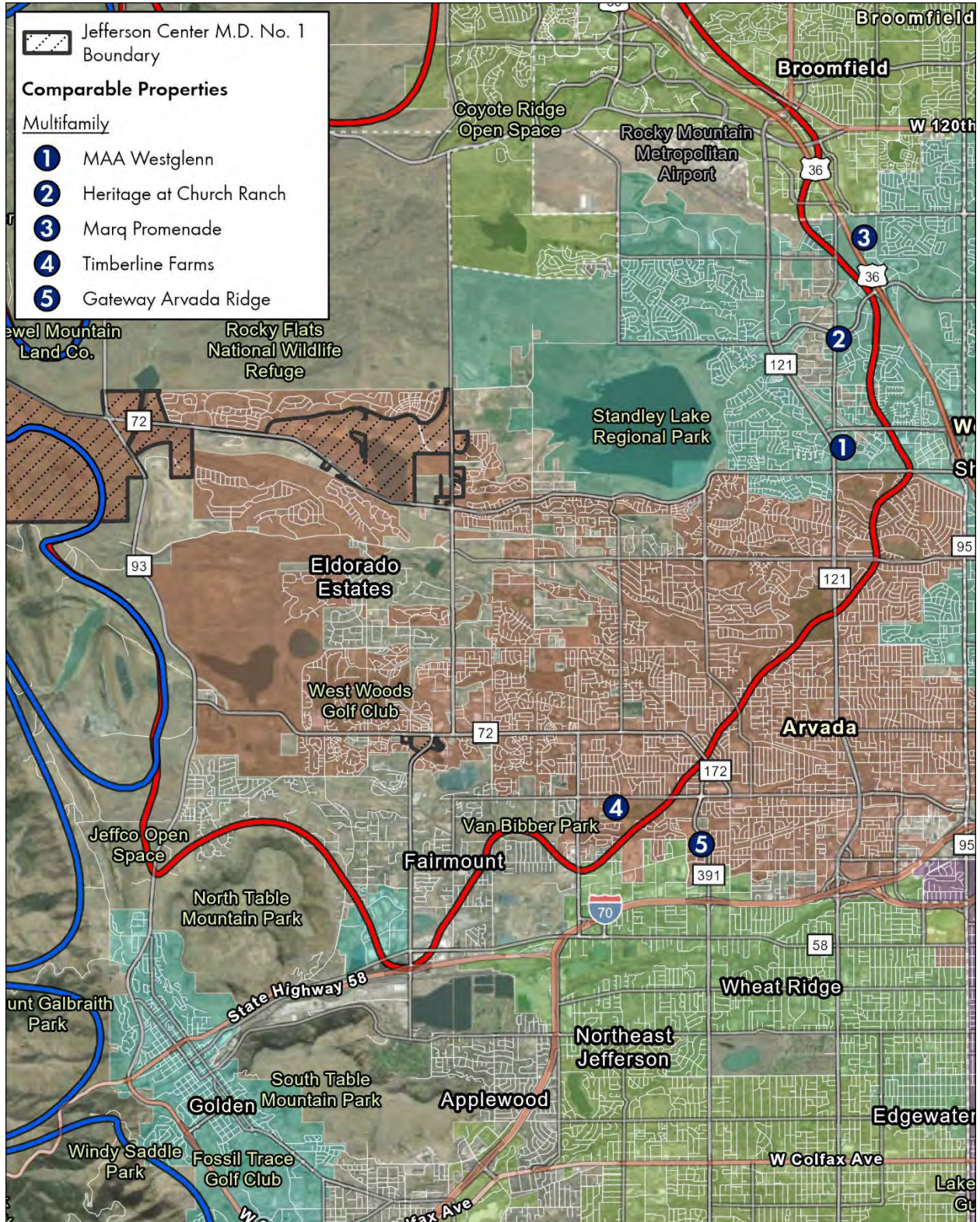
Projected Demand for Multifamily Units		
	Primary Market Area	Denver Metro Area
Historic Unit Count		
2013	8,470	250,674
2023	13,756	357,692
Historic Absorption & Growth Rate		
Avg Annual Absorption 2013 - 2023	530	10,700
Annual Growth Rate 2013 - 2023	5.0%	3.6%
Household Change		
2010 Households	78,959	1,004,694
2023 Households	96,164	1,213,963
2028 Estimated Households	98,967	1,263,208
Annual Household Growth 2010 - 2023	1.5%	1.5%
Occupancy Rates		
2020	93.8%	92.5%
2021	92.5%	93.8%
2022	94.0%	93.0%
2023 YTD	89.5%	92.5%
Average Lease Rate per Square Foot		
2013	\$1.44	\$1.48
2023	\$2.10	\$2.11
Avg. Annual Change 2013 - 2023	3.8%	3.6%
Projected Annual Demand & Growth Rate		
Proj. Annual Growth Rate 2023 - 2033	3.8%	3.0%
Est Total Development in 2028	20,000	480,700
Total Ten-Year Demand	6,244	123,008
Annual Demand at Estimated Growth Rate	624	12,301
Multifamily Units per Household		
2010	0.10	0.24
2023	0.14	0.29
2028 (Estimated)	0.20	0.38
Source: CoStar, PGAV		

Multifamily Estimation of Market Value

The following table shows estimated statutory actual value per unit for District multifamily development, based on the value of recently-developed multifamily properties in Jefferson County. Values for these properties ranged from about \$305,000 per unit to about \$356,000 per unit. A midrange estimated value of \$340,000 per unit was chosen for the subject properties.

Figure 19. Multifamily Comparable Properties and Estimated Statutory Market Value

Subject Development - Multifamily Housing							
Property	Location	Year of Completion	Units			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
For Rent Apartments (Rangewater - P7)	In District	2025	324			\$ 110,160,000	\$ 340,000
Parcel 8 - Apartments	In District	2028	330			\$ 112,200,000	\$ 340,000
Parcel 8 - Apartments	In District	2032	330			\$ 112,200,000	\$ 340,000
Candelas Point Block 3 - Residential	In District	2032	116			\$ 39,440,000	\$ 340,000
Parcel 8 - Apartments	In District	2036	330			\$ 112,200,000	\$ 340,000
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Units	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
MAA Westglenn	6.3	2021	306	\$ 8,029,080	\$ 88,911,720	\$ 96,940,800	\$ 316,800
Heritage at Church Ranch 55+	6.3	2021	205	\$ 5,417,840	\$ 59,526,160	\$ 64,944,000	\$ 316,800
Marq Promenade	6.9	2021	261	\$ 11,874,555	\$ 81,145,845	\$ 93,020,400	\$ 356,400
Timberline Farms	5.9	2018	314	\$ 8,703,160	\$ 86,970,440	\$ 95,673,600	\$ 304,693
Gateway Arvada Ridge	6.9	2018	296	\$ 9,351,420	\$ 96,142,980	\$ 105,494,400	\$ 356,400



SELECTED MULTIFAMILY PROPERTIES

Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado

0 0.4 0.8 1.6 Miles

PGA PLANNERS



Residential Development - Senior Care Facility

Project Overview

A senior care facility with an estimated 228 units may be added to the District in 2025.

Figure 20. Summary of District Senior Housing Development

Subject Development - Senior Care Facility			
Development	Location	Year Built	Number of Units
Parcel 10 - Senior Care Facility	Eastern Candelas	2025	228
Total			228

Senior Care Demand

According to the Joint Center for Housing Studies of Harvard University, about 2.5% of adults over the age of 65 live in group quarters such as nursing homes.² The table below shows the population of the PMA, the percent of population 65 or older, and the historic and projected number of PMA residents age 65 or older. In recent years, the aging of the large Baby Boomer cohort has led to an increase in the proportion of the population age 65 and older, and led to increasing demand for housing that serves that needs of older adults, including single-story, low-maintenance, and assisted living housing units.

From 2010 to 2023, the number of adults age 65+ in the PMA who may have required senior care housing grew by 36 residents annually. From 2023 to 2028, estimated demand for senior care units is expected to grow at a similar average annual rate of 37 additional units per year.

The proposed senior care facility is expected to add 228 units of senior care housing in 2025, which is equal to about 6.2 years of demand in the PMA. Currently, there are an estimated 1,516 units of senior care housing within the PMA that serve an estimated population of 1,229 senior residents who may require care. However, about 14% of these units are in buildings dating from the 1980s or earlier, which can indicate demand for newer spaces. It is also possible that there is an undersupply of particular types of senior care, for example, skilled nursing or memory care. Finally, given the amount of housing being added in the vicinity of the proposed facility, there will be demand from nearby households to house family members in a convenient facility. However, demand indicators suggest that the facility’s 228 units may take longer to an year to fully absorb in the market.

