Agenda

Regular Meeting of the Economic Development Advisory Committee
December 4, 2024 at 11:00 AM
Councilors' Conference Room, City Hall
200 Lincoln Avenue

Procedures for Economic Development Advisory Committee Meeting

Join on Zoom: https://santafenm-gov.zoom.us/j/85707943812?pwd=ckgyRXJuZ2Zac2VWellRcnJyQnY1QT09
Meeting ID: 857 0794 3812
Passcode: 381607

The agenda and packet for the meeting will be posted at https://santafenm.portal.civicclerk.com/.

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Consent Agenda
5. Approval of Minutes
6. Action Items: Consent Agenda

   a. CONSIDERATION OF BILL 2024-19. ADOPTION OF ORDINANCE NO. 2024-___. (Mayor Alan Webber)
   A Bill Approving the Sale of City-Owned Buildings, Improvements, and Six Parcels Located at 1600 St. Michael's Drive Within the City and County of Santa Fe, New Mexico, Aspect QOZB, LLC, in Three Phases, for a Total of $5,000,000. (Daniel Hernandez, Metropolitan Redevelopment Agency Director; dahernandez@santafenm.gov)

   Committee Review:
   Governing Body (Introduced): 10/30/2024
   Governing Body (Public Comment): 11/13/2024
   Public Works and Utilities Committee: 11/18/2024
   Quality of Life Committee: 11/20/2024
   Economic Development Advisory Committee: 12/04/2024
   Finance Committee: 12/09/2024
   Governing Body (Public Hearing): 12/11/2024

   -

   Committee Review:

7. Action Items: Discussion Agenda

8. Presentations

    a. SPUR Update (Johanna Nelson, Director, Economic Development, jcnelson@santafenm.gov, Casey Dalbor, Business Growth Manager, cjdalbor@santafenm.gov) - ,

    b. Outdoor Recreation Update (Lizzy Portillo, Economic Development Specialist, emportillo@santafenm.gov) - ,

9. Public Comment

10. Matters from Staff

11. Matters from the Committee

12. Matters from the Chair

13. Next Meeting: February 1, 2025

14. Adjourn

Closed captions are provided for this meeting. Persons with disabilities in need of additional accommodations, contact the City Clerk's office at 505-955-6521, five (5) working days prior to meeting date.

CITY OF SANTA FE

Memorandum

Date: October 24, 2024

To: Governing Body, Public Works and Utilities Committee, Quality of Life Committee, Finance Committee, and Economic Development Advisory Committee

From: Daniel Hernandez, Metropolitan Redevelopment Agency, Director DH
Via: Randy Randall, Interim Community Development Director RR

RE: A Bill Approving the Sale of Buildings, Improvements, and Land at the Midtown Site, to ASPECT QOZB, LLC.

EXECUTIVE SUMMARY:
The City of Santa Fe ("City") and Midtown Santa Fe Productions QOF, LLC ("Offeror") entered into an Exclusive Negotiation Agreement on August 4, 2023, in order to negotiate a plan for Offeror to improve and purchase certain parcels of the Midtown Site, located at 1600 St Michaels Drive ("Property"). The proposed bill would approve the City and ASPECT QOZB, LLC ("Developer"), entering into a Development and Disposition Agreement (Agreement) for the Property. The DDA would requires a$5,000,000 payment, in four installments, required development of the property, and community benefits, if Purchaser completes all three phases of the purchase.

The date that the approved DDA goes into effect ("Effective Date") will be 45 days after the Bill is approved, unless a referendum is held. If a referendum is held and a majority of voters vote to approve the Ordinance, the Effective Date would be the date the election results are certified. If the majority of voters voted to disapprove the Ordinance, the Ordinance would not be effective and the Agreement would become obsolete.

NMSA 1987, Section 3-54-1, requires that the City approve the sale of City-owned property with an Ordinance. This Bill fulfills the City's requirement to comply with that statute. The purchase price consideration provided in this summary is further explained in a memorandum attached hereto called the Purchase Price Consideration for the Disposition and Development Agreement (DDA) by and between the City and Developer.

SUMMARY OF DEVELOPMENT AND DISPOSITION AGREEMENT

A. Introduction. The Agreement will set forth the terms and conditions of:

(i) Developer's obligation to design, develop and construct the Project (defined below) at the Property,

(ii) Developer's right to purchase the Property upon completion of the construction and satisfaction of certain related obligations,

(iii) the timeline, in relation to Developer's obligations, for the City's design and construction of roadway and other public improvements necessary for access to and use of the Project, and

(iv) the community benefit requirements that are required of Developer and its successors to satisfy after the purchase of the Property (as improved by Developer).

B. Project Requirements:

Project Overview: Developer's development and construction at the Property will be completed in three separate phases, as follows:

- "Phase 1" consists of the demolition of Onate Hall and the major renovation of the buildings currently known as Benildus Hall, Garson Studios (which includes "The Screen"), and Driscoll Hall, for the purpose of operating a state-of-the-art film and multi-media production studio and related office space, a publicly available theater or performance space, and a retail or restaurant space.
- "Phase 2" will include the construction of a multifamily residential building with at least 99 dwelling units (up to a maximum of 150 dwelling units), of which at least 15% will be affordable units subject to the City's inclusionary housing program.
- "Phase 3" will include the construction of either (i) a 65,000 square foot (or larger) film and multi-media production studio, or (ii) a comparable development project approved by the Governing Body that is complementary to and supportive of the film and multi-media production uses.

The buildings and other improvements contemplated as being constructed and installed for each Phase are collectively referred to as the "Private Improvements." The Private Improvements and the Property are collectively referred to as the "Project."

Financial Security: Developer will be required to provide a guaranty of performance and payment from its principal in connection with the initial Phase and a performance bond and a payment bond to the City with respect to the subsequent Phases, each of which will be in an amount sufficient to cover the cost of the construction of the applicable Private Improvements.

C. Master Plan Amendment: The uses contemplated for the Project are not all presently permitted under the Master Plan. As a condition precedent to the commencement of any construction at the Property, the MRA Office will need to submit and obtain approval for an amendment to the Master Plan that modifies the permitted uses at the Property to include addition uses previously not included, such as the housing mentioned above. If the additional uses are not approved, Developer will have the right to terminate the Agreement, upon which

City would return the Developer's deposit and neither the City nor Developer will have any further rights or obligations under the Agreement.

D. City Right-of-Way Improvements: The Agreement describes the City's responsibility for designing and constructing the public roadway improvements, storm drainage facilities, and related infrastructure lying within the areas of the Midtown Site that will be designated for public right of way, as described in the RFP. The Agreement describes that the City will use its best efforts to complete the portions of such public improvements necessary for Developer's use and operation of each Phase prior to Developer's completion of such Phase, provided that if the City is unable to timely complete the applicable public improvements, the City will not take any actions to impede the issuance to Developer of a certificate of occupancy for the completed Phase as a result of the City's delay so long as Developer constructs and installs temporary ADA improvements for access to such Phase in compliance with applicable law.

E. Developer's Purchase of the Property:

Purchase Price. The purchase price for the Property (the "Purchase Price") to be paid by Developer to the City is $5,000,000. On the Effective Date of the Agreement, Developer will pay an initial deposit of $1,000,000 ("Initial Deposit"), which amount is nonrefundable except in the event the amendment to the Master Plan is not approved.

Closing: Following the Initial Deposit, the City will continue to own the fee interest in the Property applicable to each Phase during Developer's construction of the Private Improvements for such Phase. Provided Developer is not in breach of the Agreement, the City will execute and record a quitclaim deed to the Property applicable to any Phase following Developer's receipt of the final certificates of occupancy for such Phase and the City's receipt of an installment payment of a portion of the Purchase Price, in the amount of $2,250,000 for Phase 1, $1,250,000 for Phase 2, and $500,000 for Phase 3.

F. Community Benefits:

- *Economic Impact Requirement*: Developer is required to cause film production companies operating at the Project to generate direct production expenditures in New Mexico of (i) at least $30,000,000 during the first five years of the Agreement, and (ii) at least $150,000,000, by the 15th year of the Agreement. If the Project fails to generate expenditures of at least the amounts set forth above, Developer will be required to pay a fee to the City of $25,000 per year per non-compliance event.
- *Economic Opportunity Requirement*: Developer is required to use commercially reasonable efforts to coordinate among local community organizations and certain employers operating at the Project from time to time to post or advertise employment opportunities available with such employers at the Project to local residents.

- *Commercial Use Requirement*: Developer is required to use commercially reasonable efforts to secure and maintain tenants for the retail space at Driscoll Hall that will continuously operate businesses open to the public during normal business hours.
- *Film Internship Requirement*: Developer is required to require that the production companies operating at the Property offer and fill an aggregate total of 20, six-week internships per year in partnership with a New Mexico-based film school or internship program, adjusted proportionally in relation to the percentage of leased studio space.
- *Cultural Elements Requirement*: Developer will (i) provide local community organizations access to the theater screen for at least eight days per year, (ii) coordinate with local community organizations to include within the programming for the theater space at least four events per year that promote the interests of a group historically subject to discrimination or otherwise underrepresented or of a cause supportive of any of such group's interests.
- *Educational Space Covenant*: The City will record a covenant against the Property requiring that at least 3,000 square feet of space in one of the buildings be used exclusively for educational uses (e.g., classroom study).

G. **Default Remedies**: If Developer defaults in its performance of any obligation under the Agreement beyond applicable notice and cure periods, in addition to other remedies available to the City, the City will have the right to terminate the Agreement, upon which the City may retake possession of the Property.

H. **Right of First Refusal**: During the five-year period following the completion of Phase I, if Developer receives an offer for the sale of any portion of the Property to a third-party that Developer desires to accept, the City will have a right of first refusal to purchase such portion of the Property on the terms and conditions set forth in the third-party offer.

ATTACHMENTS:
Bill
FIR
Memo Attachment - Memorandum: Purchase Price Consideration
Memo Attachment - Memorandum: Lease Summary

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2024-19

INTRODUCED BY:

Mayor Alan Webber

A BILL

APPROVING THE SALE OF CITY-OWNED BUILDINGS, IMPROVEMENTS, AND SIX PARCELS LOCATED AT 1600 ST MICHAELS DRIVE WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, ASPECT QOZB, LLC, IN THREE PHASES, FOR A TOTAL OF $5,000,000.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. The City of Santa Fe ("City") hereby approves the sale of buildings, improvements, and land located at 1600 Saint Michaels Drive and further described in Section 3(A) below, to Aspect QOZB, LLC ("Purchaser"), with terms described in Section 3 below.

Section 2. This Ordinance shall be effective forty-five days after the date of adoption, unless a referendum is held pursuant to NMSA 1978, Section 3-54-1.

Section 3. Terms of the Sale:

A. Property to be Sold. The City agrees to sell its ownership interest in buildings, improvements, and land located at 1600 St. Michaels Drive in the City and County of Santa Fe, New Mexico, being more particularly described as follows to-wit: Ownership

interest in the buildings, improvements, and land which are located upon the six tracts of real estate more particularly described in Attachment A, the Development and Disposition Agreement ("Property").

B. The purpose for the municipality entering into the sale. The City issued a request for proposals for disposition of the Property and the Purchaser responded to that request. The City and the Purchaser entered into an Exclusive Negotiation Agreement on July 26, 2023, and, pursuant to this ordinance enter the attached Development and Disposition Agreement (Attachment A).

Amount of the Sale. The Purchaser shall pay $5,000,000 total in the following phases, as defined in Attachment A: $1,000,000.00 in cash on the Effective Date. Purchaser shall then pay $2,250,000 on the date of Phase 1 Closing, $1,250,000 at Phase 2 Closing, and $500,000 on the date of the Phase 3 Closing.

C. Time and Manner of the Sale. Closings shall comply with the statutory requirements in NMSA 1978, Section 3-54-1, and shall take place as described in in Article 10 of Attachment A.

D. Purchase "As Is". The Purchaser shall purchase the City's Property Interest in an "as is" condition with all known and latent defects. The City makes no representations or warranties as to the physical condition of the Property.

Section 4. This Ordinance shall be published as required by NMSA 1978, Sections 3-17-3 and 3-54-1.

Section 5. This Ordinance shall become effective forty-five (45) days after its adoption, unless a referendum election is held pursuant to NMSA 1978, Section 3-54-1.

Section 6. The City shall execute the necessary Quitclaim Deeds after the effective date of this ordinance, according to Exhibit A.

_____

ALAN WEBBER, MAYOR

ATTEST:

_____

GERALYN CARDENAS, INTERIM CITY CLERK

APPROVED AS TO FORM:



_____

ERIN K. MCSHERRY, CITY ATTORNEY

Attachment A

Recording Requested By,
And When Recorded Return To:

CITY OF SANTA FE
200 LINCOLN AVENUE
SANTA FE, NM 87501
ATTN: ERIN MCSHERRY, CITY ATTORNEY

DEVELOPMENT AND DISPOSITION AGREEMENT

BY AND BETWEEN

CITY OF SANTA FE

AND

ASPECT QOZB, LLC

Dated: _____, 20__

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EXHIBITS

Exhibit A	Depiction of Midtown Site
Exhibit B-1	Depiction of Property
Exhibit B-2	Legal Description of Property
Exhibit C	Lease Agreement
Exhibit D	Developer Owner and Control Parties
Exhibit E	Phase 1 MRA-Approved Conceptual Plans
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Exhibit K	Form of Educational Use Covenants
Exhibit L	Form of Assignment of Plans
Exhibit M	Form of Report
Exhibit N	Required Uses
Exhibit O	Phasing Depiction

DEVELOPMENT AND DISPOSITION AGREEMENT

THIS DEVELOPMENT AND DISPOSITION AGREEMENT (this "**Agreement**") is entered into by and between the CITY OF SANTA FE, a municipal corporation and political subdivision of the State of New Mexico (the "**City**"), and ASPECT QOZB, LLC, a Delaware limited liability company ("**Developer**"), effective as of the Effective Date (defined below). The City and Developer are sometimes referred to herein individually as a "**Party**" and together as the "**Parties**."

RECITALS

A. The City owns the real property and improvements consisting of approximately 60 acres generally located within the block defined by Cerrillos Road, St. Michaels Drive, Llano Street, Siringo Road, and Camino Carlos Rey in the City of Santa Fe, County of Santa Fe, State of New Mexico, as generally depicted on Exhibit A attached hereto (the "**Midtown Site**").

B. By Resolution No. 2022-68, approved on November 30, 2022, the governing body of the City (the "**Governing Body**") adopted the Midtown Master Plan (the "**Master Plan**"), which, together with the Midtown Community Development Plan adopted on January 25, 2023 by Resolution No. 2023-5 (the "**Community Development Plan**"), sets forth the City's vision for development of the Midtown Site and establishes certain form-based zoning standards and certain other standards and policies for the future redevelopment of the Midtown Site as a sustainable, pedestrian-friendly, mixed-use neighborhood that provides employment and housing opportunities, improved mobility options, and access to recreation, public spaces, and cultural venues.

C. On August 9, 2023, the Governing Body, by Ordinance No. 2023-21, revised the City of Santa Fe metropolitan redevelopment code (the "**City Redevelopment Code**"), under which the Governing Body updated its ordinance establishing a metropolitan redevelopment agency (the "**MRA**"), comprised of the commission of the MRA (the "**MRA Commission**"), the director of the MRA ("**MRA Director**"), and staff, as the official body for making advisory recommendations to the Governing Body, at such time as an area is designated by the Governing Body with respect thereto, and for taking certain actions delegated to the MRA pursuant to the City Redevelopment Code. In the absence of a MRA Director, the City Manager or the City Manager's designee will act for the MRA Director hereunder.

D. The City released a Request for Proposals on December 1, 2022 (the "**Studio RFP**"), for the redevelopment and operation of the portion of the Midtown Site to, among other things, expand the existing film production studio facilities with the addition of more state-of-the art sound stages, pre- and post-production offices and work facilities to meet the needs of the industry and support film and multi-media production in the City, all as more specifically set forth in the Studio RFP. The City will subdivide the Property into parcels as set forth in Section 9.1 below.

E. Midtown Santa Fe Productions QOF, LLC, a Delaware limited liability company affiliated with Developer ("**QOF**"), submitted the only response to the Studio RFP on March 2, 2023, to redevelop the Property consistent with the Studio RFP (the "**Proposed Project**"). QOF proposed combining the Proposed Project with the adjacent Midtown Santa Fe Production Studio at the Shellaberger Property (defined below), and envisions that the combined projects will become the largest studio in northern New Mexico, featuring multi-family housing, six soundstages and nearly 180,000 square feet of production and support space across five different buildings.

F. Pursuant to the Studio RFP, the City established an Evaluation Committee to review and evaluate the response based on the factors set forth in the Studio RFP, following which the Evaluation Committee determined that QOF had the experience, qualifications, and capacity to implement the scope of work and achieve the vision and goals articulated in the Studio RFP.