²

https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_Housing_Americas_Older_Adults_2023.pdf

Figure 21. Historic and Projected Senior Care Facility Unit Demand in the Primary Market Area

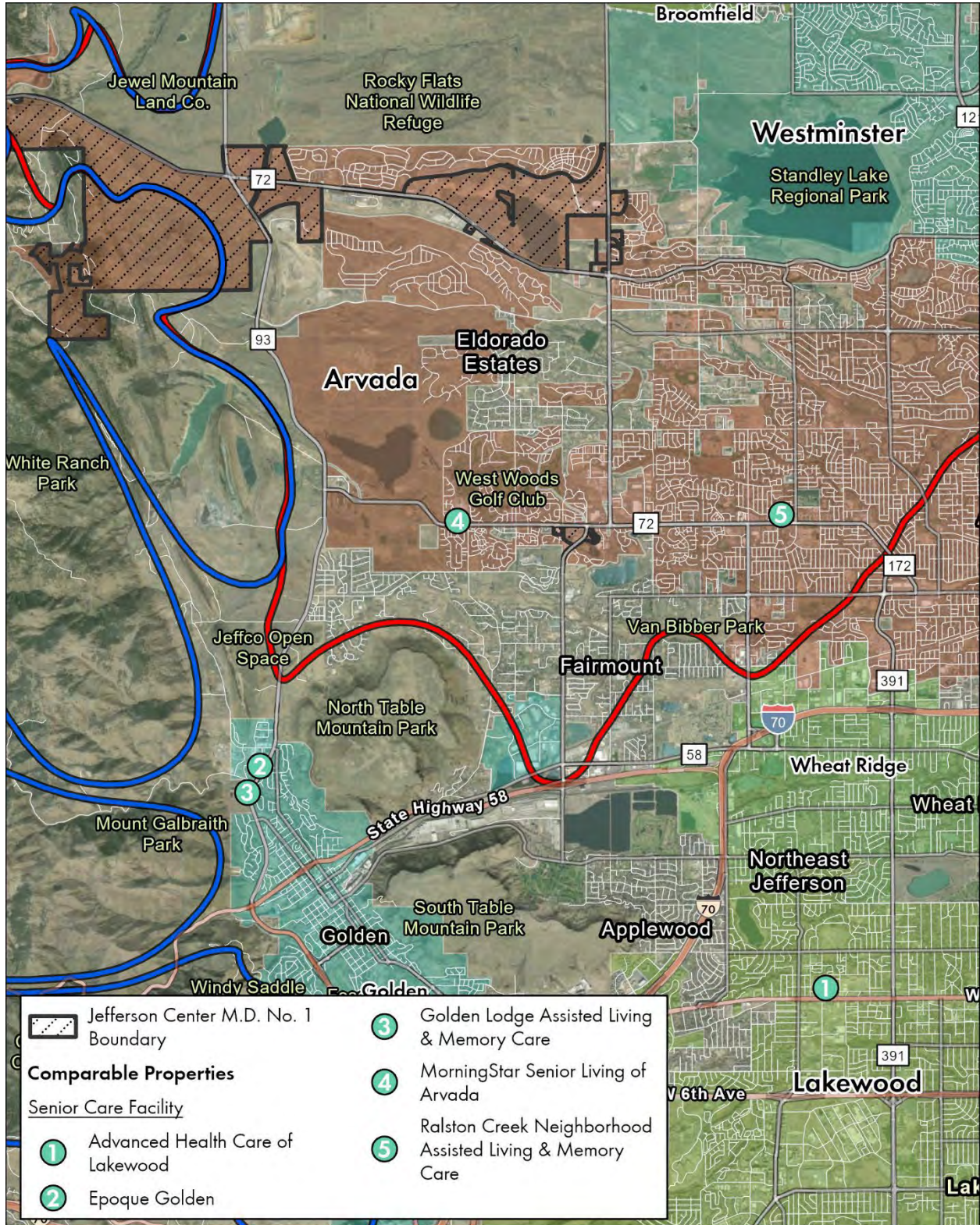
Subject Development - Senior Care Facility				
Historic and Projected Population				
Year	Primary Market Area Population	Pct. Primary Market Area Population 65+	Primary Market Area Population 65+	Pop. That May Require Senior Care (2.5%)
2010	197,433	11.6%	22,902	573
2020	229,796	15.9%	36,538	913
2023	234,963	17.8%	41,823	1,046
2028	243,303	20.2%	49,147	1,229
Avg. Annual Increase				
Year	Avg. Annual Increase in PMA Population	Avg. Annual Increase in Population 65+	Avg. Annual Increase in Population 65+	Annual Increase in Pop. That May Require Senior Care (2.5%)
Increase from 2010 - 2023	2,887	4.7%	1,455	36
Increase from 2023 - 2028	1,668	3.3%	1,465	37

Multifamily Estimation of Market Value

The following table shows estimated statutory actual value per unit for District senior care units, based on the value of recently-developed senior care properties in Jefferson County. Values for these properties ranged from about \$238,000 per unit to about \$324,000 per unit. A midrange estimated value of \$300,000 per unit was chosen for the subject property.

Table 1 – Senior Care Facilities Comparable Properties and Estimated Value

Subject Development							
Property	Location	Year of Completion	Units			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Parcel 10 Senior Care Facility	In District	2025	228			\$ 68,400,000	\$ 300,000
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Units	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
Advanced Health Care of Lakewood	9.6	2021	36	\$ 3,304,175	\$ 6,414,800	\$ 9,718,975	\$ 270,000
Epoque Golden	6.6	2019	120	\$ 4,033,211	\$ 34,814,389	\$ 38,847,600	\$ 323,700
Golden Lodge Assisted Living & Memory Care	6.7	2019	111	\$ 3,449,960	\$ 22,918,767	\$ 26,368,727	\$ 237,600
MorningStar Senior Living of Arvada	3.7	2018	141	\$ 1,987,510	\$ 40,759,577	\$ 42,747,087	\$ 303,200
Ralston Creek Neighborhood Assisted Living & Memory Care	5.1	2016	109	\$ 4,628,680	\$ 27,016,836	\$ 31,645,516	\$ 290,300



SENIOR CARE FACILITY SELECTED PROPERTIES

Jefferson Center Metropolitan District No. 1
 Jefferson County, Colorado

0 0.3 0.6 1.2 Miles

PGA PLANNERS



Commercial Development – Restaurant, Retail and Service Commercial Development

Project Overview

An estimated 403,528 square feet of restaurant, retail, and service commercial development may be added to the District between 2023 and 2050. Of this development total, 91,419 square feet have identified users and uses. The remaining 312,109 square feet currently do not have defined specific users or uses. Details regarding the timing, size, and retail tenant (where applicable) are found in the tables below. Over the 27-year period of development, there will be an average of 14,945 square feet of retail space added annually.

Figure 22. District Restaurant, Retail & Service Commercial Development Summary - Named Users³

Subject Development - Restaurant, Retail & Service Commercial			
Development	Location	Year Built	Square Feet
Food Service			
Whisper Village - Block 1, Lot 3 - Taco Bell	Whisper Village	2024	2,700
Whisper Village - Block 1, Lot 7 - Restaurant	Whisper Village	2025	3,800
Parcel 1 - Starbucks	Western Candelas	2025	2,220
Car Wash			
Parcel 10 - Ted's Express Car Wash	Eastern Candelas	2023	5,903
Whisper Village - Block 1, Lot 6 - Car Wash	Whisper Village	2024	3,800
Tunnel Car Wash	Western Candelas	2025	5,800
Gas Station & Convenience Store			
Whisper Village - Block 1, Lot 5 - Murphy's USA	Whisper Village	2023	2,800
Kum & Go	Western Candelas	2025	3,500
Parcel 10 - Gas Station	Eastern Candelas	2025	3,500
Parcel 1 - 7-Eleven	Western Candelas	2026	3,064
Auto Service			
Whisper Village - Block 2, Lot 1 - O'Reilly Auto Parts	Whisper Village	2024	5,000
Whisper Village - Block 1, Lot 4 - Brakes Plus	Whisper Village	2024	4,946
Whisper Village - Block 2, Lot 2 - Discount Tire	Whisper Village	2025	9,000
Day Care			
Candelas Point/Parcel 7 - Kiddie Academy	Candelas Point	2024	11,000
Whisper Village - Block 1, Lot 9 - Day Care	Whisper Village	2024	10,886
Bank			
Whisper Village - Block 1, Lot 1 - Bank of America	Whisper Village	2024	3,500
Urgent Care			
Parcel 1 - SCL Urgent Care	Western Candelas	2025	10,000
Total Named User Retail/Commercial			91,419

³ This figure includes certain construction completed prior to the data of this report. These projects are given in Figure 5.

Figure 23. Summary of District Restaurant, Retail & Service Commercial Development – Unnamed Users

Subject Development - Restaurant, Retail & Service Commercial			
Development	Location	Year Built	Square Feet
General Retail			
Whisper Village - Block 1, Lot 2 - Inline Retail	Whisper Village	2024	10,000
Whisper Village - Block 1, Lot 8 - Retail	Whisper Village	2024	8,000
Parcel 9 - Retail	Eastern Candelas	2025	8,000
Parcel 10 - Inline Retail	Eastern Candelas	2026	10,202
Parcel 9 - Retail	Eastern Candelas	2026	8,701
Parcel 1 - Retail	Western Candelas	2028	17,206
Parcel 8 - Retail	Southern Candelas	2032	50,000
Parcel 2 - Retail	Western Candelas	2037	10,000
Parcel 8 - Retail	Southern Candelas	2040	50,000
Parcel 2 - Retail	Western Candelas	2043	10,000
Parcel 11 - Retail	Southern Candelas	2045	45,000
Parcel 2 - Retail	Western Candelas	2049	10,000
Parcel 8 - Retail	Southern Candelas	2050	75,000
Total Unnamed User Retail/Commercial			312,109

Retail Demand

The table below shows the total square feet of retail added in the Primary Market Area and the Denver Metro Area over the past ten years, as well as an estimation of retail demand over the next five years. From 2023 to 2028, the Primary Market Area is expected to generate demand for about 29,000 additional square feet of retail space annually, while the Denver Metro Area is expected to generate demand for just over 841,000 additional square feet of retail annually during that same time period.

Occupancy rates and average lease rates per square foot can indicate the extent to which new retail space has been absorbed in the market. Historically, average lease rates per square foot have been about \$1.00-\$1.75 lower in the PMA than in the Denver metro area. Occupancy within the PMA has been slightly lower than in the Denver metro area, but both areas are currently considered to be fully occupied. As shown in the tables below, the average lease rate per square foot has grown over the past decade, at an annual average rate of 2.9% in the PMA and at an average rate of 2.2%, which is slightly below the rate of inflation.

The District is expected to add an average of 14,945 square feet annually from 2023 to 2050, which is equal to about 50 percent of total annual demand in the Primary Market Area. Normally this would represent a high capture rate; however, the simultaneous development of over 2,500 housing units within the District, as well as housing unit development in adjacent areas, is expected to generate considerable demand for local retail. At 40 average square feet per person and 2.43 residents per households on average, these 2,500 households are expected to generate demand for approximately 243,000 square feet of retail. Therefore, this capture rate would be considered reasonable given the expected population growth within the District and in its vicinity over the upcoming decades.

Figure 24. Historic and Projected Retail Demand in the Primary Market Area and the Denver Metro Area

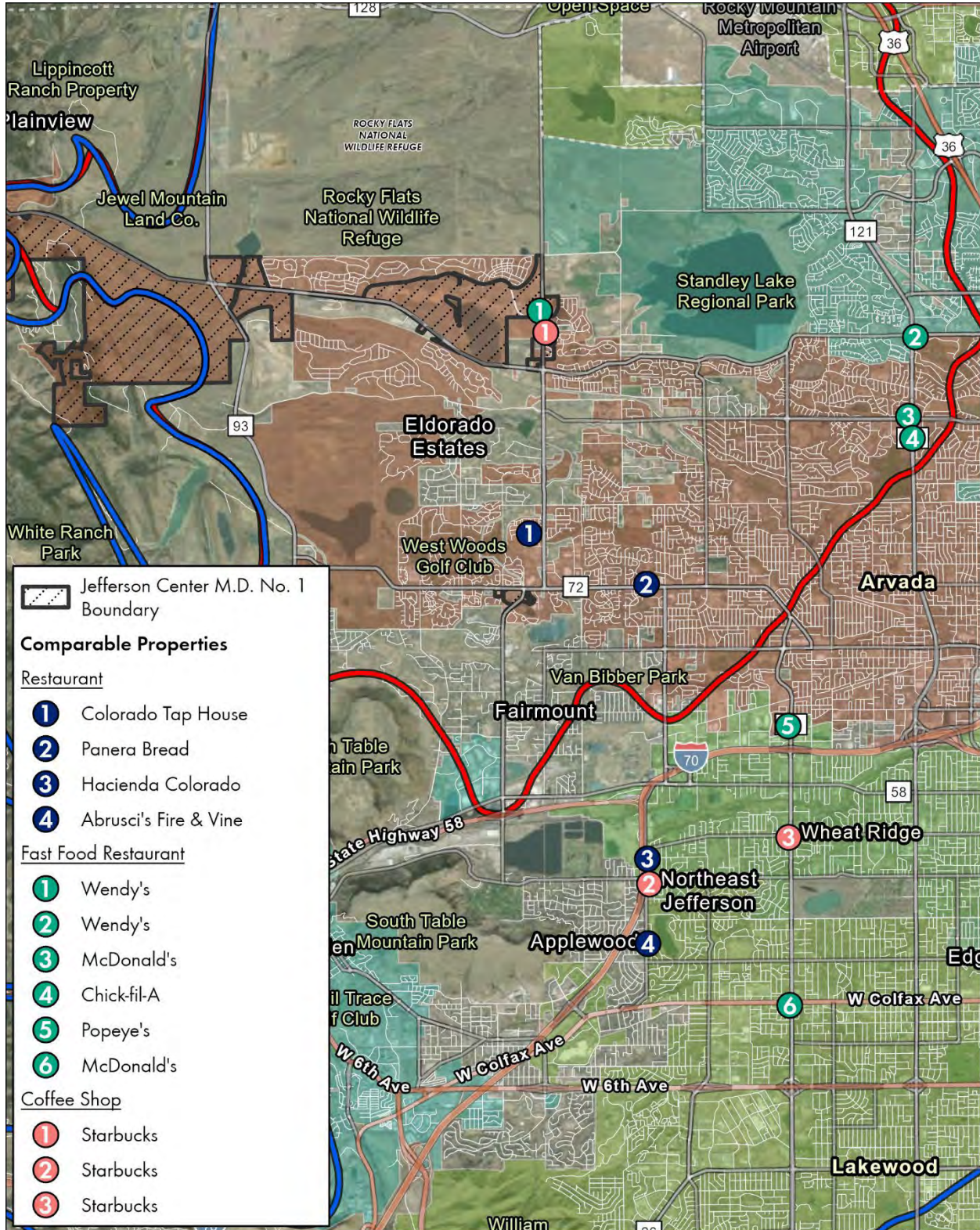
Projected Demand for Retail Space		
	Primary Market Area	Denver Metro Area
Historic Square Footage		
2013	9,166,698	157,120,539
2023 YTD	9,429,963	164,535,443
Historic Absorption & Growth Rate		
Avg Annual Absorption 2013 - 2023	26,300	741,500
Annual Growth Rate 2013 - 2023	0.3%	0.5%
Population Change		
2010 Population	197,434	2,543,486
2023 Population	234,963	3,062,784
2028 Estimated Population	238,522	3,154,841
Annual Population Growth 2010 - 2023	1.3%	1.4%
Occupancy Rates		
2020	92.7%	95.0%
2021	93.0%	95.5%
2022	94.5%	96.0%
2023 YTD	94.6%	96.1%
Average Lease Rate per Square Foot		
2013	\$12.77	\$14.49
2023	\$16.99	\$18.08
Avg. Annual Change 2013 - 2023	2.9%	2.2%
Projected Annual Demand & Growth Rate		
Proj. Annual Growth Rate 2023 - 2033	0.3%	0.5%
Est Total Development in 2028	9,716,700	172,949,800
Total Ten-Year Demand	286,737	8,414,357
Annual Demand at Estimated Growth Rate	28,674	841,436
Retail Square Feet per Resident		
2010	46	62
2023	40	54
2028	41	53
<i>Source: CoStar, PGAV</i>		

Retail Estimation of Market Value

The following table shows estimated statutory actual value per square foot for District retail and service commercial development, based on the value of recently-developed retail properties in Jefferson County. Values for these properties varied depending on the user and development type, so retail developments were split into subtypes for the purpose of this analysis. For retail users where a user has not yet been identified, retail developments containing a mix of tenants were used as comparable developments. However, once users are identified for these spaces, estimated values may increase or decrease. The estimated values for each subject property type are shown in the tables below.