G. The City and QOF entered into the Exclusive Negotiation Agreement approved by the Governing Body on July 26, 2023 (as extended, the "**ENA**"), for the redevelopment of the Proposed Project consistent with the Studio RFP. The ENA included, among other things, that the City and QOF would negotiate and enter into a disposition and development agreement setting forth the scope of the Proposed Project and the requirements and conditions for the design, development, operation and disposition of the completed Proposed Project.

H. The City intends to approve the Lease Agreement between the City and Developer attached hereto as Exhibit C (the "**Lease**"), for the purpose of leasing the Property to Developer to enable Developer to perform its obligations under this Agreement, until such time as the City conveys the Property (or a portion thereof) to Developer pursuant to the terms hereof.

I. Concurrently with Developer's lease of the Property, Developer will redevelop the Property in three phases (each, a "**Phase**" and, collectively, the "**Phases**"), as depicted on Exhibit B-1. The real property and the improvements now existing or hereinafter constructed pursuant to this Agreement, collectively, comprising the first, second and third Phases of the Property are referred to herein as "**Phase 1**", "**Phase 2**" and "**Phase 3**," respectively.

J. This Agreement sets forth the terms, conditions, covenants and obligations concerning (i) Developer's completion of the Private Improvements (defined below), (ii) the City's completion of the applicable Project ROW Improvements (defined below) applicable to Phase 1 and Phase 2, and (iii) the conveyance of each Phase to Developer upon satisfaction of the conditions for such Phase set forth in Article 10.

K. The City is authorized, pursuant to the City Code (defined below) to enter into a binding development and disposition agreement to carry out the plan for the development of the Property.

AGREEMENT

NOW THEREFORE, for and in consideration of the mutual promises, covenants and conditions contained herein, the receipt and sufficiency of which are hereby acknowledged, the City and Developer hereby agree that the foregoing recitals are true and correct and incorporated herein and as follows:

ARTICLE 1
DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

1.1 "**ADA**" is defined in Section 20.1.

1.2 "**Adjacent Improvements**" is defined in Section 12.2.

1.3 "**Adjacent Land**" is defined in Section 12.2.

1.4 "**Affiliate**" means any Person (as defined below) which Controls, is Controlled by, or is under common Control with Developer.

1.5 "**Aggregate Spend Period**" is defined in Section 11.1.

1.6 "**Agreement**" is defined in the introductory paragraph.

1.7 "**Applicable Rules**" means, collectively, the provisions of this Agreement and the then-current versions of the following: (a) the City Code, including, but not limited to, the Midtown Local Innovation Corridor District adopted by the Governing Body on October 26, 2016 pursuant to Ordinance No. 2016-39, and all other rules, regulations, ordinances and officially adopted policies of the City; (b) the Master Plan, the Community Development Plan and the Plat (as of recordation thereof), in each case as may be amended pursuant to the City Code and this Agreement; and (c) any and all applicable local, state and federal laws, rules and regulations affecting the Property or otherwise applicable to the Parties. Subject to applicable laws, in the event of a conflict among the Applicable Rules, the more specific standard, limitation or requirement shall govern or prevail to the extent of the conflict. If neither standard is more specific, then the more stringent standard, limitation or requirement shall govern or prevail to the extent of the conflict unless otherwise specified by applicable laws.

1.8 "**Approvals**" is defined in Section 5.1.5.

1.9 "**Approved Designee**" has the meaning given in Section 15.1 of the Lease.

1.10 "**Approved Exceptions**" is defined in Section 10.5.5(a).

1.11 "**ArtHouse ROW Improvements**" is defined in Section 8.3.

1.12 "**Benildus Name**" is defined in Section 11.10.

1.13 "**Buildings**" is defined in Section 1.154.

1.14 "**Business Day**" means Monday through Friday and specifically excludes Federal, State, and City holidays and any additional days on which City offices are closed (other than essential services).

1.15 "**Certificate of Completion**" means a letter provided by the MRA Director for each Phase upon Developer's satisfactory achievement of Final Completion of such Phase, acknowledging satisfaction of the Private Improvement Project Specifications (defined below) required for each Phase.

1.16 "**City**" is defined in the introductory paragraph.

1.17 "**City Code**" means The Santa Fe City Code of 1987, as amended from time-to-time.

1.18 "**City Parties**" is defined in Section 5.5.

1.19 "**City Redevelopment Code**" is defined in Recital C above.

1.20 "**Claims**" is defined in Section 14.2.

1.21 "**Closing**" and "**Closings**" have the meaning set forth in Section 4.1.4.

1.22 "**Commercial Use Requirement**" is defined in Section 11.4.

1.23 "**Community Benefit Requirements**" is defined in Section 18.4.

1.24 "**Community Development Plan**" is defined in Recital B above.

1.25 "**Conceptual Plans**" means standard conceptual design and development plans required for development projects in the City of Santa Fe, including the following plans and information: dimensioned conceptual site plan(s) indicating building setbacks and frontages, circulation plans and landscape plans; conceptual building elevations indicating heights and massing, and conceptual renderings showing building elevations and site sections; and, as necessary, other concept drawings to indicate consistency with the Master Plan design concepts; together with the conceptual development program setting forth the number of buildings, square footage of building, space types, and uses, as well as any other conceptual uses, including affordability, that achieve requirements or goals of the Master Plan and Community Development Plan.

1.26 "**Construction Activities**" is defined in Section 12.1.

1.27 "**Construction Commencement**" or "**Commence Construction**" means, with respect to the construction of the applicable Private Improvements, such time as (a) the MRA Director has delivered to Developer a Notice to Proceed for the applicable Phase, (b) all Approvals required by any Governmental Authorities under the Applicable Rules have been issued, including payment of the required fees and the provision of required bonds, (c) Developer commences work or activities related to the grading, foundations, demolition or other site work at the Project, and (d) unless waived by the City, Developer has hosted a ground breaking ceremony in coordination with the City.

1.28 "**Consumer Price Index**" means the Consumer Price Index for All Urban Consumers for the West Region for all Items (1982-1984= 100) as published by the United States Department of Labor, Bureau of Labor Statistics. If the manner in which the Consumer Price Index is determined by the Bureau of Labor Statistics shall be substantially revised (including a change in the base index year), an adjustment shall be made by the City Manager in such revised index that produces results equivalent, as nearly as possible, to those which would have been obtained if the Consumer Price Index had not been so revised. If the Consumer Price Index is discontinued, then "Consumer Price Index" shall mean an index chosen by City Manager which is, in City Manager's reasonable judgment, comparable to the index specified above.

1.29 "**Control**" or "**Controlling**" (or any similar conjugated form thereof) means, when used with respect to any specified Person, the (a) possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities or other ownership interests, by contract or otherwise, and (b) ownership, directly or indirectly, in the aggregate, of at least 51% of the beneficial ownership interests of such Person.

1.30 "**Cultural Elements Requirements**" is defined in Section 11.6.

1.31 "**Deed**" is defined in Section 10.5.1.

1.32 "**Developer**" is defined in the introductory paragraph.

1.33 "**Developer Parties**" is defined in Section 12.1.

1.34 "**Developer's Principal**" means Phillip Gesue.

1.35 "**Developer's Share**" is defined in Section 8.3.

1.36 "**Discretionary Modifications**" is defined in Section 6.1

1.37 "**Disputes**" is defined in Section 20.26.

1.38 "**Driscoll Retail Space**" is defined in Section 7.1.5(b).

1.39 "**Economic Impact Benefit**" is defined in Section 11.1.

1.40 "**Effective Date**" is defined in Section 2.1.

1.41 "**Election Notice**" is defined in Section 19.1.

1.42 "**ENA**" is defined in Recital G above.

1.43 "**Environmental Laws**" means all federal, state and local environmental, health and safety statutes, as may from time to time be in effect, including but not limited to federal laws such as, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9602 *et seq*., the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. § 9601(20)(D), the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. §§ 6901 *et seq*., the Federal Water Pollution Control Act, as amended by the Clean Water Act Amendments of 1977, 33 U.S.C. §§ 1251 *et seq*. (CWA), the Clean Air Act of 1966, as amended, 42 U.S.C. §§ 7401 *et seq*., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 *et seq*., the Occupational Safety and Health Act, 29 U.S.C. §§ 651 *et seq*., the Safe Drinking Water Act, 42 U.S.C. §§ 300f *et seq*., the Toxic Substances Control Act, 15 U.S.C. §§ 2601 *et seq*., and any and all federal, state and local rules, regulations, authorizations, judgments, decrees, court decisions, concessions, grants, franchises, agreements, orders and other governmental restrictions and other agreements relating to the environment or to any Pollutants, as may from time to time be in effect.

1.44 "**Escrow Agent**" is defined in Section 8.3.

1.45 "**Escrow Amount**" is defined in Section 8.3.

1.46 "**Event of Default**" is defined in Section 18.1.

1.47 "**Film Internship Requirements**" is defined in Section 11.5.

1.48 "**Final Application**" is defined in Section 6.1.

1.49 "**Final Completion**" means, with respect to the applicable Phase, such time as (a) the Private Improvements for such Phase have been completed in accordance with the Final Design Plans and the Applicable Rules, subject only to minor punch list items (i.e., items that, individually and in

the aggregate, do not and will not prohibit, delay or adversely affect, under the Applicable Rules, the commencement and continued operation of business for the permitted use and can be corrected and completed within 60 days after identification), and if applicable, any land dedications required to be made and accepted by the City in accordance with the Applicable Rules, (b) a final or temporary certificate of occupancy (or its equivalent as the context requires) for all components of the applicable Private Improvements has been issued, (c) Developer has obtained all required approvals, permits, licenses, and certificates of any Governmental Authorities required under the Applicable Rules for the lawful occupancy and use of the applicable Private Improvements and applicable portion of the Property for its intended purpose, (d) the Developer has completed all obligations and liabilities of Developer set forth in this Agreement with respect to the Private Improvements for the applicable Phase to the City Manager's satisfaction, and (e) Developer has hosted a ribbon cutting ceremony in coordination with the City.

1.50 "**Final Design Plans**" means, collectively, the Phase 1 Component Final Design Plans, the Phase 2 Final Design Plans and the Phase 3 Final Design Plans.

1.51 "**Final Response Deadline**" is defined in Section 10.5.3.

1.52 "**Financial Statements**" is defined in Section 17.1.3.

1.53 "**Force Majeure Event**" is defined in Section 20.13.

1.54 "**Garson Name**" is defined in Section 11.10.

1.55 "**Gas Loop Declaration**" is defined in Section 8.6.1.

1.56 "**Gas Loop Regulations**" is defined in Section 8.6.1.

1.57 "**Guaranty**" is defined in Section 6.2.

1.58 "**Governance Documents**" is defined in Section 3.4.

1.59 "**Governing Body**" is defined in Recital B above.

1.60 "**Governmental Authorities**" means any and all federal, state, county, city, town, other municipal corporation, governmental or quasi-governmental board, agency, authority, department or body having jurisdiction over the Project.

1.61 "**Guaranty**" is defined in Section 6.2.

1.62 "**Historical Names**" is defined in Section 11.10.

1.63 "**Initial Spend Period**" is defined in Section 11.1.

1.64 "**IPRA**" means the New Mexico Inspection of Public Records Act (Sections 14-2-1 et seq., NMSA 1978).

1.65 "**Lease**" is defined in Recital H above.

1.66 "**Lease Term**" means the "Term" of the Lease, as such term is defined therein.

1.67 "**Leasing Deadline**" is defined in Section 11.4.

1.68 "**Legal Description**" is defined in Section 9.1.

1.69 "**Liabilities**" is defined in Section 5.5.

1.70 "**Lien**" is defined in Article 16.

1.71 "**Master Plan**" is defined in Recital B above.

1.72 "**Master Plan Amendment**" is defined in Section 6.1.

1.73 "**Midtown Engagement Partners**" means the community-based partners acting in concert with the City to provide outreach to the community, which partners are selected by the City from time to time.

1.74 "**Midtown Gas Loop**" is defined in Section 8.6.1.

1.75 "**Midtown ROW Improvements**" is defined in Section 8.1.

1.76 "**Midtown Site**" is defined in Recital A above.

1.77 "**Minimum Aggregate Amount**" is defined in Section 11.1.

1.78 "**Minimum Initial Amount**" is defined in Section 11.1.

1.79 "**Monetary Encumbrances**" is defined in Section 10.5.3.

1.80 "**MRA**" is defined in Recital C above.

1.81 "**MRA Director**" is defined in Recital C above.

1.82 "**New Exception**" is defined in Section 10.5.4.

1.83 "**New Exception Review Period**" is defined in Section 10.5.4.

1.84 "**Non-Compliance Fee**" is defined in Section 18.4.

1.85 "**Notice to Proceed**" means written notice from the MRA Director to Developer confirming that the conditions precedent to the commencement of a particular Phase have been satisfied.

1.86 "**Objection Deadline**" is defined in Section 10.5.3.

1.87 "**Objection Notice**" is defined in Section 10.5.3.

1.88 "**Offer Contract**" is defined in Section 19.2.

1.89 "**Offer Contract Deadline**" is defined in Section 19.2.

1.90 "**Offer Land**" is defined in Section 19.1.

1.91 "**Offer Notice**" is defined in Section 19.1.

1.92 "**Offer Party**" is defined in Section 19.1.

1.93 "**Official Records**" is defined in Section 20.3.

1.94 "**Party**" and "**Parties**" are defined in the introductory paragraph.

1.95 "**Permitted Exceptions**" is defined in Section 10.5.5.

1.96 "**Person**" means any individual, partnership, corporation, limited liability company, trust, estate, other legal entity or Governmental Authorities.

1.97 "**Phase**" is defined in Recital I above.

1.98 "**Phase 1**", "**Phase 2**", and "**Phase 3**" are defined in Recital I above.

1.99 "**Phase 1 Building Permit Submission Date**" is defined in Section 5.2.7.

1.100 "**Phase 1 Closing**" is defined in Section 10.2.2.

1.101 "**Phase 1 Closing Conditions**" is defined in Section 10.2.1.

1.102 "**Phase 1 Closing Date**" is defined in Section 10.2.2.

1.103 "**Phase 1 Commencement Date**" is defined in Section 5.2.8.

1.104 "**Phase 1 Component Final Design Plans**" is defined in Section 5.2.4.

1.105 "**Phase 1 Conceptual Plans**" is defined in Section 5.2.1.

1.106 "**Phase 1 Conveyance**" is defined in Section 10.2.1.

1.107 "**Phase 1 Final Completion Date**" means the date Developer achieves Final Completion of the Phase 1 Improvements.

1.108 "**Phase 1 Improvements**" is defined in Section 7.1.

1.109 "**Phase 1 MRA-Approved Component Design Plans**" is defined in Section 5.2.3.

1.110 "**Phase 1 Preliminary Component Design Plans**" is defined in Section 5.2.2.

1.111 "**Phase 1 Purchase Installment**" is defined in Section 4.1.2.

1.112 "**Phase 1 Purchase Notice**" is defined in Section 10.2.1(b).

1.113 "**Phase 2 Building Permit Submission Date**" is defined in Section 5.3.7.

1.114 "**Phase 2 Closing**" is defined in Section 10.3.2.

1.115 "**Phase 2 Closing Conditions**" is defined in Section 10.3.1.

1.116 "**Phase 2 Closing Date**" is defined in Section 10.3.2.

1.117 "**Phase 2 Commencement Date**" is defined in Section 5.2.8.

1.118 "**Phase 2 Conceptual Plans**" is defined in Section 5.3.1.

1.119 "**Phase 2 Conveyance**" is defined in Section 10.3.1.

1.120 "**Phase 2 Final Design Plans**" is defined in Section 5.3.4.

1.121 "**Phase 2 Improvements**" is defined in Section 7.2.

1.122 "**Phase 2 MRA-Approved Conceptual Plans**" is defined in Section 5.3.1.

1.123 "**Phase 2 MRA-Approved Design Plans**" is defined in Section 5.3.3.

1.124 "**Phase 2 Preliminary Design Plans**" is defined in Section 5.3.2.

1.125 "**Phase 2 Purchase Installment**" is defined in Section 4.1.3.

1.126 "**Phase 2 Purchase Notice**" is defined in Section 10.3.1(b).

1.127 "**Phase 3 Closing**" is defined in Section 10.4.2.

1.128 "**Phase 3 Closing Conditions**" is defined in Section 10.4.1.

1.129 "**Phase 3 Closing Date**" is defined in Section 10.4.2.

1.130 "**Phase 3 Commencement Date**" is defined in Section 5.4.8.

1.131 "**Phase 3 Conceptual Plans**" is defined in Section 5.4.1.

1.132 "**Phase 3 Conveyance**" is defined in Section 10.4.1.

1.133 "**Phase 3 Final Design Plans**" is defined in Section 5.4.4

1.134 "**Phase 3 Improvements**" is defined in Section 7.3.

1.135 "**Phase 3 MRA-Approved Conceptual Plans**" is defined in Section 5.4.1.

1.136 "**Phase 3 MRA-Approved Design Plans**" is defined in Section 5.4.3.

1.137 "**Phase 3 Preliminary Design Plans**" is defined in Section 5.4.2.

1.138 "**Phase 3 Purchase Installment**" is defined in Section 4.1.4.

1.139 "**Phase 3 Purchase Notice**" is defined in Section 10.4.1(c).

1.140 "**Phasing Plan**" is defined in Section 8.5.

1.141 "**Plans and Specifications**" means collectively any and all plans, site plans, specifications, architectural drawings, renderings, plans, plats, agreements, contracts, permits, certificates, entitlements and approvals, reports, assessments, studies, and surveys relating to the Property.

1.142 "**Plat**" is defined in Section 9.1.

1.143 "**Pollutant**" means any material, waste or substance that is now or may become regulated or governed by any Environmental Laws, or the presence of which requires investigation under any Environmental Laws, or any flammable, explosive, corrosive, reactive, carcinogenic, radioactive material, hazardous waste, toxic substance or related material and any other substance or material defined or designated as a hazardous or toxic substance, material or waste by any Environmental Laws.

1.144 "**Preliminary Approval Notice**" is defined in Section 5.2.

1.145 "**Preliminary Design Plans**" include detailed and dimensioned site plans indicating building setbacks and frontages, vehicular circulation, areas for parking and deliveries, pedestrian and bicycle circulation areas and facilities; landscape plans indicating plant and color palette, outdoor amenities, and materials identification; building elevations and floor plans indicating facade materials, color, entries/exits, and design features; site sections and general description of building systems, construction type, and green-building features, (for building rehabilitation, a general description of code compliance, accessibility, fire, health, and safety improvements) to indicate the design and construction intent of the proposed development, and consistency with the Master Plan. Preliminary Design Plans also includes a detailed development program with square footage of building area, space types, and uses, as well as any uses, including affordability, that achieve requirements or goals of the Master Plan and Community Development Plan.

1.146 "**Preliminary Disapproval Notice**" is defined in Section 5.2.

1.147 "**Private Improvement Project Specifications**" means, individually or collectively, as applicable, the obligations set forth in Article 7 required to be performed by Developer in order to achieve Final Completion of the Private Improvements for each Phase.

1.148 "**Private Improvements**" means, individually or collectively, as applicable, the Phase 1 Improvements, the Phase 2 Improvements, and the Phase 3 Improvements, or the applicable portion thereof.

1.149 "**Prohibited Person**" means any of the following: (a) a Person that is listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (the "**Executive Order**"); (b) a Person owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise

subject to the provisions of, the Executive Order; (c) a Person that is named as a "specially designated national" or "blocked person" on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control ("**OFAC**") at its official website, https://ofac.treasury.gov/sanctions-list-service; (d) a Person that is otherwise the target of any economic sanctions program currently administered by OFAC; or (e) a Person that is affiliated with any person or entity identified in clause (a), (b), (c) and/or (d) above.

1.150 "**Project**" means the Proposed Project, as developed and operated by Developer pursuant to the terms of this Agreement, including, but not limited to Developer's obligations under Article 7 and Article 11.

1.151 "**Project Employer**" is defined in Section 11.3.

1.152 "**Project Employment Opportunities**" is defined in Section 11.3.

1.153 "**Project ROW Improvements**" is defined in Section 8.1.

1.154 "**Property**" means the approximately 11 acres of land, together with the buildings known as Benildus Hall, Onate Hall, Driscoll Fitness Center and Garson Studios (collectively, the "**Buildings**"), and all other existing accessory structures and improvements located thereon, and rights of egress across adjacent roadways, located within in the Midtown Site and generally depicted on Exhibit B-1.

1.155 "**Proposed Project**" is defined in Recital E above.

1.156 "**Purchase Price**" is defined in Section 4.1.

1.157 "**QOF**" is defined in Recital E above.

1.158 "**Qualified Expenditures**" is defined in Section 11.1.

1.159 "**Qualified New Mexico Film School**" means any of the following: (a) a state authorized (in accordance with the Post-Secondary Educational Institution Act) or publicly-funded academic, vocational, technical, business, professional, or other post-secondary or other organization or Person offering or purporting to offer a curriculum that includes courses, instruction, training, or education in film and/or television production from a physical site in New Mexico; or (b) a nonprofit organization having a principal office in New Mexico that provides training and or academic curriculum in the film industry in partnership with a New Mexico-based film trade union.

1.160 "**Qualified New Mexico Internship Program**" means an internship program based in the State of New Mexico that offers on-the-job training to individuals pursuing or considering a career in the film or television industry.

1.161 "**Quarterly Construction Report**" is defined in Section 17.1.1.

1.162 "**Report**" is defined in Section 17.1.1.

1.163 "**Required Uses**" is defined in Section 6.1

1.164 "**Residential Project**" is defined in Section 7.2.

1.165 "**Response Deadline**" is defined in Section 10.5.3.

1.166 "**Response Notice**" is defined in Section 10.5.3.

1.167 "**Right of Way Plans**" is defined in Section 8.1.

1.168 "**Right of Way Schedule**" is defined in Section 8.2.

1.169 "**Shellaberger Property**" means the real property and improvements owned by Developer or an Affiliate of Developer and located at 1954 Siringo Road, Santa Fe, New Mexico 87505.

1.170 "**Solar Facilities**" is defined in Section 7.2.

1.171 "**Studio RFP**" is defined in Recital D above.

1.172 "**Survey**" is defined in Section 10.5.2.

1.173 "**Term**" is defined in Section 2.2.

1.174 "**Termination Event**" is defined in Section 18.2.1(b).

1.175 "**The Screen**" means the 165-seat theater located within the building known as Garson Studios.

1.176 "**TIF District**" is defined in Section 11.9.

1.177 "**Title Commitment**" is defined in Section 10.5.2.

1.178 "**Title Company**" is defined in Section 10.1.

1.179 "**Title Documents**" is defined in Section 10.5.2.

1.180 "**Title Objections**" is defined in Section 10.5.3.

1.181 "**Title Policy**" is defined in Section 10.5.2.

1.182 "**Title Receipt Deadline**" is defined in Section 10.5.2.

1.183 "**Transfer**" is defined in Section 15.1.

1.184 "**Uncontrollable Events**" means the occurrence of any (a) Force Majeure Event, (b) delay caused by Developer Parties, including Developer Parties' interference or failure to cooperate with the City's design and construction of the Midtown ROW Improvements, and/or (c) insufficiency of appropriations or authorizations as set forth in Section 20.29, that adversely impacts the ability of the City to complete any portion of the Project ROW Improvements.

1.185 "**Utilities**" is defined in Section 8.6.2.

1.186 "**Utilities Agreement**" is defined in Section 8.6.2.

ARTICLE 2
EFFECTIVE DATE; TERM OF AGREEMENT

2.1 Effective Date. This Agreement shall become effective on the date that is 45 days after the Governing Body adopts an ordinance approving this Agreement (the "**Effective Date**"); provided, however, if a referendum election is held, as required by Section 3-54-1, NMSA 1978, the Effective Date shall be suspended pending the outcome of the referendum election. If the results of the election are in favor of this Agreement, the Effective Date will commence on the date of the certification of a favorable election. If the referendum election results are against this Agreement, this Agreement shall be immediately null and void. Notwithstanding the foregoing, if the City has not recorded a new plat map to subdivide the Property into parcels (the "**Plat**") in the real property records of the Clerk's Office of Santa Fe County, New Mexico ("**Official Records**") prior to the Effective Date, the Effective Date shall be suspended until the recording date of the Plat.

2.2 Term. The term of this Agreement (the "**Term**") shall commence upon the Effective Date and shall continue until the earlier of (i) the expiration of the Lease, (ii) the consummation of the Phase 3 Conveyance, or (iii) the City's notice of termination pursuant to Article 18, provided that the provisions of Article 11 shall continue in effect for the duration of the terms set forth therein.

2.3 Lease. Concurrently herewith, the City and Developer shall enter into the Lease on the form attached hereto as Exhibit C, pursuant to which the City will lease the Property to Developer during the Lease Term for Developer to access, construct and operate the Project, all on the terms and conditions set forth herein and in the Lease.

2.4 Furniture, Fixtures & Equipment. As of the Effective Date, for good and valuable consideration forming a portion of the Initial Deposit, the sufficiency of which is hereby acknowledged, the City hereby conveys to Developer all furniture, fixtures and equipment located within or affixed to any Building at the Property.

ARTICLE 3
DEVELOPER REPRESENTATIONS, WARRANTIES AND COVENANTS

From and after the Effective Date, Developer represents and warrants to the City that:

3.1 Developer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, and has its principal office at 1954 Siringo Road, Santa Fe, New Mexico 87505. Developer is in good standing under the laws of the state of New Mexico.

3.2 Developer has full power and authority to execute, deliver and perform its obligations under this Agreement, and has taken all required entity actions and obtained all required approvals therefor, if any, and no other approvals or consents not obtained by Developer as of the Effective Date are necessary in connection with Developer's execution of or performance of obligations under this Agreement.

3.3 The individual signing this Agreement on behalf of Developer is authorized to sign this Agreement on Developer's behalf and to bind Developer hereto, and this Agreement is binding upon and enforceable against Developer in accordance with its terms.

3.4 The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and Developer's compliance with the terms and conditions of this Agreement will not violate the terms of Developer's certificate of formation or limited liability company agreement (collectively, the "**Governance Documents**"), true and complete copies of which have been provided to the MRA Director prior to the Effective Date, or conflict with or result in a breach of any of the terms, conditions, or provisions of any restriction, agreement, or any instrument to which Developer is a party or by which it is bound, nor will it result in the creation or imposition of any prohibited lien, charge, or encumbrance of any nature whatsoever upon the Property or the Project, except for any permitted encumbrances.

3.5 Developer shall not amend or change its Governance Documents, including the addition of members or partners, in any manner that would conflict with or result in a breach of the terms of this Agreement.

3.6 Neither Developer nor Developer's Principal has (a) made a general assignment for the benefit of creditors, (b) filed for any voluntary petition in bankruptcy or, to Developer's knowledge, suffered the filing of an involuntary petition by Developer's creditors, (c) suffered the appointment of a receiver to take possession (or the attachment or other judicial seizure) of all, or substantially all, of such Person's assets, (d) admitted in writing its inability to pay its debts as they generally come due or (e) made an offer of settlement, extension or composition to its creditors generally.

3.7 There are no legal actions or proceedings pending or, to Developer's knowledge, threatened against Developer which would, if adversely determined, have a material adverse effect on Developer or the ability of Developer to perform its obligations under this Agreement.

3.8 Neither any member of the Governing Body nor any officer or employee of the City has any direct, indirect, legal, or beneficial interest in Developer, the Project, this Agreement or in any contract or agreement between the City and Developer or in any franchise, concession, right or privilege of any nature granted by the City to Developer in this Agreement.

3.9 Developer is not a Prohibited Person.

3.10 This Agreement is entered into by Developer without collusion on the part of Developer with any Person, without fraud and in good faith.

3.11 No gratuities, in the form of entertainment, gifts or otherwise, were, or during the Term of this Agreement, will be offered or given by Developer or any agent or representative of Developer to any officer or employee of the City with a view towards securing this Agreement or for securing more favorable treatment in connection with any matter hereunder for which a determination or performance invokes the City's discretion.

3.12 All members and officers of Developer, as well as all Persons (or their principals) holding an interest in any member of Developer, are set forth on Exhibit D attached hereto, and Developer shall provide the City with written notification of any change of Control of Developer within 30 days after any such change through the Term of this Agreement.

3.13 Developer has sufficient funds to enable Developer to develop and complete the construction of the Phase 1 Improvements and pay all fees and expenses necessary or related thereto, and prior to the commencement of construction of the Phase 2 Improvements and Phase 3 Improvements, Developer shall have sufficient funds and/or binding commitments from third parties to provide such funds to enable Developer to develop and complete the Phase 2 Improvements and Phase 3 Improvements and to pay all fees and expenses necessary or related thereto.

ARTICLE 4
PROJECT CONSIDERATION

4.1 Consideration. The purchase price for the Property (the "**Purchase Price**") to be paid by Developer to the City is $5,000,000.00. The Purchase Price, subject to the prorations and adjustments as provided in Article 10, shall be payable by Developer in immediately available funds as follows:

4.1.1 *Initial Deposit*. A portion of the Purchase Price in the amount of $1,000,000.00 (the "**Initial Deposit**") shall be payable in full on the Effective Date. The Initial Deposit shall be nonrefundable to Developer, except in the event Developer terminates this Agreement in accordance with Section 6.1 (Master Plan Amendment) or Section 18.6 (City Default).

4.1.2 *Phase 1 Purchase Installment*. A portion of the Purchase Price in the amount of $2,250,000 (the "**Phase 1 Purchase Installment**") shall be payable in full at the Phase 1 Closing.

4.1.3 *Phase 2 Purchase Installment*. A portion of the Purchase Price in the amount of $1,250,000 (the "**Phase 2 Purchase Installment**") shall be payable in full at the Phase 2 Closing.

4.1.4 *Phase 3 Purchase Installment*. A portion of the Purchase Price in the amount of $500,000 (the "**Phase 3 Purchase Installment**") shall be payable in full at the Phase 3 Closing. The Phase 1 Closing, Phase 2 Closing and Phase 3 Closing are referred to herein, collectively, as the "**Closings**" and, individually, as a "**Closing**."

ARTICLE 5
DEVELOPER ROLE; PROJECT APPROVALS AND TIMELINE

5.1 Developer Role. Developer shall be responsible for the overall conceptualization, design, and construction of the Project in accordance with the Final Design Plans and the Applicable Rules. In connection with the foregoing, Developer shall be responsible, at its sole cost and expense, for the entitlement, development, construction, and operation of the Project, including without limitation:

5.1.1 Assembling a Project team with the necessary expertise, experience, and capacity to develop and manage the Project.

5.1.2 Attending and/or facilitating public forums, hearings, and briefings with relevant stakeholders, adjacent neighborhood associations, the Governing Body, elected officials, City agencies, and other organizations as required to obtain the final permits for the Project.

5.1.3 Designing all Private Improvements related to the Project.

5.1.4 Securing all financing for the Project, including horizontal and vertical development and construction cost, acquisition costs, pre-development costs, soft costs, off-site costs, and infrastructure costs.

5.1.5 Preparing, processing and obtaining in a timely manner all required approvals, permits, licenses, and certificate(s) of any Governmental Authorities relating to the development and construction of the Project required under the Applicable Rules (collectively, as applicable, "**Approvals**").

5.1.6 Constructing the Project in accordance with the Approvals, and in compliance with the Project Standards. For purposes of this Agreement, "**Project Standards**" means the general standards of quality for construction, maintenance, operations, security and other activities applicable to the Project's use, in a first class manner consistent with reputable business standards and practices typical of similar projects within the Santa Fe metropolitan area.

5.1.7 Maintaining and operating the Project, including the community benefits set forth in Article 11, in compliance with the Project Standards.

5.1.8 Paying all property taxes and other taxes associated with the Project in accordance with this Agreement and the Lease.

5.2 Phase 1 Plans; Phase 1 Construction Schedule.

5.2.1 *Conceptual Plans*. Developer previously submitted its Conceptual Plans for Phase 1 to the MRA Director in the form attached hereto as Exhibit E (the "**Phase 1 Conceptual Plans**"), which Phase 1 Conceptual Plans have been reviewed by the MRA Director and deemed to be consistent with the Master Plan and Community Development Plan.

5.2.2 *Design Plans*. At least 30 days before Developer submits an application to the City and the State of New Mexico Construction Industries Division (the "**State CID**") for development plan and/or building permit approval for each component of Phase 1, Developer shall deliver to the MRA Director its Preliminary Design Plans for each such component of Phase 1 (the "**Phase 1 Preliminary Component Design Plans**"). The Phase 1 Preliminary Component Design Plans shall be in a format customarily acceptable to the City of Santa Fe Planning and Land Use Department. In addition to the foregoing, Developer shall provide a written affidavit to the City (a) setting forth Developer's estimate, based on Developer's initial modeling, of the total points the Phase 1 Improvements will receive within each of the subcategories designated as 'Required in RFP' on the Project Checklist attached as Appendix A to the Community Development Plan, as such subcategories and point system are further described in the United States Green Building Council (USGBC) Leadership in Environmental and Energy Design: Neighborhood Development (LEED-ND) attached hereto as Exhibit F (the "**LEED Requirements**"), and (b) identifying the fixtures, materials, systems and/or design elements incorporated within the Phase 1 Preliminary Component Design Plans that will cause the Phase 1 Improvements to meet the applicable LEED Requirements (i.e., those applicable to existing buildings and/or major renovation, as applicable) and which form the basis for Developer's estimate of the point totals for the Phase 1 Improvements. As of the Effective Date, to the City's knowledge, the Buildings known as Garson Studios, Benildus Hall, and Driscoll Hall either conform to the requirements of City Code or are legal nonconforming structures, as such term is defined in Article 14-12 of the City Code. Developer may submit individual Phase 1 Preliminary Component Design Plans for each building or parcel within Phase 1 to the MRA Director and the City or the State

CID, as applicable, and not all components must be completed simultaneously so long as all component submissions have been made by the date that is 120 days after the Effective Date.