Figure 25. Food Service Comparable Properties and Actual Assessed or Estimated Statutory Market Values

Subject Development - Restaurant							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Whisper Village - Block 1, Lot 7 - Restaurant	In District	2025	3,800				\$ 255
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
Colorado Tap House	3.6	2022	6,635	\$ 343,948	\$ 1,268,086	\$ 1,612,034	\$ 243
Panera Bread	4.8	2014	7,201	\$ 1,593,843	\$ 557,557	\$ 2,151,400	\$ 299
Hacienda Colorado	7.8	2019	13,350	\$ 516,113	\$ 2,869,735	\$ 3,385,848	\$ 254
Abrusci's Fire & Vine	8.7	2018	5,194	\$ 351,750	\$ 1,121,450	\$ 1,473,200	\$ 284
Subject Development - Fast Food Restaurant							
Property	Location	Year of Completion	Square Feet		Average Unit Size (SF)	Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Whisper Village - Block 1, Lot 3 - Taco Bell	In District	2024	2,700				\$ 530
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
Wendy's	In District	2019	2,504	\$ 1,030,084	\$ 297,316	\$ 1,327,400	\$ 530
Wendy's	6.3	2019	2,574	\$ 584,408	\$ 780,092	\$ 1,364,500	\$ 530
McDonald's	6.5	2012	4,572	\$ 856,856	\$ 1,324,344	\$ 2,181,200	\$ 477
Chick-fil-A	6.5	2013	4,438	\$ 1,435,780	\$ 518,620	\$ 1,954,400	\$ 440
Popeye's	7.3	2015	2,995	\$ 1,254,383	\$ 333,217	\$ 1,587,600	\$ 530
McDonald's	10.0	2011	3,858	\$ 1,231,917	\$ 710,983	\$ 1,942,900	\$ 504
Subject Development - Coffee Shop							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Parcel 1 - Starbucks	In District	2025	2,220			\$ 1,176,600	\$ 530
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
Starbucks	In District	2019	2,349	\$ 839,806	\$ 405,394	\$ 1,245,200	\$ 530
Starbucks	7.9	2018	2,596	\$ 736,714	\$ 639,386	\$ 1,376,100	\$ 530
Starbucks	8.3	2016	2,099	\$ 574,176	\$ 538,524	\$ 1,112,700	\$ 530



FOOD SERVICE SELECTED PROPERTIES

Jefferson Center Metropolitan District No. 1
 Jefferson County, Colorado

0 0.4 0.8 1.6 Miles



Figure 26. Car-Related Retailers Comparable Properties and Estimated Statutory Market Values

Subject Development - Car Wash							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Parcel 10 - Ted's Express Car Wash	In District	2023	5,903			\$ 2,361,200	\$ 400
Whisper Village - Block 1, Lot 6 - Car Wash	In District	2024	3,800			\$ 1,520,000	\$ 400
Tunnel Car Wash	In District	2025	5,800			\$ 2,320,000	\$ 400
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
Colorado Auto Wash	5.2	2016	3,038	\$ 369,174	\$ 1,096,097	\$ 1,465,271	\$ 482
Camelot Car & Dog Wash	6.4	2018	4,016	\$ 430,360	\$ 729,937	\$ 1,160,297	\$ 289
Take 5 Car Wash	9.7	2022	5,556	\$ 985,740	\$ 1,071,158	\$ 2,056,898	\$ 370
Cobblestone Car Wash	12.4	2022	6,411	\$ 1,161,323	\$ 1,109,657	\$ 2,270,980	\$ 354
Cobblestone Car Wash	14.4	2020	3,504	\$ 1,173,510	\$ 673,448	\$ 1,846,958	\$ 527
Subject Development - Gas Station & Convenience Store							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Whisper Village - Block 1, Lot 5 - Murphy's USA	In District	2024	2,800			\$ 1,764,000	\$ 630
Kum & Go	In District	2025	3,500			\$ 2,205,000	\$ 630
Parcel 10 - Gas Station	In District	2025	3,500			\$ 2,205,000	\$ 630
Parcel 1 - 7-Eleven	In District	2026	3,064			\$ 1,930,320	\$ 630
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
7-Eleven/Phillips 66	In District	2019	3,176	\$ 1,505,482	\$ 558,606	\$ 2,064,088	\$ 650
Kum & Go	2.3	2022	5,672	\$ 1,367,747	\$ 1,833,618	\$ 3,201,365	\$ 564
7-Eleven/Conoco	5.3	2022	4,272	\$ 570,906	\$ 915,575	\$ 1,486,481	\$ 348
7-Eleven/Conoco	6.4	2017	3,106	\$ 1,663,152	\$ 1,092,253	\$ 2,755,405	\$ 887
Kum & Go	7.7	2022	5,672	\$ 1,613,557	\$ 2,346,618	\$ 3,960,175	\$ 698
Subject Development - Auto Service Store							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Whisper Village - Block 2, Lot 1 - O'Reilly Auto Parts	In District	2024	5,000			\$ 1,325,000	\$ 265
Whisper Village - Block 1, Lot 4 - Brakes Plus	In District	2024	4,946			\$ 1,310,690	\$ 265
Whisper Village - Block 2, Lot 2 - Discount Tire	In District	2025	9,000			\$ 2,385,000	\$ 265
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
Les Schwab Tire Center	In District	2021	11,567	\$ 1,310,254	\$ 1,778,452	\$ 3,088,706	\$ 267
Caliber Collision	5.7	2019	15,750	\$ 1,250,000	\$ 2,362,613	\$ 3,612,613	\$ 229
Christian Brothers Automotive	5.8	2018	5,273	\$ 711,843	\$ 975,517	\$ 1,687,360	\$ 320
Japanese Auto Service	6.4	2018	7,000	\$ 333,629	\$ 1,171,371	\$ 1,505,000	\$ 215
Les Schwab Tire Center	9.7	2015	11,806	\$ 1,340,560	\$ 1,587,328	\$ 2,927,888	\$ 248



**CAR-RELATED RETAIL
SELECTED PROPERTIES**

Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado

0 0.4 0.8 1.6 Miles

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Figure 27. Service Commercial Comparable Properties and Estimated Value

Subject Development - Day Care							
Property	Location	Year of Completion	Square Feet		Average Unit Size (SF)	Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Candelas Point/Parcel 7 - Kiddie Academy	In District	2024	11,000			\$ 2,475,000	\$ 225
Whisper Village - Block 1, Lot 9 - Day Care	In District	2024	10,886			\$ 2,449,350	\$ 225
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
Primrose School at Candelas	In District	2021	13,172	\$ 960,625	\$ 1,923,640	\$ 2,884,265	\$ 219
Everbrook Academy of Arvada	2.2	2018	10,220	\$ 1,004,488	\$ 1,620,116	\$ 2,624,604	\$ 257
The Learning Experience - Arvada West	4.1	2019	10,201	\$ 499,186	\$ 1,239,065	\$ 1,738,251	\$ 170
The Learning Experience - Westminster	5.6	2016	9,877	\$ 680,625	\$ 1,636,431	\$ 2,317,056	\$ 235
The Goddard School of Arvada	5.9	2022	12,884	\$ 565,984	\$ 2,222,250	\$ 2,788,234	\$ 216
The Goddard School of Arvada	In District	2011	10,068	\$ 755,784	\$ 1,169,446	\$ 1,925,230	\$ 191
Subject Development - Bank							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Whisper Village - Block 1, Lot 1 - Bank of America	In District	2024	3,500			\$ 1,575,000	\$ 450
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
Chase Bank	In District	2019	3,575	\$ 1,177,840	\$ 430,910	\$ 1,608,750	\$ 450
FirstBank	In District	2019	4,626	\$ 1,024,980	\$ 1,306,885	\$ 2,331,865	\$ 504
Premier Members Credit Union	2.3	2022	1,892	\$ 757,029	\$ 559,809	\$ 1,316,838	\$ 696
U.S. Bank	8.1	2018	3,984	\$ 1,204,234	\$ 588,566	\$ 1,792,800	\$ 450
Vectra Bank	9.3	2018	4,912	\$ 214,060	\$ 1,996,340	\$ 2,210,400	\$ 450
Subject Development - Urgent Care							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Parcel 1 - SCL Urgent Care	In District	2025	10,000			\$ 4,000,000	\$ 400
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
UCHealth Primary Care/Urgent Care	In District	2017	7,748	\$ 815,188	\$ 2,023,912	\$ 2,839,100	\$ 366
Centura Arvada Neighborhood Health Center	3.9	2016	10,645	\$ 3,453,584	\$ 1,158,005	\$ 4,611,589	\$ 433
CareNow Urgent Care	4.3	2019	5,646	\$ 865,578	\$ 3,523,104	\$ 4,388,682	\$ 777