5.2.3 *MRA Comments*. The MRA Director shall review each set of Phase 1 Preliminary Component Design Plans for consistency with the Phase 1 Conceptual Plans, the Master Plan and the Community Development Plan, and shall provide to Developer written notice of its approval or disapproval thereof (respectively, as applicable, the "**Preliminary Approval Notice**" or "**Preliminary Disapproval Notice**") within 20 Business Days following receipt of such Phase 1 Preliminary Component Design Plans, provided that any Preliminary Disapproval Notice shall identify the inconsistency or inconsistencies with the Phase 1 Conceptual Plans on which the disapproval is based. Any failure by the MRA Director to timely deliver Preliminary Approval Notice or Preliminary Disapproval Notice will be deemed to constitute the MRA Director's approval of the Phase 1 Preliminary Component Design Plans. If the MRA Director delivers a Preliminary Disapproval Notice, Developer shall revise the Phase 1 Preliminary Component Design Plans accordingly and deliver the Phase 1 Preliminary Component Design Plans, as revised, to the MRA Director for further review, following which the Preliminary Approval Notice or Preliminary Disapproval Notice and revision procedure detailed above shall continue until the MRA Director has delivered a Preliminary Approval Notice with respect to the Phase 1 Preliminary Component Design Plans (the "**Phase 1 MRA-Approved Component Design Plans**").

5.2.4 *Final Plans*. Any revisions to the Phase 1 MRA-Approved Component Design Plans required for approvals by the City in connection with any site improvements (other than vertical improvements) or by the State CID or other applicable Governmental Authorities in connection with the design or construction of the vertical improvements shall be incorporated into and made a part of the Phase 1 MRA-Approved Component Design Plans, without further approval of the MRA Director being required, and the Phase 1 MRA-Approved Component Design Plans, as revised and approved by the City or the State CID, as applicable, shall hereinafter be referred to as the "**Phase 1 Component Final Design Plans**."

5.2.5 *Development Approvals*. Developer acknowledges that Chapter 14 of the City Code sets forth certain review and approval requirements applicable to the Phase 1 Improvements which are not within the State CID's jurisdiction or authority pursuant to the Construction Industries Licensing Act, Chapter 60, Article 13, NMSA 1978 and Chapter 5, Title 14, N.M. Admin Code (collectively, the "**CIL Rules**"), including but not limited to zoning compliance and compliance with City Code provisions applicable to grading, landscaping, lighting, pedestrian and vehicular circulation, parking, infrastructure serving the site, and open space. Developer shall be required to complete the City review and approval process for each of the foregoing matters. Prior to submission of any application to the State CID for building permits in connection with the construction of the Phase 1 Improvements, Developer shall obtain a letter from the City Planning and Land Use Department confirming that the Phase 1 Component Final Design Plans comply with said regulations, and Developer acknowledges that Developer is not entitled to commence construction of the Phase 1 Improvements until Developer has obtained such letter.

5.2.6 *Inspection Approvals*. Developer shall not be deemed to have achieved Final Completion until such time as the City and State CID have inspected and approved the construction or installation of the Phase 1 Improvements for which the City or State CID, as applicable, approved the plans pursuant to Section 5.2.5, as the Phase 1 Improvements (or the applicable portion thereof) that correspond to such plans are completed. For the avoidance of doubt, the City's approval of plans shall

not be required for the issuance by the State CID of a temporary or permanent certificate of occupancy, but shall be required for Final Completion.

5.2.7 *Building Permit Submission Date*. Developer shall submit for building permits and all other Approvals for the Phase 1 Improvements (including each component thereof) no later than 30 days after the approval of the Phase 1 MRA-Approved Component Design Plans by all applicable Governmental Authorities ("**Phase 1 Building Permit Submission Date**").

5.2.8 *Commencement of Construction*. Developer shall Commence Construction for each component of Phase 1 within 45 days after Developer receives its building permit and zoning approval for said component. The date on which Developer is obligated to Commence Construction with respect to the first building permit obtained for Phase 1 is referred to herein as the "**Phase 1 Commencement Date**." Subject to the foregoing, Developer reserves the right to Commence Construction for components of Phase 1 at different times, and no provision hereof shall be construed to require Developer to commence all components of Phase 1 simultaneously. Notwithstanding the foregoing, if Developer has submitted applications for building permits to State CID in accordance with Section 5.2.7 prior to Developer's receipt of zoning approval from the City, but has not obtained zoning approval from the City despite commercially reasonable efforts to secure such approval, then Developer shall not be required to Commence Construction until such approval is granted so long as Developer diligently and continuously pursues such approvals.

5.2.9 *Completion of Construction*. Developer shall achieve substantial completion of the Phase 1 Improvements (as shall be evidenced by the issuance and receipt of applicable temporary or conditional certificates of occupancy therefor) on or before the first anniversary of the Phase 1 Commencement Date.

5.3 Phase 2 Plans; Phase 2 Construction Schedule.

5.3.1 *Conceptual Plans.* No later than nine months after the Effective Date, Developer shall deliver to the MRA Director its Conceptual Plans for Phase 2 (the "**Phase 2 Conceptual Plans**"). The MRA Director will have 20 Business Days after its receipt of the Phase 2 Conceptual Plans to review the same consistency with the requirements of this Agreement, the Master Plan and the Community Development Plan and deliver to Developer either a Preliminary Approval Notice or a Preliminary Disapproval Notice (which shall set forth the inconsistency or inconsistencies identified in the Phase 2 Conceptual Plans on which the MRA Director's disapproval is based). Any failure by the MRA Director to timely deliver a Preliminary Approval Notice or Preliminary Disapproval Notice will be deemed to constitute the MRA's approval of the Phase 2 Conceptual Plans. If the MRA Director delivers a Preliminary Disapproval Notice, Developer shall revise the Phase 2 Conceptual Plans accordingly and deliver the Phase 2 Conceptual Plans, as revised, to the MRA Director for further review, following which the Preliminary Approval Notice or Preliminary Disapproval Notice and revision procedure detailed above shall continue until the MRA Director has delivered a Preliminary Approval Notice with respect to the Phase 2 Conceptual Plans (the "**Phase 2 MRA-Approved Conceptual Plans**").

5.3.2 *Preliminary Design*. At least 30 days before Developer submits an application to the City or the State CID for development plan and/or building permits, Developer shall submit to the MRA Director Preliminary Design Plans for Phase 2 that are consistent with the Phase 2 MRA-Approved Conceptual Plans (the "**Phase 2 Preliminary Design Plans**"). Developer shall also provide a written affidavit to the City written affidavit to the City (a) setting forth Developer's estimate, based

on Developer's initial modeling, of the total points the Phase 2 Improvements will receive within each of the subcategories comprising the LEED Requirements, and (b) identifying the fixtures, materials, systems and/or design elements incorporated within the Phase 2 Preliminary Design Plans that will cause the Phase 2 Improvements to meet the applicable LEED Requirements and which form the basis for Developer's estimate of the point totals for the Phase 2 Improvements. Developer shall submit Phase 2 Preliminary Design Plans to the City or the State CID, as applicable, for approval on or before the first anniversary of the Effective Date.

5.3.3 *MRA Comment*. The MRA Director will have 20 Business Days following receipt from Developer to review the Phase 2 Preliminary Design Plans for consistency with the Phase 2 MRA-Approved Conceptual Plans and deliver to Developer either a Preliminary Approval Notice or a Preliminary Disapproval Notice, provided that any Preliminary Disapproval Notice shall identify the inconsistency or inconsistencies with the Phase 2 Preliminary Design Plans on which the disapproval is based. Any failure by the MRA Director to timely deliver a Preliminary Approval Notice or Preliminary Disapproval Notice will be deemed to constitute the MRA's approval of the Phase 2 Preliminary Design Plans. If the MRA Director delivers a Preliminary Disapproval Notice, Developer shall use commercially reasonable efforts to incorporate the MRA Director's comments into the Phase 2 Preliminary Design Plans in its next submission of the same to the City. Such submission shall be referred to herein as the "**Phase 2 MRA-Approved Design Plans**."

5.3.4 *Final Plans*. Any revisions to the Phase 2 MRA-Approved Design Plans required for approvals by the City in connection with any site improvements (other than vertical improvements) or by the State CID or other applicable Governmental Authorities in connection with the design or construction of the vertical improvements shall be incorporated into and made a part of the Phase 2 MRA-Approved Design Plans, without further approval of the MRA Director being required, upon which the Phase 2 MRA-Approved Design Plans, as revised and approved by the City, shall be referred to as the "**Phase 2 Final Design Plans**."

5.3.5 *Development Approvals*. Developer acknowledges that Chapter 14 of the City Code sets forth certain review and approval requirements applicable to the Phase 2 Improvements which are not within the State CID's jurisdiction or authority pursuant to the CIL Rules, including but not limited to zoning compliance and compliance with City Code provisions applicable to grading, landscaping, lighting, pedestrian and vehicular circulation, parking, infrastructure serving the site, and open space. Developer shall be required to complete the City review and approval process for each of the foregoing matters. Prior to submission of any application to the State CID for building permits in connection with the construction of the Phase 2 Improvements, Developer shall obtain a letter from the City Planning and Land Use Department confirming that the Phase 2 Final Design Plans comply with said regulations, and Developer acknowledges that Developer is not entitled to commence construction of the Phase 2 Improvements until Developer has obtained such letter.

5.3.6 *Inspection Approvals*. Developer shall not be deemed to have achieved Final Completion until such time as the City and State CID have inspected and approved the construction or installation of the Phase 2 Improvements for which the City or State CID, as applicable, approved the plans pursuant to Section 5.3.5, as the Phase 2 Improvements (or the applicable portion thereof) that correspond to such plans are completed. For the avoidance of doubt, the City's approval of plans shall not be required for the issuance by the State CID of a temporary or permanent certificate of occupancy, but shall be required for Final Completion.

5.3.7 *Building Permit Submission Date*. Developer shall submit for building permit and development plan approval for the Phase 2 Improvements no later than 60 days after the approval of the Phase 2 MRA-Approved Design Plans by all applicable Governmental Authorities (the "**Phase 2 Building Permit Submission Date**").

5.3.8 *Commencement of Construction*. Developer shall Commence Construction for each component of Phase 2 within 45 days after Developer receives its building permit and zoning approval for Phase 2. The date on which Developer is obligated to Commence Construction with respect to the first building permit obtained for Phase 2 is referred to herein as the "**Phase 2 Commencement Date**." Notwithstanding the foregoing, if Developer has submitted applications for building permits to State CID in accordance with Section 5.3.7 prior to Developer's receipt of zoning approval from the City, but has not obtained zoning approval from the City despite commercially reasonable efforts to secure such approval, then Developer shall not be required to Commence Construction until such approval is granted so long as Developer diligently and continuously pursues such approvals.

5.3.9 *Completion of Construction*. Developer shall achieve substantial completion of the Phase 2 Improvements (as shall be evidenced by the issuance and receipt of applicable temporary or conditional certificates of occupancy therefor) on or before the date that is 18 months after the Phase 2 Commencement Date.

5.4 Phase 3 Plans; Phase 3 Construction Schedule.

5.4.1 *Conceptual Plans.* No later than 27 months after the Effective Date, Developer shall deliver to the MRA Director the Conceptual Plans for Phase 3 (the "**Phase 3 Conceptual Plans**"). The MRA Director will have 15 Business Days after its receipt of the Phase 3 Conceptual Plans to review the same consistency with the requirements of this Agreement, the Master Plan and the Community Development Plan and deliver to Developer either a Preliminary Approval Notice or a Preliminary Disapproval Notice (which shall set forth the inconsistency or inconsistencies identified in the Phase 3 Conceptual Plans on which the MRA Director's disapproval is based). Any failure by the MRA Director to timely deliver a Preliminary Approval Notice or Preliminary Disapproval Notice will be deemed to constitute the MRA Director's approval of the Phase 3 Conceptual Plans. If the MRA Director delivers a Preliminary Disapproval Notice, Developer shall revise the Phase 3 Conceptual Plans accordingly and deliver the Phase 3 Conceptual Plans, as revised, to the MRA Director for further review, following which the Preliminary Approval Notice or Preliminary Disapproval Notice and revision procedure detailed above shall continue until the MRA Director has delivered a Preliminary Approval Notice with respect to the Phase 3 Conceptual Plans (the "**Phase 3 MRA-Approved Conceptual Plans**").

5.4.2 *Preliminary Design*. At least 30 days before Developer submits an application to the City and the State CID for development plan and/or building permit, Developer shall submit to the MRA Director the Preliminary Design Plans for Phase 3 that are consistent with the Phase 3 MRA-Approved Conceptual Plans (the "**Phase 3 Preliminary Design Plans**"). Developer shall also provide a written affidavit to the City (a) setting forth Developer's estimate, based on Developer's initial modeling, of the total points the Phase 3 Improvements will receive within each of the subcategories comprising the LEED Requirements, and (b) identifying the fixtures, materials, systems and/or design elements incorporated within the Phase 3 Preliminary Design Plans that will cause the Phase 3 Improvements to meet the applicable LEED Requirements and which form the basis for Developer's

estimate of the point totals for the Phase 3 Improvements. Developer shall submit Phase 3 Preliminary Design Plans to the City or the State CID, as applicable, for approval no later than 33 months after the Effective Date.

5.4.3 *MRA Comment*. The MRA Director will have 20 Business Days following receipt from Developer to review the Phase 3 Preliminary Design Plans for consistency with the Phase 3 MRA-Approved Conceptual Plans and deliver to Developer either a Preliminary Approval Notice or a Preliminary Disapproval Notice, provided that any Preliminary Disapproval Notice shall identify the inconsistency or inconsistencies with the Phase 3 Preliminary Design Plans on which the disapproval is based. Any failure by the MRA Director to timely deliver a Preliminary Approval Notice or Preliminary Disapproval Notice will be deemed to constitute the MRA's approval of the Phase 3 Preliminary Design Plans. If the MRA Director delivers a Preliminary Disapproval Notice, Developer shall use commercially reasonable efforts to incorporate the MRA Director's comments into the Phase 3 Preliminary Design Plans in its next submission of the same to the City. Such submission shall be referred to herein as the "**Phase 3 MRA-Approved Design Plans**."

5.4.4 *Final Plans*. Any revisions to the Phase 3 MRA-Approved Design Plans required for approvals by the City in connection with any site improvements (other than vertical improvements) or by the State CID or other applicable Governmental Authorities in connection with the design or construction of the vertical improvements shall be incorporated into and made a part of the Phase 3 MRA-Approved Design Plans, without further approval of the MRA Director being required, and the Phase 3 MRA-Approved Design Plans, as revised and approved by the City, shall hereinafter be referred to as the "**Phase 3 Final Design Plans**."

5.4.5 *Development Approvals*. Developer acknowledges that Chapter 14 of the City Code sets forth certain review and approval requirements applicable to the Phase 3 Improvements which are not within the State CID's jurisdiction or authority pursuant to the CIL Rules, including but not limited to zoning compliance and compliance with City Code provisions applicable to grading, landscaping, lighting, pedestrian and vehicular circulation, parking, infrastructure serving the site, and open space. Developer shall be required to complete the City review and approval process for each of the foregoing matters. Prior to submission of any application to the State CID for building permits in connection with the construction of the Phase 3 Improvements, Developer shall obtain a letter from the City Planning and Land Use Department confirming that the Phase 3 Final Design Plans comply with said regulations, and Developer acknowledges that Developer is not entitled to commence construction of the Phase 3 Improvements until Developer has obtained such letter.

5.4.6 *Inspection Approvals*. Developer shall not be deemed to have achieved Final Completion until such time as the City and State CID have inspected and approved the construction or installation of the Phase 3 Improvements for which the City or State CID, as applicable, approved the plans pursuant to Section 5.4.5, as the Phase 3 Improvements (or the applicable portion thereof) that correspond to such plans are completed. For the avoidance of doubt, the City's approval of plans shall not be required for the issuance by the State CID of a temporary or permanent certificate of occupancy, but shall be required for Final Completion.

5.4.7 *Building Permit Submission Date*. Developer shall submit for building permit and development plan approval for Phase 3 Improvements no later than 60 days after the approval of the Phase 3 MRA-Approved Design Plans by all applicable Governmental Authorities.

5.4.8 *Commencement of Construction*. Developer shall Commence Construction for Phase 3 no later than 45 days after Developer receives its first building permit and zoning approval for Phase 3. The date on which Developer is obligated to Commence Construction with respect to Phase 3 is referred to herein as the "**Phase 3 Commencement Date**." Notwithstanding the foregoing, if Developer has submitted applications for building permits to State CID in accordance with Section 5.4.7 prior to Developer's receipt of zoning approval from the City, but has not obtained zoning approval from the City despite commercially reasonable efforts to secure such approval, then Developer shall not be required to Commence Construction until such approval is granted so long as Developer diligently and continuously pursues such approvals.

5.4.9 *Completion of Construction*. Developer shall achieve substantial completion of the Phase 3 Improvements (as shall be evidenced by the issuance and receipt of applicable temporary or conditional certificates of occupancy therefor) on or before the date that is 18 months after the Phase 3 Commencement Date.

5.5 Defects in Plans. Developer acknowledges and agrees that neither the City, the MRA nor or any department, governing body, commission, agency, official, officer, employee, agent, representative or volunteer of the City or the MRA (collectively, the "**City Parties**") has made any representation or warranty, through this Agreement or otherwise, concerning the condition of the Property or the sufficiency of the development plans for any purpose, and no such City Parties shall be responsible either to Developer or to third parties in any way for defects in any development plans approved by any of the City Parties, nor for any structural, environmental or other defects in any work performed pursuant thereto. Developer, on behalf of itself and its successors and assigns, hereby waives and releases any claims, encumbrances, liens, demands, suits, judgments, proceedings, damages, losses, liabilities, penalties, fines, costs and expenses (including reasonable attorneys' fees and court costs) of any kind or nature (collectively, "**Liabilities**") against the City Parties for any monetary damages or compensation as a result of defects in such plans, including the violation of any laws or regulations, and for defects in any work done according to the such plans. The provisions of this Section shall survive any expiration or termination of this Agreement.

5.6 Cooperation with the City. Developer shall provide the MRA Director with copies of all applications for rezoning, site plans, any changes thereto, and any Approvals relating thereto made by or obtained from any Governmental Authorities with respect to the Property, the Private Improvements, and the Project.

ARTICLE 6
CONDITIONS PRECEDENT TO COMMENCEMENT OF CONSTRUCTION

6.1 Master Plan Amendment. Developer acknowledges that as of the Effective Date (a) the permitted uses for the parcels comprising Phase 1 include film related uses as existing nonconforming uses, but the Master Plan does not include film and multi-media production, cinema or supportive retail as permitted uses, and any development of Phase 1 for film and multi-media production, cinema or supportive retail uses is contingent upon the adoption of an amendment to the Master Plan approving such uses, (b) residential use is identified as an accessory use under the Master Plan, and any development of Phase 2 that includes a residential component that is not an accessory use is contingent upon the adoption of an amendment to the Master Plan approving such uses, and (c) the permitted uses under the Master Plan for the parcel(s) comprising Phase 3 do not include film and multi-media production and light industrial, and any development of Phase 3 for film and multi-media

production and/or light industrial use is contingent upon the adoption of an amendment to the Master Plan approving such uses. No later than 60 days after the Effective Date, Developer shall, at its sole cost and expense, prepare and deliver to the MRA Director, a draft application for an amendment to the Master Plan (the "**Master Plan Amendment**"), together with all documents and information required to be submitted for the Governing Body's consideration thereof, which provides for (i) the modifications to the permitted uses and ancillary uses for the Properties set forth on Exhibit N attached hereto (the "**Required Uses**"), and (ii) such additional modifications to the Master Plan in connection with the Project as Developer may reasonably request ("**Discretionary Modifications**"). Within 10 Business Days after the MRA Director's receipt of the draft application, the MRA Director shall review the draft application and deliver written notice to Developer either of the MRA Director's approval of the draft application or of any modifications required by the MRA Director (including, to the extent necessary, any supplemental or clarifying information required for Developer to implement the same). Developer acknowledges that the MRA Director may reject or change any Discretionary Modifications or require any additional modifications as the MRA Director determines in its sole discretion, provided that Developer's approval shall be required for any modifications that would further restrict the Required Uses or otherwise impose any additional obligations on Developer or reduce any rights of Developer, in any material respect, which are not provided for in this Agreement. Subject to the foregoing provision, within five Business Days after receipt of the MRA Director's required modifications, Developer shall incorporate the same and deliver an updated draft application to the MRA Director, and said review and approval or modification process shall be repeated until such time as the MRA Director approves the draft application (the "**Final Application**"). The Governing Body hereby authorizes and empowers the MRA Director to submit, or cause Developer (acting as agent on behalf of the MRA) to submit, the Final Application to the City Planning and Land Use Department for its review and recommendation. If, at the conclusion of the City's review of and decision concerning the Master Plan Amendment, the Governing Body issues a final action either denying the proposed Master Plan Amendment or approving or conditionally approving the Master Plan Amendment with modifications to the form that eliminate, limit or modify the Required Uses in a manner that materially adversely affects Developer's ability to develop and operate the Project consistent with the Required Uses, then on or before the date that is 30 days after the effective date of the Governing Body's final action, Developer may terminate this Agreement by delivering written notice of termination to the City, upon which the Lease shall automatically terminate, the City shall refund Developer's Initial Deposit and, except for the provisions which expressly survive termination, neither Party shall have any further rights or obligations under this Agreement. Developer shall be responsible for all costs related to the preparation and submission of the amendment to the Master Plan. For the avoidance of doubt, nothing in this Section 6.1 shall, at any time prior to the applicable Construction Commencement, operate to terminate or modify Developer's right to continue to operate Developer's business for film studio uses in the Buildings in their current existing nonconforming status.

6.2 Phase 1 Condition Precedent. To secure Developer's completion of the Phase 1 Improvements, as a condition precedent to Construction Commencement for the Phase 1 Improvements, Developer shall provide to the City or its designee (a) such documentation as the City or its designee may reasonably require, including, without limitation, financial statements (i.e., balance sheet, a statement of income, and contingent obligations in each case prepared in accordance with generally accepted accounting principles, consistently applied (collectively, "**Financial Statements**")), of Developer and Developer's Principal, subscription agreements or similar agreements obligating Developer's equity owners to make capital contributions to Developer and/or a

legally binding, firm loan commitment made to Developer, and the total project construction budget, in order to determine that Developer has secured available funds in an amount sufficient to complete Phase 1 in accordance with the Phase 1 Component Final Design Plans (i.e., evidence of debt and equity commitments at least equal to the total project construction budget), and (b) a personal payment and performance guaranty from Developer's Principal in an amount equal to the cost to complete the Phase 1 Improvements in accordance with the Phase 1 Component Final Design Plans, in the form attached hereto as Exhibit G-1 (a "**Guaranty**").

6.3 Phase 2 Conditions Precedent. To secure Developer's completion of the Phase 2 Improvements, as a condition precedent to Construction Commencement for the Phase 2 Improvements, Developer shall provide to the City or its designee (a) such documentation as the City or its designee may reasonably require, including, without limitation, Financial Statements of Developer and Developer's Principal, subscription agreements or similar agreements obligating Developer's equity owners to make capital contributions to Developer and/or a legally binding, firm loan commitment made to Developer, and the total project construction budget, in order to determine that Developer has secured available funds in an amount sufficient to complete Phase 2 in accordance with the Phase 2 Final Design Plans (i.e., evidence of debt and equity commitments at least equal to the total project construction budget), and (b) a cash bond or a bond from a surety licensed in the State of New Mexico, each (i) substantially in the form required by the City under then-current City standards (i.e., as of the date civil plans are approved for the applicable improvement) to secure the performance of the applicable obligation hereunder, and (ii) on a form substantially similar to the form of bond attached hereto as Exhibit G-2 (as applicable, a "**Bond**"), which Bond shall be in an amount equal to the cost to complete the Phase 2 Improvements in accordance with the Phase 2 Final Design Plans.

6.4 Phase 3 Conditions Precedent. To secure Developer's completion of the Phase 3 Improvements, as a condition precedent to Construction Commencement for the Phase 3 Improvements, Developer shall provide to the City or its designee (a) such documentation as the City or its designee may reasonably require, including, without limitation, Financial Statements of Developer and Developer's Principal, subscription agreements or similar agreements obligating Developer's equity owners to make capital contributions to Developer and/or a legally binding, firm loan commitment made to Developer, and the total project construction budget, in order to determine that Developer has secured available funds in an amount sufficient to complete Phase 3 in accordance with the Phase 3 Final Design Plans (i.e., evidence of debt and equity commitments at least equal to the total project construction budget), and (b) a Bond in an amount equal to the cost to complete the Phase 3 Improvements in accordance with the Phase 3 Final Design Plans.

Within five Business Days after the MRA Director's receipt of documentation in form and substance sufficient for the MRA Director to reasonably determine that Developer has satisfied the foregoing conditions precedent with respect to the applicable Phase, the MRA Director shall deliver to Developer a Notice to Proceed for such Phase.

ARTICLE 7
PRIVATE IMPROVEMENTS

7.1 Phase 1 Improvements. As part of Developer's obligations for Phase 1, Developer shall cause the Final Completion of the following work and improvements with a minimum investment

of not less than $5,000,000.00 in actual out-of-pocket expenditures, as evidenced by such documentation as the City may reasonably require (collectively, the "**Phase 1 Improvements**"):

7.1.1 the demolition or deconstruction of the existing building known as Onate Hall;

7.1.2 the disconnection of Garson Studios, Driscoll Hall, and the adjacent Shellaberger Property from the Midtown PNM electrical system and the construction and completion of the Aspect Electrical Loop pursuant to Exhibit H;

7.1.3 the construction and/or installation of all landscaping, signage, wayfinding, fencing, parking, and pedestrian circulation infrastructure, as applicable, set forth on Exhibit E;

7.1.4 the installation of (i) bicycle storage fixtures/facilities near the primary entrance of each building equal to or exceeding the minimum requirements set forth in the Master Plan, (ii) a minimum of two 'Level 3' charging facilities and two 'Level 2' charging facilities for electric vehicles and bicycles, each of which shall be operable and accessible to the public for at least 20 years; and

7.1.5 the construction of major renovations to Benildus Hall, Garson Studios, and Driscoll Hall necessary to operate the Project as a state-of-the-art film production studio and related office space, including without limitation:

(a) with respect to Garson Studios, the construction and installation of (i) The Screen theater renovations and all public accessibility renovations required by the Applicable Rules for such space to be available for public use as a movie theater or performance space, (ii) all demising improvements required to separate The Screen theater area (which will be accessible to the public) from the film production studio spaces, and (iii) the façade improvements according to the requirements set forth on Exhibit E, to the extent permitted by the Applicable Rules;

(b) with respect to Driscoll Hall, to the extent permitted under the Master Plan Amendment, the construction of a portion of the first floor having storefront exposure along the street frontage and consisting of no less than 2,000 rentable square feet for retail sales and services or food and beverage (restaurant) use (the "**Driscoll Retail Space**"), which Driscoll Retail Space shall, following execution of a lease and/or completion of tenant improvements, if applicable, be open for service to the general public at all times during normal business hours (subject to such customary exceptions as Developer may determine); and

(c) the issuance of temporary or permanent certificates of occupancy for each such Building.

7.2 Phase 2 Improvements. Prior to the Phase 2 Conveyance, Developer shall cause the Final Completion of: (a) the Residential Project, (b) the Solar Facilities, and (c) all landscaping, private utility facilities and other infrastructure and improvements required by the Applicable Rules (collectively, the "**Phase 2 Improvements**"). For purposes hereof, "**Residential Project**" means the multifamily residential building to be constructed on Phase 2 by Developer consisting of no less than 99 and no more than 150 dwelling units, of which (i) no less than 15% of said units will be accessible and affordable pursuant to the City's inclusionary housing program and in compliance with City Code Section 26-1, and (ii) no more than 15% of the total residential units may be reserved for occupancy by film production personnel; and "**Solar Facilities**" means the photovoltaic systems to be installed

on the roof (or such other location as may be set forth in the plans) of each building on Phase 2 and Phase 3, as applicable, for the purpose of generating electricity to serve such buildings, which systems shall (a) cover a minimum of 40% of the total square footage of each such roof, or (b) supply a minimum of 20% of the estimated electric demand for such building, as determined in Developer's discretion.

7.3 Phase 3 Improvements. Prior to the Phase 3 Conveyance, Developer shall cause the Final Completion of the construction of: (a) either (i) a film and multi-media production studio consisting of no less than 65,000 interior square feet, *or* (ii) subject to the prior approval of the Governing Body (or the MRA commission, when established by the Governing Body), acting in its reasonable discretion, a comparable development project having a use that constitutes a permitted use under the Master Plan (as amended) and is complementary to and supportive of the film and multi-media production uses, provided that Developer shall submit an alternative use proposal concurrently with the Phase 3 Conceptual Plans submission in accordance with Section 5.4.1; (b) the Solar Facilities; and (c) all landscaping, private utility facilities and other infrastructure and improvements required by the Applicable Rules (collectively, as applicable, the "**Phase 3 Improvements**"). No residential development is permitted as part of the Phase 3 Improvements.

7.4 Construction Standard; Other Requirements.

7.4.1 All construction performed in connection with the Project shall be conducted in a good and workmanlike manner, and in compliance with the construction and completion requirements for each Phase of the Project, and in accordance with all Applicable Rules and Project Standards.

7.4.2 Developer shall construct no more than 150 residential units on the Property (inclusive of all lots).

7.5 Site Restoration.

7.5.1 *Removal of Partially Constructed Improvements.* If Developer Abandons construction of the Project, Developer must, within 60 days after receipt by Developer of written notice from the City, either recommence construction on the Project or: (a) remove any partially constructed or partially completed structures or Private Improvements from the applicable Phase; and (b) perform Site Restoration on that portion of the Phase on which Developer has failed to achieve substantial completion of the applicable structures or other Private Improvements or related to the expired building permit, all in accordance with plans approved by the City. For purposes of this Agreement, "**Site Restoration**" means and includes the restoring of the original ground or paved hard surface area in compliance with the Project Standards, and includes but is not limited to the removal or elimination of all debris; the remediation and restoration of any environmental conditions; the elimination of conditions that may create a fire or pollution hazard; the minimization of erosion; and any repair, cleanup, backfilling, compaction, and stabilization, paving and other work necessary to place the site in acceptable condition following the conclusion of the work, or the expiration or revocation of the permit.

7.5.2 *Removal and Restoration by City*. In the event Developer fails or refuses to remove any partially completed Project Improvements, or to perform Site Restoration, as required pursuant to Section 7.5.1, the City will have, and is hereby granted, the right, at its option, to: (i) demolish and/or remove any of the partially completed Private Improvements from any and all portions

of the applicable Phase; (ii) perform Site Restoration; and/or (iii) cause the Private Improvements to be completed in accordance with the applicable final plans. Developer must fully reimburse the City for all costs and expenses, including legal and administrative costs, incurred by the City for such work. If Developer does not so fully reimburse the City, the City will have the right to enforce its rights and remedies under the Bond provided by Developer pursuant to Article 6, as necessary to cause such completion and/or to defray the entire cost of the work, including legal fees and administrative expenses. If Developer does not so fully reimburse the City, and the Bond proceeds are insufficient or otherwise unavailable to finance such work, then the City will have the right to place a lien on the applicable Phase for all such costs and expenses in the manner provided by law. The rights and remedies provided in this Section 7.5 are in addition to, and not in limitation of, any other rights and remedies otherwise available to the City in this Agreement, at law, and/or in equity.

ARTICLE 8
RIGHT OF WAY IMPROVEMENTS

8.1 Right of Way Plans. The City shall engage a third party to prepare the plans, specifications and drawings (the "**Right of Way Plans**") for the development and construction of certain public right of way improvements, storm drainage facilities and related infrastructure within the Midtown Site (the "**Midtown ROW Improvements**"), including, without limitation, the sections of roadway, any related curb and gutter, sidewalk, landscaping and irrigation, water, sewer, stormwater, electrical and other utilities, as applicable, within the areas of the Midtown Site identified as roadway segments 'C.1', 'D.2' and 'D.4' depicted on Exhibit I (the "**Project ROW Improvements**"). The City anticipates that the Right of Way Plans will be complete on or after June 30, 2026. Developer shall provide the final design and construction plans, survey and as-built plans for Developer's proposed PNM electrical loop lying below the Project ROW Improvements, and the City and Developer shall coordinate to ensure the Right of Way Plans are designed to reasonably accommodate the construction of said electrical loop. The City shall make best faith efforts to expedite the completion of the plans prior to June 30, 2026.