**SERVICE COMMERCIAL
SELECTED PROPERTIES**

Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado

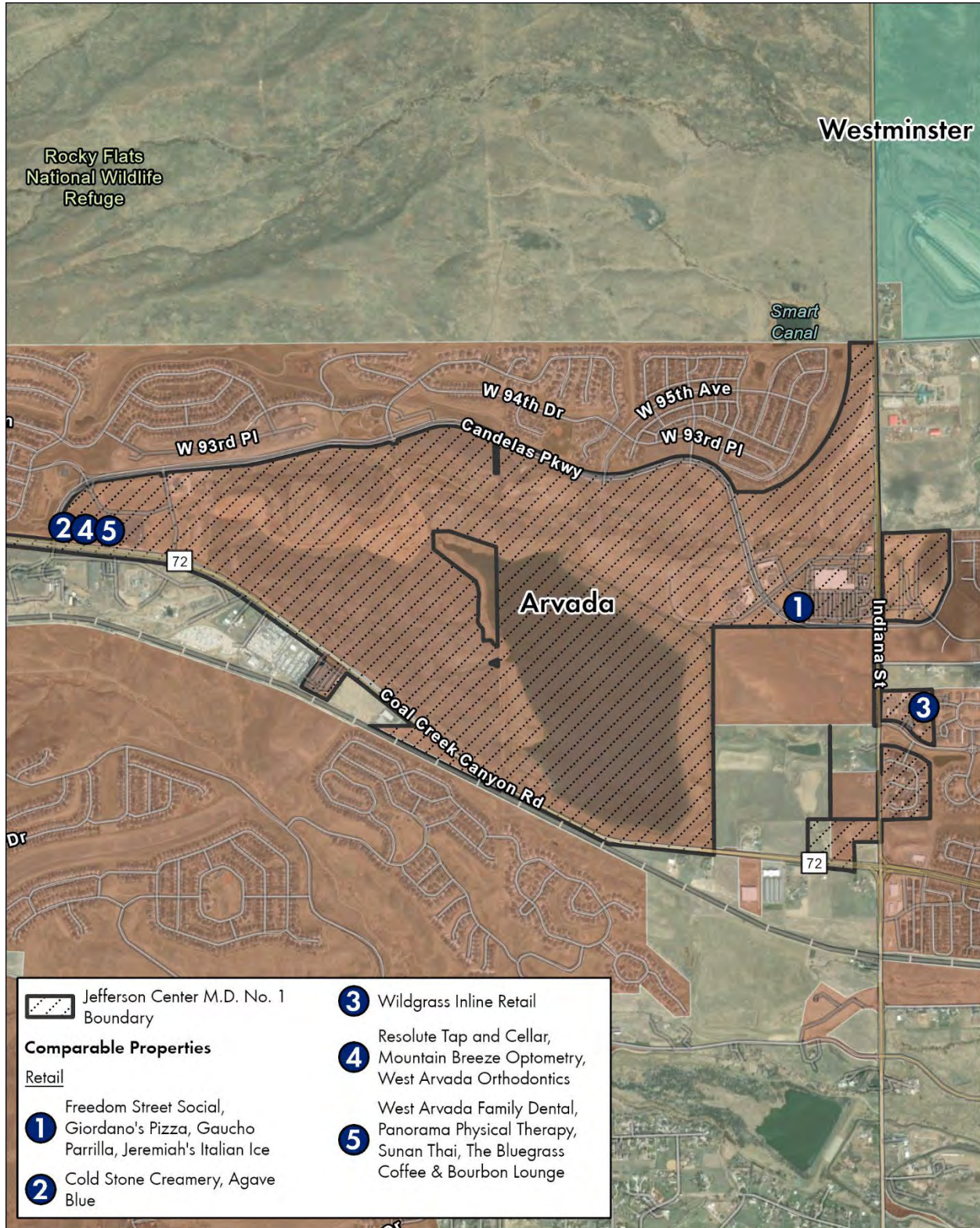
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PGAV PLANNERS



Figure 28. General Retail Comparable Properties and Actual and Estimated Statutory Market Values

Subject Development - General Retail							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Whisper Village - Block 1, Lot 2 - Inline Retail	In District	2024	10,000			\$ 2,500,000	\$ 250
Whisper Village - Block 1, Lot 8 - Retail	In District	2024	8,000			\$ 2,000,000	\$ 250
Parcel 9 - Retail	In District	2025	8,000			\$ 2,000,000	\$ 250
Parcel 10 - Inline Retail	In District	2026	10,202			\$ 2,550,500	\$ 250
Parcel 9 - Retail	In District	2026	8,701			\$ 2,175,250	\$ 250
Parcel 1 - Retail	In District	2028	17,206			\$ 4,301,500	\$ 250
Parcel 8 - Retail	In District	2032	50,000			\$ 12,500,000	\$ 250
Parcel 2 - Retail	In District	2037	10,000			\$ 2,500,000	\$ 250
Parcel 8 - Retail	In District	2040	50,000			\$ 12,500,000	\$ 250
Parcel 2 - Retail	In District	2043	10,000			\$ 2,500,000	\$ 250
Parcel 11 - Retail	In District	2045	45,000			\$ 11,250,000	\$ 250
Parcel 2 - Retail	In District	2049	10,000			\$ 2,500,000	\$ 250
Parcel 8 - Retail	In District	2050	75,000			\$ 18,750,000	\$ 250
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
Freedom Street Social, Giordano's Pizza, Gaucho Parrilla, Jeremiah's Italian Ice	In District	2022	12,789	\$ 1,757,426	\$ 1,505,574	\$ 3,263,000	\$ 255
Wildgrass Inline Retail	In District	2021	13,050	\$ 747,088	\$ 3,396,412	\$ 4,143,500	\$ 318
Resolute Tap and Cellar, Anytime Fitness, Mountain Breeze Optometry, West Arvada Orthodontics	In District	2020	12,186	\$ 626,250	\$ 2,214,850	\$ 2,841,100	\$ 233
West Arvada Family Dental, Panorama Physical Therapy, Sunan Thai, The Bluegrass Coffee & Bourbon Lounge	In District	2020	9,139	\$ 552,538	\$ 1,350,262	\$ 1,902,800	\$ 208



GENERAL RETAIL SELECTED PROPERTIES

Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado



PCAV PLANNERS

Commercial Development – Office Development

Project Overview

An estimated 756,000 square feet of office development may be added to the District between 2026 and 2050. Details regarding the timing and size of office developments are found in the tables below. If developed as planned, over the 24-year period of development, there will be an average of 31,500 square feet of office space added annually.

Figure 29. Summary of District Office Development

Subject Development - Office			
Development	Location	Year Built	Square Feet
Candelas Point - Lot 1 Flex Office	Candelas Point	2026	9,000
Candelas Point - Lot 1 Flex Office	Candelas Point	2028	12,000
Parcel 1 - Office	Western Candelas	2028	40,000
Parcel 3 - Office	Western Candelas	2032	44,000
Parcel 1 - Office	Western Candelas	2033	40,000
Parcel 3 - Office	Western Candelas	2034	44,000
Parcel 1 - Office	Western Candelas	2036	40,000
Parcel 5 - Office	Western Candelas	2036	55,000
Parcel 3 - Office	Western Candelas	2037	44,000
Parcel 1 - Office	Western Candelas	2039	40,000
Parcel 3 - Office	Western Candelas	2040	44,000
Parcel 5 - Office	Western Candelas	2040	55,000
Parcel 1 - Office	Western Candelas	2042	40,000
Parcel 3 - Office	Western Candelas	2043	44,000
Parcel 5 - Office	Western Candelas	2044	55,000
Parcel 1 - Office	Western Candelas	2045	40,000
Parcel 5 - Office	Western Candelas	2048	55,000
Parcel 5 - Office	Western Candelas	2050	55,000
Total Office Development			756,000

Office Demand

The table below shows the total square feet of office development added in the Primary Market Area and the Denver Metro Area over the past ten years, as well as an estimation of office demand over the next five years. From 2023 to 2028, the Primary Market Area is expected to generate demand for about 31,630 additional square feet of office space annually, while the Denver Metro Area is expected to generate demand for just over 944,000 additional square feet of office space annually.