8.2 Right of Way Completion. Within 90 days after the City's completion of the Right of Way Plans, the City will provide Developer with a construction schedule, setting forth the anticipated commencement and completion of the applicable portions of the Project ROW Improvements (the "**Right of Way Schedule**"). Subject to extension for Uncontrollable Events, the City will substantially complete, or cause the substantial completion of, the portions of the Project ROW Improvements by the deadlines set forth in the Right of Way Schedule in a manner sufficient to prevent the denial or rejection of the issuance and receipt of applicable temporary or conditional certificates of occupancy for such Phase on the basis of the Project ROW Improvements, subject to Developer's proper application therefor and payment of applicable fees in connection therewith. If the City does not complete the Project ROW Improvements (or applicable portion thereof) by the applicable deadline set forth in the Right of Way Schedule, the City shall have the right to extend the applicable deadline(s) prior to the expiration of the then applicable deadline by delivering written notice to Developer of such election to extend, together with a copy of the updated Right of Way Schedule. An extension of time for any Uncontrollable Event shall commence from the commencement date of the Uncontrollable Event set forth in the City's written notice to Developer of such Uncontrollable Event. After the cessation of any such Uncontrollable Event, the City's obligation to perform shall recommence with a day-for-day delay extension to the applicable deadline. In no event shall any delay in completion of the Project ROW Improvements constitute a default by the City. Upon the City's completion of the Project ROW Improvements required in connection with the temporary or conditional certificates of

occupancy for any Phase, the City shall provide written notice to Developer of such completion. Subject to the provisions of Section 20.29, the City shall make best faith efforts to commence and complete construction prior to the dates set forth in the Right of Way Schedule.

8.3 Cost of Project ROW Improvements. The City shall complete the Project ROW Improvements at its sole cost and expense; provided, however, Developer shall be responsible for 100% of the cost ("**Developer's Share**") for the construction and completion of the section of roadway located immediately adjacent to the real property owned by Developer commonly known as 'The ArtHouse' and depicted on Exhibit I as the 'ArtHouse Frontage' (the "**ArtHouse ROW Improvements**"), which Developer's Share shall be equal to the portion of the total costs to complete the Project ROW Improvements obtained by dividing the total linear footage of the Midtown ROW Improvements by the total linear footage of the 'ArtHouse Frontage'. On or before the later of the date that is 10 days after the City's delivery of written notice to Developer of the estimated amount of Developer's Share of the ArtHouse ROW Improvements (such amount, the "**Escrow Amount**") and the date the City commences construction of the Midtown ROW Improvements, Developer shall deposit into escrow with a title company selected by the City (the "**Escrow Agent**"), the Escrow Amount to be held by the Escrow Agent pursuant to an escrow agreement reasonably acceptable to the City, Developer and the Escrow Agent. Upon completion of the ArtHouse ROW Improvements, the City shall deliver to Developer and the Escrow Agent written notice of the actual amount of Developer's Share of the completed ArtHouse ROW Improvements, and within 10 days following such written notice, the Escrow Agent shall disburse the Escrow Amount to the City, by wire transfer or other good funds as directed by the City. If the actual amount of the Developer's Share is less than the Escrow Amount, the Escrow Agent shall return to Developer the amount remaining in escrow after disbursing the actual Developer's Share to the City. If the actual amount of the Developer's Share is greater than the amount held in escrow, then within 10 days after receipt of the City's written notice of the actual Developer's Share, Developer shall deliver such shortfall directly to the City as instructed in the written notice. At least 30 days prior to the City's commencement of construction of the Midtown ROW Improvements, the City shall deliver to Developer its written estimate of Developer's Share of the ArtHouse ROW Improvements, which shall include the City's total projected budget for the ArtHouse ROW Improvements and the total linear footage of streets included in such construction.

8.4 Coordination; Cooperation. Developer shall cooperate with the City to avoid any interference between the City's construction of the Project ROW Improvements and the Developer's activities on the Property and/or the ArtHouse property. In addition, the City and Developer will coordinate the respective schedules for the City's construction of the Project ROW Improvements and Developer's construction of the roadway improvements for the Project and adjacent ArtHouse project so that the Developer's (or its affiliates) construction commences following the City's construction of the adjacent Midtown ROW Improvements (or roadway portion thereof) in order to maintain elevations, alignment and roadway finish construction consistency. Developer and the City shall meet quarterly to coordinate their respective design and construction activities. If during the City's construction of the Project ROW Improvements it becomes necessary for Developer to move or relocate any permanent or temporary ADA access to any portion of the Property or the ArtHouse property, Developer shall, within 60 days following written notice from the City and at Developer's sole cost and expense, move or relocate such access to an alternative ADA compliant location.

8.5 Ancillary Midtown ROW Improvements; City Delay. Subject to the provisions of Section 20.29, the City agrees to construct the necessary improvements to the Alumni Drive collector road that connects the Midtown Site to Siringo Road and neither Developer nor its affiliates shall be

responsible for the construction or cost of such improvements other than as otherwise provided in this Article 8. In addition, the City acknowledges it will provide access to Benildus Hall for automobile and pedestrian ingress and egress and that, prior to the City's completion of said access, Developer shall construct or install temporary ADA improvements in the locations depicted on plan attached hereto as Exhibit O (the "**Phasing Depiction**") and in accordance with all Applicable Rules. The City acknowledges that Developer may achieve substantial completion of one or more Phases or the ArtHouse development prior to the City's completion of the Midtown ROW Improvements. To the extent any Phase or the ArtHouse development is substantially completed prior to the City's completion of the applicable roadways or sidewalks, then so long as Developer has constructed or installed the temporary applicable ADA improvements in the locations generally shown on the Phasing Depiction and in compliance with all Applicable Rules, including the improvements to and from Alumni Drive in the locations depicted on the Phasing Depiction, the City agrees that it will not pursue any actions that impede the issuance of Developer's temporary certificates of occupancy to the extent Developer would be entitled to such issuance but for the ongoing construction of the applicable roadways or sidewalks in roadways.

8.6 Gas Loop Declaration; Existing Utilities and Utilities Agreement.

8.6.1 Developer acknowledges that the existing natural gas line serving the Midtown Site (the "**Midtown Gas Loop**") is owned and operated by the City of Santa Fe Public Works Department, under procedures, rules and regulations of the New Mexico Public Regulations Commission, Pipeline Safety Bureau, Parts 191 & 192, NMAC 18.60.2, and the Pipeline Safety Act 70-3-10 to 70-3-20 NMSA 1978, 1995 (as may be amended from time to time, the "**Gas Loop Regulations**"). Developer further acknowledges that the Midtown Gas Loop runs under a portion of the Property and other properties at the Midtown Site, and disconnecting or capping certain sections of the Midtown Gas Loop at the Property may have the effect of terminating or adversely affecting the provision of natural gas to other properties and tenants. Accordingly, if the Private Improvements (or any part thereof) will intersect with or be constructed above the Midtown Gas Loop, Developer may be required to relocate sections of the line and/or install temporary connections, in each case in compliance with the Gas Loop Regulations and at Developer's sole cost. In addition, Developer acknowledges that the City intends to prepare and record a declaration of covenants, conditions and restrictions, or similar instrument (as applicable, the "**Gas Loop Declaration**"), for the purpose of establishing an easement and setting forth certain rights and obligations related to the operation, safety conditions, maintenance, repair, replacement and removal of the Midtown Gas Loop and related facilities in compliance with the Gas Loop Regulations, and the coordination with the City to comply with minimum safety requirements for the operation of, and managing emergencies related to the Midtown Gas Loop. The Gas Loop Declaration, which will encumber the Property and all other properties on which the Midtown Gas Loop is located, shall be in the form adopted by the City, provided that no provision thereof shall impose on any property owner at the Midtown Site any material obligations or costs in excess of those set forth in the Gas Loop Regulations.

8.6.2 The City and Developer executed a utility services agreement attached hereto as Exhibit J (the "**Utilities Agreement**"), which Utilities Agreement outlines the provision of natural gas, water, stormwater and sanitary, and electrical service (collectively, the "**Utilities**") to the Buildings and the timeline for disconnection of the Buildings from the existing natural gas service line serving the Midtown Site.

ARTICLE 9
SUBDIVISION

9.1 Subdivision Plat. The City has recorded or will record a new plat map (the "**Plat**") that subdivides the Property into the parcels generally depicted on Exhibit B-1. Upon the recordation of a new plat map, the MRA Director will deliver written notice thereof to Developer, together with a copy of the recorded plat map and the platted legal description of the Property (the "**Legal Description**"), and the Developer shall execute and deliver to the City an acknowledgment including the Legal Description as Exhibit B-2 of this Agreement.

ARTICLE 10
CONVEYANCE OF PROPERTY

10.1 Closing; Closing Costs. Each Closing shall take place through a title company selected by the City (the "**Title Company**") by an escrow closing by mail or electronic delivery as mutually agreed upon by the City and Developer, and otherwise in accordance with the provisions of this Article 10. At each Closing, Developer shall pay any customary statutory transfer, sales, use, gross receipts or similar taxes, the cost of recording the Deed (including, without limitation, any documentary fees), the base premium and all fees for the Title Policy and any endorsements ordered by Developer, and all of the customary closing costs of the Title Company.

10.2 Phase 1 Closing.

10.2.1 *Phase 1 Closing Conditions*. The conveyance of Phase 1 by the City to Developer (the "**Phase 1 Conveyance**") shall be subject to the satisfaction, on or prior to the date that is 90 days after the deadline for substantial completion of the Phase 1 Improvements pursuant to Section 5.2.9 (as may be extended in accordance with this Agreement), of the following conditions (collectively, the "**Phase 1 Closing Conditions**"):

(a) Developer shall have achieved Final Completion of the Phase 1 Improvements;

(b) Developer shall have delivered to the City written notice of election to the City to purchase Phase 1 ("**Phase 1 Purchase Notice**"), which Phase 1 Purchase Notice must be delivered within 30 days after Final Completion of the Phase 1 Improvements, provided that Developer shall be entitled to notice and 10 days' opportunity to cure any failure to deliver such notice;

(c) Developer shall have delivered the Phase 1 Purchase Installment into escrow with the Title Company, along with all recording fees and other amounts required to consummate the Phase 1 Conveyance;

(d) Developer shall have complied in all material respects with (i) the obligations contained in this Agreement, including but not limited to Developer's compliance with the Community Benefit Requirements, and (ii) the obligations contained in the Lease;

(e) All of Developer's representations and warranties contained in this Agreement shall be true and correct in all material respects as of the Phase 1 Closing Date (with appropriate modifications permitted under this Agreement);

(f) Developer shall have paid in full the applicable Annual Assessment (as defined in the Lease) for Phase 1 for the period ending on the day immediately preceding the Closing (based on the number of days in such calendar year in which the City owns Phase 1); and

(g) Developer shall have delivered to the Title Company any and all reasonable and customary documentation, in a form reasonably acceptable to each Party, that may be required by the Title Company to consummate the Phase 1 Conveyance.

10.2.2 *Phase 1 Closing Date*. The consummation of the Phase 1 Conveyance (the "**Phase 1 Closing**") shall occur on the date that is 15 Business Days after all of the Phase 1 Closing Conditions have been satisfied, or on such other date as may be agreed upon by the Parties (as applicable, the "**Phase 1 Closing Date**"). At the Phase 1 Closing, the City will convey Phase 1 to Developer in its as-is condition by delivery of the Deed, without any warranty, express or implied, including but not limited to the presence of Pollutants, and subject to all matters of record. On the Phase 1 Closing Date, the Parties shall, by written instructions from each Party to the Title Company, authorize the Title Company to proceed to release the Phase 1 Purchase Installment to the City, record the quit claim deed to convey Phase 1 to Developer, and carry out such other tasks necessary to complete the Phase 1 Conveyance.

10.3 Phase 2 Closing.

10.3.1 *Phase 2 Closing Conditions*. The conveyance of Phase 2 by the City to Developer (the "**Phase 2 Conveyance**") shall be subject to the satisfaction, on or prior to the date that is 90 days after the deadline for substantial completion of the Phase 2 Improvements pursuant to Section 5.3.9 (as may be extended in accordance with this Agreement), of the following conditions (collectively, the "**Phase 2 Closing Conditions**"):

(a) Developer shall have achieved Final Completion of the Phase 2 Improvements;

(b) Developer shall have delivered to the City written notice of election to the City to purchase Phase 2 ("**Phase 2 Purchase Notice**"), which Phase 2 Purchase Notice must be delivered within 30 days after Final Completion of the Phase 2 Improvements, provided that Developer shall be entitled to notice and 10 days' opportunity to cure any failure to deliver such notice;

(c) Developer shall have delivered the Phase 2 Purchase Installment into escrow with the Title Company, along with all recording fees and other amounts required to consummate the Phase 1 Conveyance;

(d) Developer shall have complied in all material respects with (i) the obligations contained in this Agreement, including but not limited to Developer's compliance with the Community Benefit Requirements, and (ii) the obligations contained in the Lease;

(e) All of Developer's representations and warranties contained in this Agreement shall be true and correct in all material respects as of the Phase 2 Closing Date (with appropriate modifications permitted under this Agreement);

(f) The City shall have recorded, or delivered into escrow with the Title Company for recording at the Phase 2 Closing (prior to the Deed), the land use restriction in accordance with Section 11.8;

(g) Developer shall have paid in full the applicable Annual Assessment (as defined in the Lease) for Phase 2 for the period ending on the day immediately preceding the Closing (based on the number of days in such calendar year in which the City owns Phase 2); and

(h) The Parties shall have delivered to the Title Company any and all reasonable and customary documentation, in a form reasonably acceptable to each Party, that may be required by the Title Company to consummate the Phase 2 Conveyance.

10.3.2 *Phase 2 Closing Date*. The consummation of the Phase 2 Conveyance (the "**Phase 2 Closing**") shall occur on the date that is 15 Business Days after all of the Phase 2 Closing Conditions have been satisfied, or on such other date as may be agreed upon by the Parties (as applicable, the "**Phase 2 Closing Date**"). At the Phase 2 Closing, the City will convey Phase 2 to Developer in its as-is condition by delivery of the Deed, without any warranty, express or implied, including but not limited to the presence of Pollutants, and subject to all matters of record. On the Phase 2 Closing Date, the Parties shall, by written instructions from each Party to the Title Company, authorize the Title Company to proceed to release the Phase 2 Purchase Installment to the City, record the quit claim deed to convey Phase 2 to Developer, and carry out such other tasks necessary to complete the Phase 2 Conveyance.

10.4 Phase 3 Closing.

10.4.1 *Phase 3 Closing Conditions*. The conveyance of Phase 3 by the City to Developer (the "**Phase 3 Conveyance**") shall be subject to the satisfaction, on or prior to the date that is 90 days after the deadline for substantial completion of the Phase 3 Improvements pursuant to Section 5.4.9 (as may be extended in accordance with this Agreement), of the following conditions (collectively, the "**Phase 3 Closing Conditions**"):

(a) Developer shall have achieved Final Completion of the Phase 3 Improvements;

(b) Developer shall have delivered the Phase 3 Purchase Installment into escrow with the Title Company, along with all recording fees and other amounts required to consummate the Phase 3 Conveyance;

(c) Developer shall have delivered to the City written notice of election to the City to purchase Phase 3 ("**Phase 3 Purchase Notice**"), which Phase 3 Purchase Notice must be delivered within 30 days after Final Completion of the Phase 3 Improvements, provided that Developer shall be entitled to notice and 10 days' opportunity to cure any failure to deliver such notice;

(d) Developer shall have complied in all material respects with (i) the obligations contained in this Agreement, including but not limited to Developer's compliance with the Community Benefit Requirements, and (ii) the obligations contained in the Lease;

(e) All of Developer's representations and warranties contained in this Agreement shall be true and correct in all material respects as of the Phase 3 Closing Date (with appropriate modifications permitted under this Agreement);

(f) Developer shall have paid in full the applicable Annual Assessment (as defined in the Lease) for Phase 3 for the period ending on the day immediately preceding the Closing (based on the number of days in such calendar year in which the City owns Phase 3); and

(g) The Parties shall have delivered to the Title Company any and all reasonable and customary documentation, in a form reasonably acceptable to each Party, that may be required by the Title Company to consummate the Phase 3 Conveyance.

10.4.2 *Phase 3 Closing Date*. The consummation of the Phase 3 Conveyance (the "**Phase 3 Closing**") shall occur on the date that is 15 Business Days after all of the Phase 3 Closing Conditions have been satisfied, or on such other date as may be agreed upon by the Parties (as applicable, the "**Phase 3 Closing Date**"). At the Phase 3 Closing, the City will convey Phase 3 to Developer in its as-is condition by delivery of the Deed, without any warranty, express or implied, including but not limited to the presence of Pollutants, and subject to all matters of record. On the Phase 3 Closing Date, the Parties shall, by written instructions from each Party to the Title Company, authorize the Title Company to proceed to release the Phase 3 Purchase Installment to the City, record the quit claim deed to convey Phase 3 to Developer, and carry out such other tasks necessary to complete the Phase 3 Conveyance.

10.5 Title and Permitted Exceptions.

10.5.1 *Conveyance of Title*. At each Closing, subject to the terms and conditions of this Agreement, the City will convey title to the real property underlying the applicable Phase to Developer by New Mexico statutory form quitclaim deed (the "**Deed**"). Title to each applicable Phase will be free of all liens, encumbrances, easements, restrictions, rights and conditions of record, except for the Permitted Exceptions (defined below).

10.5.2 *Title Commitment; Survey*. On or before the date that is 30 days prior to Construction Commencement for each Phase (the "**Title Receipt Deadline**"), Developer shall obtain a commitment for title insurance (a "**Title Commitment**") from the Title Company for the applicable Phase for an ALTA owner's title insurance policy (a "**Title Policy**"), together with legible copies of the documents underlying each exception therein (collectively with the Title Commitment, the "**Title Documents**"). Developer shall cause the Title Company to concurrently distribute copies of the Title Documents to the City. In addition, at any time prior to the applicable Construction Commencement, Developer may order at its sole cost a new survey of the applicable Phase (a "**Survey**").

10.5.3 *Review of Title*. Developer shall have 15 days following the Title Receipt Deadline (with respect to each Phase, the "**Objection Deadline**") to deliver written notice to the City (the "**Objection Notice**") of any matters within the Title Documents to which Developer objects (the "**Title Objections**"), provided that Developer shall not be entitled to object to any matters which are Approved Exceptions (defined below), and no such Approved Exceptions shall constitute a Title Objection. Except as otherwise set forth in Section 10.5.4, if Developer fails to tender an Objection Notice on or before the Objection Deadline, Developer shall be deemed to have approved and irrevocably waived any objections to any matters covered by the Title Documents and the Survey. Within 10 days after the City's receipt of the Objection Notice (the "**Response Deadline**"), the City may, in the City's sole discretion, give Developer notice (the "**Response Notice**") of those Title Objections which the City is willing to cure, if any. If the City fails to deliver a Response Notice by the Response Deadline, the City shall be deemed to have elected not to cure or otherwise resolve any matter set forth in the Objection Notice. If Developer is dissatisfied with the Response Notice, Developer may, as its exclusive remedy, elect by written notice given to the City on or before Construction Commencement for such Phase (the "**Final Response Deadline**"), either to (a) accept the Title Documents and Survey with resolution, if any, of the Title Objections as set forth in the

Response Notice (or if no Response Notice is tendered, without any resolution of the Title Objections) and without any reduction or abatement of the Purchase Price, or (b) terminate this Agreement, in which event neither Party shall have any further rights or obligations hereunder, except for those that expressly survive termination hereof. Except as otherwise set forth in Section 10.5.4, if Developer fails to give notice to terminate this Agreement on or before the Final Response Deadline, Developer shall be deemed to have elected to approve and irrevocably waived any objections to any matters covered by the Title Documents or the Survey, subject only to resolution, if any, of the Title Objections as set forth in the Response Notice from the City (or if no Response Notice is tendered, without any resolution of the Title Objections). Notwithstanding anything to the contrary in this Agreement or in a Response Notice, (a) the City shall be obligated to remove, insure over or bond over any Monetary Encumbrances (as defined below), and (b) Developer shall not be required to tender any Title Objections to any Monetary Encumbrances. "**Monetary Encumbrances**" means any mechanics or materialmen's liens, any monetary lien or claim and the lien of any mortgage, deed of trust or similar security instrument encumbering the Property (or any part thereof) that is created by, under or through the City, except that no Approved Exceptions shall be deemed to constitute Monetary Encumbrances.

10.5.4 *New Title Exceptions*. If at any time after the expiration of the Objection Deadline, any update to the Title Commitment or Survey discloses any additional material item (other than any Approved Exceptions) that materially and adversely affects title to the applicable Phase which was not disclosed on any version of the Title Documents or Survey delivered to Developer prior to the expiration of the Objection Deadline (each, a "**New Exception**"), Developer shall have a period of 5 days from the date of Developer's receipt of such update (the "**New Exception Review Period**") to review and to approve or disapprove of the same. If the New Exception is unacceptable to it, Developer, at its sole option, may elect either (a) to terminate this Agreement, in which event neither Party shall have any further rights or obligations hereunder, except for those that expressly survive termination hereof, or (b) to waive such objections and proceed with the transactions contemplated by this Agreement, in which event Developer shall be deemed to have approved the New Exception. If Developer fails to timely notify the City of its election to terminate this Agreement in accordance with the foregoing clause prior to the expiration of the New Exception Review Period, Developer shall be deemed to have approved and irrevocably waived any objections to the New Exception, and such New Exception will constitute an additional Permitted Exception (as defined below). The provisions in Section 10.5.3 of this Agreement concerning Monetary Encumbrances shall apply to New Exceptions.

10.5.5 The applicable portion of the Property conveyed to Developer at each Closing shall be subject to the following, all of which shall be deemed "**Permitted Exceptions**":

(a) all exceptions appearing in the Title Commitment that were recorded before the date of Developer's execution of this Agreement and each document to be recorded pursuant to and in accordance with the terms of this Agreement, including without limation, the Plat, the Master Plan Amendment, the Gas Loop Declaration, this Agreement and the Lease (the "**Approved Exceptions**");

(b) all matters shown in the Title Documents and the Survey, other than those Title Objections the City has agreed to cure pursuant to the Response Notice under Section 10.5.3;

(c) applicable zoning and governmental regulations and ordinances; and

(d) any defects in or objections to title to the applicable Property, or title exceptions or encumbrances, arising by, through or under Developer (or with Developer's prior written approval).

10.6 No Warranties as to Property; As-Is. Except as otherwise expressly provided in this Agreement, at each Closing, the Property is and shall be delivered by the City to Developer in "as-is" condition, with no warranty expressed or implied by the City, including without limitation, the presence of Pollutants, the existence of refuse, or the condition of the soil, its geology, the presence of known or unknown seismic faults, or the suitability of the Property for the Project.

ARTICLE 11
COMMUNITY BENEFITS

11.1 Economic Impact Requirements. Developer shall commit to the recruitment of film, television and media productions that will generate qualifying direct production expenditures in New Mexico ("**Qualified Expenditures**") in accordance with the Film Production Tax Credit Act (Chapter 7, Article 2F NMSA 1978), as amended (the "**FPTCA**"), of at least $30,000,000.00 ("**Minimum Initial Amount**") during the period commencing on the Effective Date and ending on the fifth anniversary of the Phase 1 Final Completion Date (the "**Initial Spend Period**"). Commencing on the Phase 1 Final Completion Date and continuing for 15 years thereafter (the "**Aggregate Spend Period**"), Developer shall commit to securing productions that will generate Qualified Expenditures of at least $150,000,000.00, inclusive of the Minimum Initial Amount (the "**Minimum Aggregate Amount**").

11.2 Economic Impact Benefit. If Developer fails to secure productions that generate Qualified Expenditures of at least the Minimum Initial Amount by the expiration of the Initial Spend Period, or the Minimum Aggregate Amount by the expiration of the Aggregate Spend Period, Developer shall pay the City an amount equal to the percentage shortfall of the Qualified Expenditures multiplied by the applicable Economic Impact Benefit as the City's sole remedy for Developer's failure. For purposes hereof, "**Economic Impact Benefit**" means the estimated value of the economic impact to the City that will result from the generation of Qualified Expenditures of, (A) with respect to the Minimum Initial Amount, $300,000, and (B) with respect to the Minimum Aggregate Amount, $2,700,000. By way of example, if Developer sources productions that generate Qualified Expenditures of $20,000,000 during the Initial Spend Period and $120,000,000 during the Aggregate Spend Period (i.e., $100,000,000 during the period beginning on the next day following the fifth anniversary of the Phase 1 Final Completion Date and ending on the 15th anniversary of the Phase 1 Final Completion Date), then Developer would be required to pay the City the sum of (i) $100,000 (i.e., $300,000 × (($30,000,000 - $20,000,000) ÷ $30,000,000)) for Developer's failure to generate Qualified Expenditures of at least the Minimum Initial Amount by the expiration of the Initial Spend Period, and (ii) $540,000 (i.e., $2,700,000 × (($150,000,000 - $120,000,000) ÷ $150,000,000)) for Developer's failure to generate Qualified Expenditures of at least the Minimum Aggregate Amount by the expiration of the Aggregate Spend Period. In order to ensure Developer obtains and maintains accurate data related to the total Qualified Expenditures, Developer shall use commercially reasonable efforts to cause each written agreement between Developer and any film production company (as such term is defined in the FPTCA) – or any other Person that may qualify for a film and television tax credit pursuant to the FPTCA – whether such agreement is for the purpose of leasing or licensing all or any portion of the Property or for any other purpose related to the Property, to provide that such Person agrees, as a condition of such agreement, to timely submit to the City Office of Economic

Development all applications and information required to be submitted pursuant to Section 7-2F-6 in order to obtain the film and television tax credit, whether or not such Person qualifies or otherwise desires to obtain such credit. If any Qualified Expenditures arise in connection with a third-party agreement that provides for the use of space and/or equipment at the Property and at the Shellaberger Property, Developer shall be entitled to credit the Qualified Expenditures arising from both the Property and the Shellaberger Property.

11.3 Economic Opportunity Requirements. For a period of 20 years following the Phase 1 Commencement Date, Developer shall use commercially reasonable efforts to coordinate among local community organizations, the Midtown Engagement Partners, the Office of Economic Development and/or other stakeholders from time to time identified by the City and each Project Employer, on the other hand, to cause to be posted or advertised, and to otherwise utilize the available and offered services of such organizations, for the purpose of disseminating information regarding Project Employment Opportunities among residents of the City for prospective employment. For purposes hereof, "**Project Employer**" means any business or other entity that employs at least one employee for at least 20 hours per week at the Project, whether in connection with the design, construction, maintenance or operation of the Project, with the expectation that such employment at the site will continue at the Project for at least eight weeks, which Project Employers may include (but are not limited to) Developer, Developer's Affiliates, tenants, subtenants, contractors and subcontractors (but specifically excluding the City); and "**Project Employment Opportunities**" means all unfilled employment positions at the Project with any Project Employer during the applicable tax year, whether full-time or part-time, for which the Project Employer reasonably anticipates a majority of the responsibilities of the position during the six-month period following the desired hire date will relate to the Project.

11.4 Commercial Use Requirements. On or before the date that is three months after the Final Completion of Phase 1 (the "**Leasing Deadline**"), Developer shall secure tenants for the Driscoll Retail Space and The Screen for the purpose of operating commercial establishments in compliance with Applicable Rules, which are open to the public during normal business hours, consistent with similar establishments to those operated by tenants. Following the Leasing Deadline, Developer shall use its best efforts to ensure the Building currently known as Driscoll Hall and The Screen remain occupied and open to the public. Developer shall not permit either such space to remain vacant or otherwise closed to public use or access for more than nine months during any three-year period, including and shall, if so required, take such actions as are reasonably necessary in order to secure satisfactory tenants, including, without limitation, reducing the offered rent and/or accepting or conceding such other terms as may be reasonably necessary to secure tenants to operate commercial establishments, in compliance with Applicable Rules, in said spaces (the "**Commercial Use Requirement**"). The Commercial Use Requirement shall remain in effect for a period of 20 years following the Leasing Deadline. Notwithstanding the foregoing or any other provision of this Agreement to the contrary, the provisions of this Section 11.4 shall be applicable only to the extent the uses contemplated herein for the Driscoll Retail Space and The Screen constitute permitted uses pursuant to the Master Plan (as amended).

11.5 Film and Multi-Media Internship Requirements. Commencing on the date that is six months after the Phase 1 Final Completion Date and continuing for 20 years thereafter, Developer shall require that production companies operating at the Property offer and fill an aggregate total of up to 20 six-week internships per year (based on the Average Occupancy Rate defined below) in partnership with a Qualified New Mexico Film School or Qualified New Mexico Internship Program, to the extent

that such program exists in New Mexico in connection with such filming (the "**Film Internship Requirements**"). The number of internships required to be offered and filled each year shall equal the product of (i) 20, multiplied by (ii) the Average Occupancy Rate. For purposes hereof, "**Average Occupancy Rate**" means, for each one-year period beginning on the date that is six months after the Phase 1 Final Completion Date, the quotient, expressed as a percentage, of the "average occupied square footage" of the Studio Area divided by the Studio Area, rounded to the nearest multiple of 5%; and the term "average occupied square footage" means, with respect to each one-year period measured, the net rentable square footage of the Studio Area for which Developer is collecting rent or other revenue as of each day of the one-year period measured divided by the total number of days in such one-year period; and "**Studio Area**" means the net rentable square footage of the Property designated for film or multi-media production, including any industrial or light manufacturing area but excluding, without limitation, all areas for which office, commercial or retail are the sole permitted uses; and "**Base Rentable Studio Area**" means the total Studio Area at the Property determined pursuant to a measurement of the Buildings to be obtained by Developer and approved by the MRA Director prior to the operation of Developer's business at the Property. By way of example, if the Base Rentable Studio Area is 350,000 square feet, and during the course of an applicable one-year period consisting of 365 days, Developer licenses (a) 308,000 square feet of Studio Area (i.e., 88%) for 180 days, (b) 262,500 square feet of Studio Area (i.e., 75%) for 90 days, and (c) 227,500 square feet of Studio Area (i.e., 65%) for 95 days, the Average Occupancy Rate would be equal to 78.81% (i.e., **43.40%** *(88% × (180/365))* + **18.49%** *(75% × (90/365))* + **16.92%** *(90% × (95/365))*), which would round to 80% and result in a requirement of 16 internships (i.e., 20 × 80%) during said period.

11.6 Cultural Elements. Commencing no later than six months after the Phase 1 Final Completion Date and continuing for a minimum of 20 years thereafter, Developer shall (collectively, the "**Cultural Elements Requirements**"):

11.6.1 Provide local community organizations, the Midtown Engagement Partners, or other stakeholders identified from time to time by the City, access to The Screen at least eight days per year at no additional fees beyond reasonable operating costs, including security, staff, and maintenance. Such access shall be at times not normally reserved for normal public theater programming.

11.6.2 Include in the programing of the screening theater at least four events including but not limited to movie showings, guest speakers, and other related programs that are coordinated and/or co-created with local community organizations, the Midtown Engagement Partners, or other stakeholders identified from time to time by the City. Programs shall be inclusive and shall represent the interests of one or more groups historically subject to discrimination or underrepresented, such as the LGBTQ+ community, communities of color, low-income households, Spanish-speaking people, and Indigenous people, and/or causes supportive of any such group's interests, including but not limited to racial equity, social equity or gender equity.

11.6.3 From time-to-time following notice from the City, coordinate with the City to (a) select a mutually acceptable location at the Project for placement of up to three outdoor sculptures selected by the City which are currently located at the Property, and (b) relocate such sculptures onto the Project (at the City's expense). For the avoidance of doubt, the City shall retain the ownership and control of any such sculpture from and following relocation onto the Project, and may remove the same at any time and from time to time upon notice to Developer.

11.7 Dedication of Educational Space. Prior to the date that the City conveys Phase 1 to Developer, the City will record against the Property (or a portion thereof) the educational use covenant attached hereto as Exhibit K.

11.8 Housing Elements. If the Phase 2 Improvements consist of one or more residential units, then prior to the date that the City conveys Phase 2 to Developer, the City's Office of Affordable Housing will record against the real property comprising Phase 2 (or a portion thereof) the City's standard form of land use restriction that will include, among other things, the following obligations that will bind Developer and its successor and assigns:

11.8.1 15% of the total number of residential units developed on-site shall be affordable in compliance with the Santa Fe Homes Program, SFCC 1987, Section 26-1.

11.8.2 Developer shall prohibit property owners and property management entities of residential units from discriminating regarding the use of housing vouchers or source of income; as well as based on race; color, nation origin, religion, sex (including gender identity and sexual orientation), familial status, disability and other protected groups identified in the City's code or charter, in addition to the State of New Mexico's Human Rights Act, NMSA 1978, Section 28-1-7, or federal fair housing law.

11.9 Midtown District Assessments. In the event that the Property is included in a Tax Increment Finance district ("**TIF District**"), Developer shall properly indicate inclusion in the TIF District on all relevant documents submitted to the New Mexico State Department of Tax and Revenue. Developer shall contractually require all tenants occupying the Property to properly indicate inclusion in the TIF District on all relevant documents submitted to the New Mexico State Department of Taxation and Revenue. The City may require Developer to provide proof of compliance with the foregoing obligation.

11.10 Building Names. Commencing on the Effective Date and for a period of 20 years thereafter, Developer, for itself and its successors and assigns, hereby agrees that Developer shall not be entitled to change the names of the Buildings currently known as 'Benildus Hall' (the "**Benildus Name**") and 'Garson Studios' (the "**Garson Name**" and, together with the Benildus Name, the "**Historical Names**") without the prior written approval of the MRA Director, which approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Developer, or the then current owner of either such Building, may, at no cost or expense to the City, may from time to time upon at least 30 days prior written notice to the MRA Director, effect a change of (a) the Benildus Name to a different name that includes the words "Benildus" or "Benildus Hall" or (b) the Garson Name to a different name that includes the words "Garson" or "Garson Studios."