Occupancy rates and average lease rates per square foot can indicate the extent to which new office space has been absorbed in the market. In 2023, average lease rates were about \$2.50 per square foot less in the PMA (\$26.73) than the metro average (\$29.13). Occupancy in both the PMA and the metro area have been in the 85%-87% range since 2021, a result of a decrease in office demand due to evolving workspace needs that began during the COVID-19 pandemic. As shown in the tables below, the average lease rate per square foot has grown over the past decade, at an annual average rate of 1.4% in the PMA, which is below the rate of inflation.

The District is expected to add an average of 31,500 square feet annually from 2026 to 2050, which is equal to nearly 100 percent of total annual demand in the Primary Market Area. This represents a very high capture rate, and, coupled with high vacancy in the office sector both locally and regionally, indicates that there may not be sufficient demand to absorb this amount of office space over this period of time.

Figure 30. Historic and Projected Office Demand in the Primary Market Area and the Denver Metro Area

Projected Demand for Office Space		
	Primary Market Area	Denver Metro Area
Historic Square Footage		
2013	9,737,759	169,631,103
2023 YTD	10,400,611	184,657,030
Historic Absorption & Growth Rate		
Avg Annual Absorption 2013 - 2023	66,300	1,502,600
Annual Growth Rate 2013 - 2023	0.7%	0.9%
Office-Based Employment		
2010	29,952	337,611
2021	38,061	445,531
Avg. Annual Change 2010 - 2021	2.2%	2.6%
Occupancy Rates		
2020	89.8%	90.3%
2021	90.2%	87.6%
2022	86.6%	85.7%
2023 YTD	86.9%	85.3%
Average Lease Rate per Square Foot		
2013	\$23.31	\$19.90
2023	\$26.73	\$29.13
Avg. Annual Change 2013 - 2023	1.4%	3.9%
Projected Annual Demand & Growth Rate		
Proj. Annual Growth Rate 2023 - 2033	0.3%	0.5%
Est Total Development in 2028	10,716,900	194,100,400
Total Ten-Year Demand	316,300	9,443,400
Annual Demand at Estimated Growth Rate	31,630	944,340
Office Square Feet per Office Sector Employee		
2010	314	497
2023	273	414
Source: CoStar, PGAV		

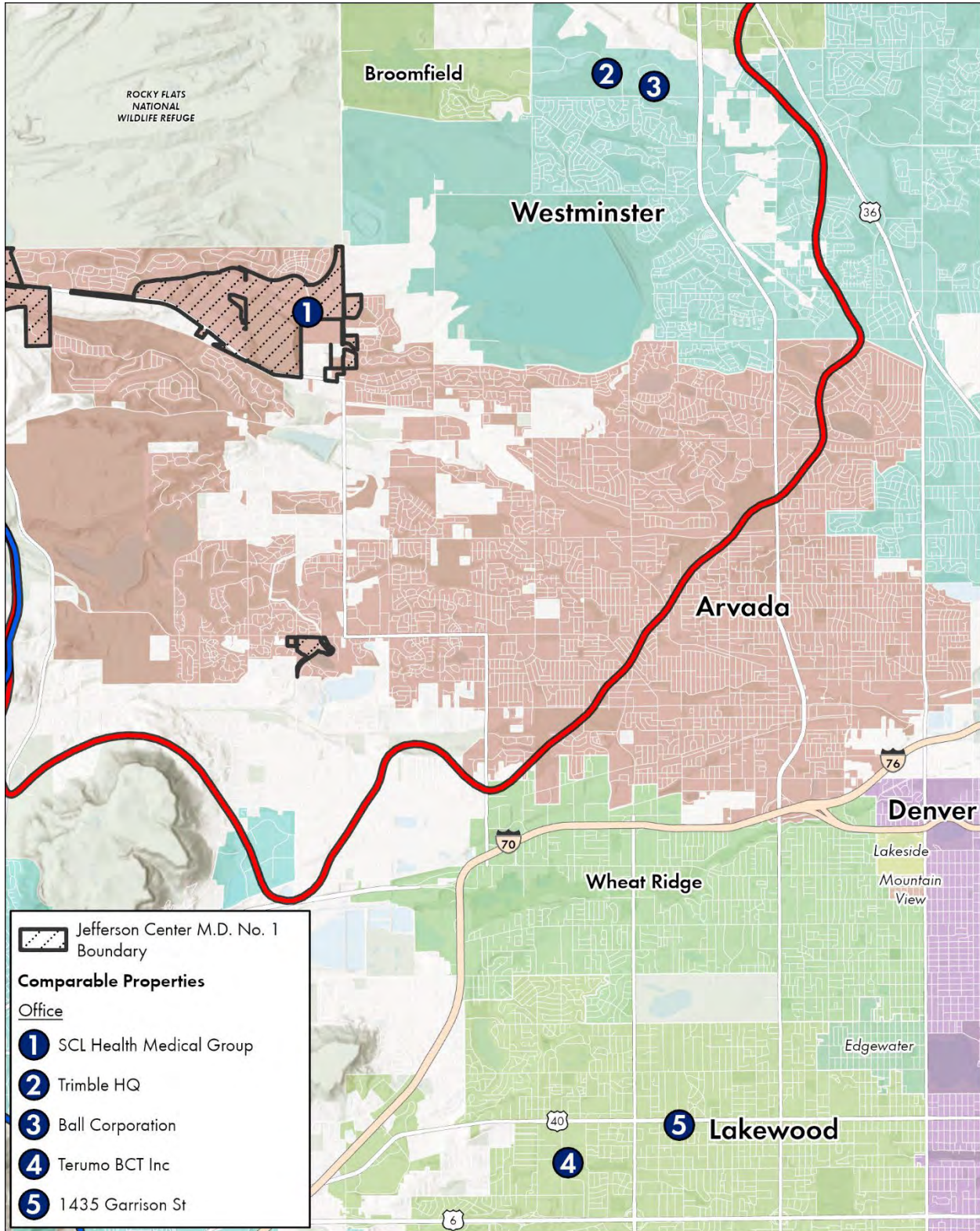
Office Estimation of Market Value

The following table shows estimated statutory actual value per square foot for District office development, based on the value of recently-developed retail properties in Jefferson County. Overall, there has been little corporate office development in Jefferson County since 2010. Values for these

properties ranged from about \$172 per square foot to about \$242 per square foot. A midrange estimated value of \$215 per square foot was chosen for the subject properties.

Figure 31. Office Comparable Properties and Estimated Value

Subject Development - Office Development							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Candelas Point - Lot 1 Flex Office	In District	2026	9,000			\$ 1,935,000	\$ 215
Candelas Point - Lot 1 Flex Office	In District	2028	12,000			\$ 2,580,000	\$ 215
Parcel 1 - Office	In District	2028	40,000			\$ 8,600,000	\$ 215
Parcel 3 - Office	In District	2032	44,000			\$ 9,460,000	\$ 215
Parcel 1 - Office	In District	2033	40,000			\$ 8,600,000	\$ 215
Parcel 3 - Office	In District	2034	44,000			\$ 9,460,000	\$ 215
Parcel 1 - Office	In District	2036	40,000			\$ 8,600,000	\$ 215
Parcel 5 - Office	In District	2036	55,000			\$ 11,825,000	\$ 215
Parcel 3 - Office	In District	2037	44,000			\$ 9,460,000	\$ 215
Parcel 1 - Office	In District	2039	40,000			\$ 8,600,000	\$ 215
Parcel 3 - Office	In District	2040	44,000			\$ 9,460,000	\$ 215
Parcel 5 - Office	In District	2040	55,000			\$ 11,825,000	\$ 215
Parcel 1 - Office	In District	2042	40,000			\$ 8,600,000	\$ 215
Parcel 3 - Office	In District	2043	44,000			\$ 9,460,000	\$ 215
Parcel 5 - Office	In District	2044	55,000			\$ 11,825,000	\$ 215
Parcel 1 - Office	In District	2045	40,000			\$ 8,600,000	\$ 215
Parcel 5 - Office	In District	2048	55,000			\$ 11,825,000	\$ 215
Parcel 5 - Office	In District	2050	55,000			\$ 11,825,000	\$ 215
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
SCL Health Medical Group	In District	2021	44,800	\$ 659,665	\$ 8,490,317	\$ 9,149,982	\$ 204
Trimble Headquarters	4.8	2012-2019	242,400	\$ 16,582,813	\$ 41,976,487	\$ 58,559,300	\$ 242
Ball Corporation	5.3	2020	85,200	\$ 1,310,670	\$ 16,877,730	\$ 18,188,400	\$ 213
Terumo BCT Inc	10.1	2014	118,900	\$ 2,939,122	\$ 17,476,478	\$ 20,415,600	\$ 172
1435 Garrison St	10.3	2010	31,800	\$ 2,213,489	\$ 4,671,511	\$ 6,885,000	\$ 217



OFFICE SELECTED PROPERTIES

Jefferson Center Metropolitan District No. 1
Jefferson County, Colorado

0 0.3 0.6 1.2 Miles

PGAV PLANNERS



Commercial Development – Industrial Development

Project Overview

An estimated 585,458 square feet of industrial development may be added to the District between 2024 and 2026. Of this total, nearly 235,000 square feet will be within storage facilities and the remaining 350,620 square feet will be unnamed industrial users. Details regarding the timing and size of industrial developments are found in the tables below. If developed as planned, over the 4 year period of development, there will be an average of 292,730 square feet of industrial space added annually in the District.

Figure 32. Summary of District Industrial Development

Subject Development - Industrial			
Development	Location	Year Built	Square Feet
Mini Warehouse			
Parcel 4 - Luxxe Locker	Western Candelas	2025	144,838
Parcel 10 - TBD Storage Facility	Eastern Candelas	2025	90,000
Total Mini Warehouse			234,838
Industrial			
Parcel 6 OCC - Industrial	Western Candelas	2024	183,185
Parcel 6 OCC - Industrial	Western Candelas	2026	167,435
Total Industrial			350,620

Industrial Demand

The table below shows the total square feet of industrial development added in the Primary Market Area and the Denver Metro Area over the past ten years, as well as an estimation of industrial demand over the next five years. From 2023 to 2028, the Primary Market Area is expected to generate demand for about 242,400 additional square feet of industrial space annually, while the Denver Metro Area is expected to generate demand for just under 6,000,000 additional square feet of industrial space annually.

Occupancy rates and average lease rates per square foot can indicate the extent to which new industrial space has been absorbed in the market. Over time, average lease rates per square foot for industrial space have increased at rates surpassing inflation in both the PMA and the Denver metro area. In 2023, average lease rates per square foot for industrial space were about \$2.00 per square feet higher in the PMA than in the metro area. Occupancy in the PMA is very high, at 98%, indicating high demand and potential undersupply of this space type. Industrial space occupancy is higher in the PMA than the metro area average, which also has a healthy occupancy rate of 94.3%.

The District is expected to add an average of 292,730 square feet annually from 2024 to 2026, which is over 100 percent of the total annual demand in the Primary Market Area. This represents a very high capture rate. Although there is very low vacancy in the industrial sector currently, the industrial development planned for the District may take more than two years to absorb.

Figure 33. Historic and Projected Industrial Demand in the Primary Market Area and the Denver Metro Area

Projected Demand for Retail Space		
	Primary Market Area	Denver Metro Area
Historic Square Footage		
2013	13,286,119	197,171,611
2023 YTD	15,097,907	245,803,783
Historic Absorption & Growth Rate		
Avg Annual Absorption 2013 - 2023	181,200	4,863,200
Annual Growth Rate 2013 - 2023	1.3%	2.2%
Industrial Sector Employment		
2010	15,286	168,744
2021	21,186	207,355
Avg. Annual Change 2010 - 2021	3.0%	1.9%
Occupancy Rates		
2020	98.4%	94.8%
2021	96.0%	94.2%
2022	97.6%	94.7%
2023 YTD	98.0%	94.3%
Average Lease Rate per Square Foot		
2013	\$6.18	\$4.73
2023	\$10.72	\$8.71
Avg. Annual Change 2013 - 2023	5.7%	6.3%
Projected Annual Demand & Growth Rate		
Proj. Annual Growth Rate 2023 - 2033	1.5%	2.2%
Est Total Development in 2028	17,521,700	305,560,700
Total Ten-Year Demand	2,423,800	59,756,900
Annual Demand at Estimated Growth Rate	242,380	5,975,690
Industrial Square Feet per Industrial Sector Employee		
2010	867	1,183
2021	713	1,185
<i>Source: CoStar, PGAV</i>		

Industrial Estimation of Market Value

The following table shows estimated statutory actual value per square foot for District industrial development, based on the value of recently-developed retail properties in Jefferson County. Overall, self-storage development has been fairly common in recent years in the county, as it has added households and demand for storage. Values for self-storage properties ranged from about \$92 per square foot to about \$108 per square foot. A midrange estimated value of \$100 per square foot was chosen for the subject self-storage properties.

Larger-scale industrial development (greater than 100,000 square feet) has been less common in the county over the past decade. Values for these developments ranged from about \$141 per square foot to

\$155 per square foot. A midrange value of \$150 per square foot was estimated for the subject industrial properties.

Figure 34. Industrial Comparable Properties and Estimated Value

Subject Development - Self-Storage							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Parcel 4 - Luxxe Locker	In District	2025	144,838			\$ 14,483,800	\$ 100
Parcel 10 - TBD Storage Facility	In District	2025	90,000			\$ 9,000,000	\$ 100
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
ModBox Storage	1.9	2019	110,235	\$ 664,545	\$ 11,217,455	\$ 11,882,000	\$ 108
Advantage Self Storage	1.9	2021	95,412	\$ 1,157,855	\$ 8,082,145	\$ 9,240,000	\$ 97
Public Storage	3.6	2018	89,535	\$ 501,808	\$ 7,770,192	\$ 8,272,000	\$ 92
McIntyre Storage	4.7	2019	113,455	\$ 3,821,312	\$ 7,598,688	\$ 11,420,000	\$ 101
Subject Development - Industrial							
Property	Location	Year of Completion	Square Feet			Total Estimated Statutory Value	Estimated Statutory Market Value per Unit
Parcel 6 OCC - Industrial	In District	2024	183,185			\$ 27,477,750	\$ 150
Parcel 6 OCC - Industrial	In District	2026	167,435			\$ 25,115,250	\$ 150
Comparable Developments							
Property	Distance (Miles)	Year of Completion	Square Feet	Total Land Value	Total Improvement Value	Total Appraised Value	2023 Statutory Market Value per Unit
12805 W 112th Ave	3.6	2022	131,170	\$ 2,300,000	\$ 16,200,000	\$ 18,500,000	\$ 141
4990 Parfet St	7.0	2022	142,200	\$ 4,706,042	\$ 15,293,958	\$ 20,000,000	\$ 141
FedEx Ground	4.0	2016	211,827	\$ 5,591,550	\$ 27,154,450	\$ 32,746,000	\$ 155

SECTION IV - CONDITIONS AND ASSUMPTIONS

The conditions and assumptions that apply to the development and statutory actual value estimates in this document are stated throughout. A negative change in the conditions that form the basis of the assumptions used in developing the projections contained in this report could adversely affect the estimates of the statutory actual values associated with anticipated development. In order to project future development, market values, and assessed values, certain assumptions must be made with regard to actions, both internal and external to the District, such as actions by private businesses and land owners, national and local economic conditions, public support, and legislative changes. The contents of this document are forward-looking and involve certain assumptions and judgments regarding uncertainties in the future.

The ability to achieve the development and value estimates presented in this evaluation is contingent upon the timing and probability of a number of complex conditions being met in the future and certain assumptions holding true. PGAV makes no assertions as to the degree of impact that changes in any of these conditions would have upon the value estimates and development projections included herein. Any event or action that alters an assumed event, assumption, or condition used to achieve the projections contained herein shall be considered a cause to void all projections contained in this report. These assumptions include such conditions as listed below.

Continued Public Support

The successful ongoing administration of the statutory mechanisms generating revenues within the District will require the commitment of the District's board, respectively, property owners and developers.

Court Action

The results of future court decisions, unknown at this time, which could impact, either positively or negatively, the future performance of the District as envisioned.

Natural Disasters

Future success of the development within the District could be affected by fires, floods, storms, or other "acts of God" that could interrupt, halt or otherwise disturb development activity as described herein.

Economic and Market Stability

National, regional, and local economic stability will need to prevail over the life of the District and the timeline of development described herein and continue to support the need for residential and commercial uses within the District. In addition, prolonged labor strikes or terrorist attacks at the national, regional, or local level could adversely affect the business environment or business productivity at this location.

AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT is made and entered into as of March 1, 2024, by and between the **Jefferson Center Metropolitan District No. 1**, hereinafter called “Client,” and **MuniCap, Inc.**, hereinafter called “Advisor,” for financial advisory services for Client. The Client and Advisor, in consideration of the mutual promises and conditions herein contained, agree as follows.

In consideration of the mutual promises and covenants contained in this Agreement, and for good and valuable consideration, the Advisor and Client agree as follows:

1. This Agreement shall become effective following signature by all parties.
2.
 - A. Advisor shall provide services to Client as described in Exhibit A, which is attached and incorporated by reference.
 - B. Advisor will supply all tools and means necessary to the performance of those services and production of those work products described in Exhibit A.
 - C. As a part of the work and services to be performed, Advisor shall furnish intermediate reports to Client from time to time, when requested, in such form and number as may be required by Client and shall make such final reports as may be required by Client concerning the work and services performed.
 - D. Advisor will be relying on information provided by other parties. The Advisor does not have the expertise to confirm the accuracy or validity of this information and it shall not be the responsibility of Advisor to confirm its accuracy or validity.
3. Advisor’s compensation for these services shall be as provided for in Exhibit B attached and incorporated by reference. Compensation due to Advisor will be paid upon the submission to Client of an invoice providing for compensation as provided for in Exhibit B. Compensation for additional services not included in Exhibit A shall require the approval of Client.
4. Client shall provide access to all documents reasonably necessary to the performance of Advisor's duties under this Agreement. Except as may be necessary for performance of this Agreement, and to the extent not already generally known as available to the public, the Advisor shall not use or disclose information concerning Client without prior written consent of Client.
5. Advisor agrees to maintain in confidence, to refrain from disclosing to third parties, and to use only for the purposes intended by this Agreement all information which Advisor obtains from Client related to the project or which Advisor develops under this Agreement, except to the extent expressly permitted by the prior written consent of Client, specific information is released to the public by or with the consent of Client (e.g. the official statement for the issuance of bonds), or as required by law, regulation, or legal process.

6. In performance of work and services under this Agreement, Advisor shall act solely as an independent contractor, and nothing contained or implied in this Agreement shall at any time be so construed as to create the relationship of employer and employee, partnership, principal and agent, or joint ventures as between Client and Advisor.

7. Advisor is registered as a “municipal advisor” under Section 15B of the Securities Exchange Act of 1934 and rules and regulations adopted by the Securities Exchange Commission (the “SEC”) and the Municipal Securities Rulemaking Board (the “MSRB”). Pursuant to MSRB Rule G-10, Advisor (MuniCap, Inc.) is required to provide Client with the following information:

- A. Advisor has determined, after exercising reasonable diligence, that it has no known material conflicts of interest that would impair its ability to provide advice to Client in accordance with its fiduciary duty to municipal-entity clients and the standard of care required by MSRB Rule G-42(a)(i) concerning obligated person clients. To the extent any material conflicts of interest arise after the date of this Agreement, Advisor will provide information concerning any material conflicts of interest in the form of a written supplement to this Agreement.
- B. As part of this registration, Advisor is required to disclose any legal or disciplinary event that is material to the Client’s evaluation of the Advisor or the integrity of its management or advisory personnel. The Advisor has determined that no such event exists.
- C. Copies of Advisor filings with the SEC are available via the SEC’s EDGAR system by searching “Company Filings,” which is available via the Internet at: <https://www.sec.gov/edgar/searchedgar/companysearch.html>. Search for “MuniCap” or for Advisor's CIK number, which is 0001614774.
- D. The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority.
- E. MuniCap is typically paid at bond closing for its EFA efforts. While this form of compensation is customary in the municipal securities market, it could present a conflict of interest. MuniCap has a fiduciary responsibility to you as our client, which means we put your interests first. The work we do for you is important to us, and we are committed to meeting this standard of fiduciary responsibility to you. We will provide you with the best advice we are able to without regards to how MuniCap is compensated.

8. This Agreement shall terminate upon the completion of the services described in Exhibit A or upon notice by either party to the other. Upon cancellation of the Agreement, Advisor shall provide to Client any work completed as of the cancellation of the Agreement and Advisor shall be compensated for services through such date.

9. Any notices to be given hereunder by either party to the other may be affected either by personal delivery in writing or by mail. Mailed notices shall be addressed to the parties at the

addresses appearing below, or such other address as given by written notice from one party to the other and shall be effective upon confirmation of receipt.

To Advisor: Keenan Rice
MuniCap, Inc.
8965 Guilford Road, Suite 210
Columbia, Maryland 21046
keenan.rice@municap.com

To Client: Jefferson Center Metropolitan District No. 1
141 Union Blvd., Suite 150
Lakewood, CO 80228
Attn: David Solin
dsolin@sdmsi.com

Copy To: McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203
Attn: Megan Becher
mbecher@specialdistrictlaw.com

10. This Agreement, including the Exhibits, supersedes any and all agreements, either oral or written, between the parties, and contains all of the covenants and agreements between the parties with respect to the rendering of such services. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied in this Agreement, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement (including any modification to an exhibit) will be effective if it is in writing and signed by the parties to this Agreement.

11. Failure of either party to enforce any provision of this Agreement shall not constitute a waiver of that or any other provision of this Agreement.

12. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way. A prevailing party in any effort to enforce this agreement may recover expenses attributable to that effort.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO AGREEMENT FOR CONSULTING SERVICES]

IN WITNESS WHEREOF this Agreement has been executed as of the date and year first above written.

Jefferson Center Metropolitan District No. 1

MuniCap, Inc.

BY: *Gregg A. Bradbury*
Gregg A. Bradbury
President

BY: *Keenan Rice*
Keenan Rice
President

Exhibit “A”
Consulting Services Scope of Work

MuniCap’s scope of services on this assignment involve being the External Financial Advisor to the District, which will include an evaluation of the proposed bond issuance to determine if the terms are reasonable and providing a certification to that effect. The specific services as the EFA include the following efforts:

- Conduct the research and evaluation necessary to provide a certification as to whether the following statements are true: using criteria deemed appropriate by us and based upon our analysis of recent comparable securities or financings, we certify that the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by the bonds on loan does not exceed a reasonable current tax-exempt or taxable interest rate; and (2) the structure of the bonds or loan, including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.
- Provide market commentary.
- Provide pre-pricing thoughts in conjunction with the underwriter or placement agent.
- Review and provide our opinion regarding the final pricing.
- Provide these services as a fiduciary under Dodd Frank and MSRB rules.

Advisor may provide additional services upon request of Client billed on an hourly basis. The services provided herein do not include conducting due diligence on information provided to or used by Advisor other than as indicated in the scope of work. Advisor will not rely on information it does not believe to be reasonable and valid, but it will not investigate the validity of information unless requested to do so as additional work. Advisor’s services do not include any services not specified herein or specified at the time additional services are requested, including review of legal, engineering, and land use issues.

Exhibit "B"
Consulting Services Fee Schedule

The costs of the EFA services described here in shall be \$5,000 to be paid at completion of the analysis. Additional work, if requested, shall be provided on a time and material basis.

Professional Hourly Rates

Title	Hourly Rate
President	\$350
Executive Vice President	325
Senior Vice President	300
Vice President	275
Director	250
Manager	225
Project Manager	215
Senior Associate	200
Associate	175

Reimbursable Expenses

Reimbursable expenses in addition to the fees states above shall be as follows:

Travel:	Not expected, but at cost.
Photocopying:	No charge.
Telephone:	No charge.
Facsimiles:	No charge.
US postage:	No charge.
Overnight delivery:	Not expected, but at cost.
Mileage:	Not expected but at the rate approved by the IRS.
Word processing:	No charge.
Other:	Expenses in addition to the charges noted above, such as hosting a conference call or other actual out of pocket expenses not considered normal general overhead, to be reimbursed at cost.

Advisor will seek reimbursement from the Client for actual out of pocket cost expenses related to these services without markup (mileage shall be charged at the approved IRS rate). Other than travel expenses for meetings requested by the Client, Advisor will not incur an expense in excess of \$100 without authorization from the Client.