11.11 Environmental Elements.

11.11.1 *Stormwater Management*. Developer shall follow the guidelines established in the Master Plan and Community Development Plan and implement best practices for site construction to ensure that completed stormwater features perform as designed, including implementing procedures to ensure that Developer's contractors avoid pre-compaction of infiltration areas with heavy equipment traffic. Developer shall incorporate water quality treatments for the 90th percentile storm event at the Midtown Site, provided that Developer may incorporate water quality treatments for the 80th percentile storm event following the City's written approval (which shall not be unreasonably withheld) if Developer submits a Technical Memorandum (defined below) to the City that incorporating the 90th

percentile treatments would (a) result in additional costs that exceed 115% of the cost of the 80th percentile treatments, or (b) be infeasible or otherwise result in site constraints that adversely affect the proposed development. For an estimation of the 90th percentile storm event discharge volume, Developer shall refer to U.S. Environmental Protection Agency's (EPA) Technical Report entitled "Estimating Pre-development Hydrology in the Urbanized Areas in New Mexico," and shall elect either the (i) site-specific 90th percentile storm event discharge volume using methodology specified in the referenced EPA Technical Report, or (ii) site-specific pre-development hydrology and associated storm event discharge volume using methodology specified in the referenced EPA Technical Report. If the obligations set forth in this Section are inconsistent with those contained in the Applicable Rules, the more stringent standard or obligation shall control unless a more stringent standard or obligation is expressly precluded by the Applicable Rules. Notwithstanding any provision of this Agreement to the contrary, the Applicable Rules regarding the design of the Project, if any, shall be those that are in effect at the time the Project plans are being processed for approval. "**Technical Memorandum**" means a memorandum, signed by a registered engineer in the state of New Mexico, substantiating the infeasibility of the site meeting the discharge requirements for the 90th percentile storm event, which includes a comprehensive demonstration of why compliance is not possible. Additionally, Developer shall be required to provide such supporting documentation, modeling, and drainage calculations related to the feasibility assessment as the City may reasonably request.

11.12 Environmental and Energy Design Requirements. Developer shall construct all new buildings and renovate all existing Buildings to earn the maximum eligible points for the subcategories designated as 'Required in RFP' on the Project Checklist attached as Appendix A to the Community Development Plan, as further described in the United States Green Building Council (USGBC) Leadership in Environmental and Energy Design: Neighborhood Development (LEED-ND) attached hereto as Exhibit F.

ARTICLE 12
MAINTENANCE AND REPAIR

12.1 Maintenance and Repair. Developer shall keep the Property, including sidewalks and driveways, in safe, good and clean condition, free and clear of equipment, building materials, trash, and debris, other than building materials needed immediately for the construction of the Private Improvements. All building materials stored by Developer Parties (defined below) on the Property in shall be kept in a safe and secure manner. At all times during which Developer, its officers, directors, managers, members, affiliates, agents, employees, representatives, contractors or subcontractors or any other person or entity acting at the direction or with the consent of Developer (each, including Developer, a "**Developer Party**" and, collectively, the "**Developer Parties**") are engaged in the performance of construction activities ("**Construction Activities**"), Developer shall: (a) bear the exclusive responsibility and expense of keeping roads and access ways within and in the vicinity of the Property in safe and clean condition, reasonably free of dirt, mud, and debris which result from Developer's Construction Activities, (b) maintain dumpsters or other trash receptacles at all times and shall empty such dumpsters and trash receptacle before they overflow, but not less frequently than once per week to prevent blowing trash, and (c) install a temporary chain link fence or other protective barriers and caution signage around applicable construction areas.

12.2 Damage. At all times during which the Developer Parties are engaged in Construction Activities, Developer shall take reasonable measures to prevent any damage to adjacent or nearby land, including land owned or maintained by the third parties, governmental entities, utility companies or

the City (the "**Adjacent Land**"), and any Adjacent Improvements located on the Adjacent Land from damage caused by the Construction Activities. "**Adjacent Improvements**" shall include, but shall not be limited to, the Midtown ROW Improvements and all other streets, curbs, gutters, sidewalks, streetlights, underground utilities, walls, landscaping and irrigation improvements, irrigation ditches, and all entry, parking and paving facilities, as well as any other improvements not owned by Developer. Developer shall notify the MRA Director within 10 days following the occurrence of damage to any portion of the Adjacent Land or Adjacent Improvements caused by a Developer Party. Developer shall, at its sole cost and expense, repair such damage and restore the Adjacent Land and/or Adjacent Improvements so damaged to the condition existing immediately prior to the date of such damage. Developer shall indemnify and hold harmless the City Parties from any loss, cost, claim, or damage, including reasonable attorneys' fees, arising from such damage, and shall pay the costs of repairing any damage to the Adjacent Land and/or Adjacent Improvements to the extent such damage results from Construction Activities of Developer or Developer Parties. If Developer fails to properly repair such damage within 30 days follow the occurrence of such damage, the City may elect, pursuant to the City Code, to repair such damage and restore the Adjacent Land and/or Adjacent Improvements so damaged to the condition existing immediately prior to the date of such damage, in which event Developer shall pay the City for the cost of such repair within 10 days following written notice thereof. Notwithstanding any provision of this Article 12 to the contrary, if any damage caused by a Developer Party to any portion of the Adjacent Land or Adjacent Improvements poses imminent danger to the health, safety or welfare of persons located thereon or persons or property in the vicinity thereof, the City may, without providing written notice to Developer or opportunity to cure, repair such damage and property so affected, in which event Developer shall reimburse the City for the cost of such repair within 10 days following written notice thereof.

ARTICLE 13
RESERVED

ARTICLE 14
RELEASE & INDEMNIFICATION

14.1 Release. Developer releases the City Parties from, and covenants and agrees that the City Parties shall not be liable to Developer for, any loss or damage to property or any injury to or death of any Person or Persons occasioned by any cause whatsoever pertaining to the Project, the Property, the use thereof, or any other transaction contemplated by this Agreement; provided that such release shall not apply to any loss or damage to the extent caused by the negligence, acts or omissions of the City Parties.

14.2 General Indemnity. Developer shall indemnify, defend (with counsel reasonably approved by the City, as applicable) and hold harmless the City Parties from all Liabilities, arising from any all claims ("**Claims**") brought against one or more City Parties by any third-party which arise out of or in connection with the Property or any activities, acts or omissions of any of the Developer Parties; provided, however, such indemnity shall not apply to any Liabilities caused by the negligence, acts or omissions of any City Parties and shall be subject to the limitations of NMSA 1978, Section 56-7-1. Developer's indemnity obligations owing to the City Parties under this Section are not limited by applicable insurance coverage required under the Lease. The City shall, after receipt of notice of the existence of a Claim for which it is entitled to indemnity hereunder, notify Developer in writing of the existence of such Claim or commencement of such action.

14.3 Environmental Indemnity. Developer hereby agrees to indemnify, defend (with counsel reasonably approved by the City, as applicable) and hold harmless the City Parties, from all Liabilities (including, but not limited to expenses, penalties and clean-up costs) arising from and against any and all Claims brought against one or more City Parties related to this Project, arising out of or in any way relating to (a) the presence, release, use, generation, transportation, discharge, storage or as a consequence of disposal by Developer Parties, or the presence of any Pollutants in, on or about the Property occurring as a result of or in connection with Developer Parties' use or occupancy of the Property, and in the removal, remediation and disposal of any Pollutants, and (b) the violation, or alleged violation, of any Environmental Laws relating to the use, generation, release, discharge, storage, disposal or transportation of Pollutants on, under, in or about, to or from the Property or migrating onto or under the Property from neighboring properties or otherwise affecting the Property, to the extent caused or permitted by any Developer Parties.

14.4 Survival. The provisions of this Article 14 shall survive any expiration or earlier termination of this Agreement.

ARTICLE 15
ASSIGNMENT; TRANSFER

15.1 Assignment; Transfer. The qualifications and identity of Developer are of particular concern to the City. It is because of those unique qualifications and identity that the City has entered into this Agreement with Developer. Accordingly, Developer shall not directly or indirectly (including by a direct or indirect transfer of the equity in Developer), sell, assign, transfer, convey, or otherwise dispose of, its right, title or interest in this Agreement or a Controlling interest in Developer, whether voluntarily or involuntary by foreclosure, trustee's sale, assignment in lieu thereof or other enforcement of a pledge, hypothecation or collateral assignment of this Agreement (in each case, a "**Transfer**"), without the prior written consent of the City, which consent may be withheld in the City's sole and absolute discretion. Any such attempted Transfer, other than as permitted in this Article 15, without such consent shall be null and void. No Transfer, whether with or without consent, shall operate to release Developer or alter Developer's primary liability to perform its obligations under this Agreement.

15.2 Permitted Transfer. Notwithstanding anything in this Article 15 to the contrary, and provided there is no uncured Event of Default by Developer under this Agreement or the Lease, Developer shall have the right, without the prior written consent of the Governing Body, to Transfer this Agreement or a direct or indirect ownership interest in Developer to (a) a third party, provided that Developer's Principal or an entity Controlled by Developer's Principal, remains the Controlling member of Developer, (b) a Leasehold Mortgagee (as such term is defined in the Lease), or (c) a purchaser of all or substantially all of Developer's assets from the Leasehold Mortgagee or its designee or nominee approved by the City following a Mortgagee Transfer Event (as defined in the Lease) (each, a "**Permitted Transfer**"); provided, however, that, except as otherwise set forth in Section 15.4, (i) such Permitted Transfer is for a valid business purpose and not to avoid any obligations under this Agreement, (ii) no later than 15 days prior to the effective date of the Permitted Transfer, Developer shall give notice to the City, which notice shall include the full name and address of the assignee, and a copy of all agreements executed between Developer and the assignee with respect to the Project or part thereof, as may be the case, (iii) no later than five days after the effective date of the Permitted Transfer, the assignee shall provide a written instrument satisfactory to the City evidencing assignee's assumption of all of the obligations of Developer hereunder, and (iv) within 10 days after the City's

written request, provide such reasonable documents or information which the City reasonably requests for the purpose of substantiating whether or not the Permitted Transfer is to an Affiliate or is otherwise in accordance with the terms and conditions of this Section 15.2. Developer shall not have the right to perform a Permitted Transfer, if, as of the date of the effective date of the Permitted Transfer, an Event of Default is then continuing.

15.3 Collateral Assignment. Notwithstanding the foregoing, Developer may collaterally assign this Agreement to a Leasehold Mortgagee (as defined in the Lease), provided that (i) Developer provides written notice to the MRA Director along with a copy of the collateral assignment at least 10 days prior to the closing of such Leasehold Mortgage, and (ii) the Leasehold Mortgagee complies with the terms and conditions of Section 15.4.

15.4 Financing.

15.4.1 If any interest of Developer in any Phase is Transferred by reason of any foreclosure, deed in lieu of foreclosure, trustee's deed or any other proceeding for enforcement of a Leasehold Mortgage, then the Leasehold Mortgagee thereunder (or any Approved Designee (as defined in the Lease) of the Leasehold Mortgagee) shall agree to assume the obligations of Developer hereunder without the necessity of entering into a an assignment and assumption agreement, except as otherwise provided in this Section 15.4. Notwithstanding the foregoing, the City shall not have the right to terminate this Agreement as a result of any Leasehold Mortgagee failing to assume the obligations of Developer hereunder unless such Leasehold Mortgagee or its Approved Designee fails to do so within 90 days after such Leasehold Mortgagee's acquisition of Developer's leasehold interest in the applicable Phase; it being acknowledged that such Leasehold Mortgagee may intend to Transfer its interest in the such Phase to an Approved Designee and such Approved Designee shall assume the obligations of Developer hereunder.

15.4.2 In no event may Developer represent that the City is or in any way may be liable for the obligations of Developer in connection with (i) any financing agreement or (ii) any public or private offering of securities. Developer agrees to indemnify, defend or hold the City and its respective officers, directors, agents and employees free and harmless from, any and all liabilities, costs, damages, claims or expenses arising out of or related to the breach of its obligations under this Section 15.4.

15.4.3 Developer's breach of this Agreement shall not defeat, render invalid, diminish or impair the lien of any Leasehold Mortgage on the applicable Phase made in good faith and for value.

15.4.4 Prior to terminating this Agreement or exercising any other right or remedy due to an Event of Default, the City will give written notice of any the Event of Default to each Leasehold Mortgagee that previously notified the City of its name, notice address, and of the Leasehold Mortgage's existence (together with a copy thereof), and shall afford the Leasehold Mortgagee a period of 30 days after delivery of such notice in which to cure the Event of Default; provided, however, if any such Event of Default arises from a non-monetary breach or violation that is susceptible to cure by the Leasehold Mortgagee but cannot reasonably be cured within such 30-day period, then so long as the Leasehold Mortgagee commences to cure the Event of Default within the 30-day period and diligently pursues such cure to completion, the Leasehold Mortgagee shall have up to 90 days after notice from the City in which to complete such cure.

15.4.5 Notwithstanding Section 15.4.4 to the contrary, in the event of a non-monetary default which cannot be cured without obtaining possession of the applicable Phase or that is otherwise personal to Developer (i.e., 18.1.1(d) (*General Assignment*), 18.1.1(e) (*Voluntary Petition*), 18.1.1(f) (*Involuntary Petition*) and 18.1.1(g) (*Appointment of Receiver*)) and not susceptible of being cured, the City will not seek any legal remedies under this Agreement without first giving each Leasehold Mortgagee (or its Approved Designee) reasonable time within which exercise its rights and remedies under the Leasehold Mortgage to obtain possession of the applicable Phase, including possession by a receiver, or to institute and complete foreclosure proceedings, and to the extent the Leasehold Mortgagee exercises such rights and remedies (and notifies the City of the same), no cure period set forth in Section 15.4.4 shall commence to run until the Leasehold Mortgagee obtains possession or control of Developer's interest in the applicable Phase. Upon acquisition of Developer's interest in the applicable Phase and performance by the Leasehold Mortgagee of all covenants and agreements of Developer, except those which by their nature cannot be performed or cured by any Person other than Developer (i.e., Sections 18.1.1(d) through 18.1.1(g)), the City's right to seek legal remedies for such non-monetary default shall be waived with respect to the matters which cannot be cured by the Leasehold Mortgagee; provided, however, the City shall not be deemed to have waived any remedies it may have against Developer or Developer's Principal, including without limitation, pursuant to Section 18.2.1(e).

ARTICLE 16
LIENS

Except with respect to leasehold financing permitted under the Lease, (a) Developer shall not place or allow to be placed on the Property (excluding any portion of the Property conveyed pursuant to Section 10.1). any mortgage, deed of trust, security interest, monetary encumbrance or lien (statutory or otherwise), or any agreement to enter into or create any of the foregoing (collectively, a "**Lien**"), on or affecting all or any portion of the Property. Notwithstanding the foregoing, no such Lien shall constitute an Event of Default if, within 30 days after Developer becomes aware of a Lien on or affecting the Property or the Private Improvements, Developer causes the debt secured by such Lien to be satisfied or other security (including a bond) to be deposited with the court in the amount determined by the court to be sufficient to cancel such Lien.

ARTICLE 17
REPORTING REQUIREMENTS

17.1 Reporting Requirements.

17.1.1 *Construction Related Reports*. Developer shall provide written reports substantially in the form attached hereto as Exhibit M (each, a "**Report**") to the MRA Director detailing: (a) the progress of all entitlements, permits, approvals and construction financing required for the commencement of construction of each Phase, (b) during construction, the progress of construction (expressed as a percentage of the completion of each Phase) and any concerns or perceived delays to complete the applicable Phase, and (c) any other information relating to the construction of the Project that the MRA Director may request in its sole discretion. The form of Report may be amended from time to time by the MRA Director. No later than January 31, April 30, July 31, and October 31 of each year, Developer shall deliver to the MRA Director a Report containing the applicable information described above for the prior three-month period (each, a "**Quarterly Construction Report**"). In addition to each Quarterly Construction Report, within 15 days following

the MRA Director's written request, Developer shall deliver to the MRA Director a Report containing the information specified in the MRA Director request.

17.1.2 *Program Related Reports*. On or before January 31st of each year following the Effective Date, Developer shall provide a report to the MRA Director summarizing the extent of Developer's material compliance with the terms of Developer's obligations contained in Sections 11.1 through 11.8 during the preceding calendar year or, with respect to the year in which this Agreement becomes effective, the preceding partial calendar year, provided that no report shall be required for calendar year 2024. This Section 17.1.2 shall survive the expiration or termination of this Agreement for the duration of Developer's obligations under Sections 11.1 through 11.8.

17.1.3 *Developer's Financial Statements*. During the Term of this Agreement, Developer agrees to furnish the MRA Director a copy of Developer's annual Financial Statements within 90 days after the end of Developer's fiscal year. All Financial Statements shall be certified as true and correct by Developer's Principal and reviewed by a certified public accountant who is not an employee or principal of Developer or its Affiliates.

17.2 Audits and Inspections. Not more than twice per calendar year, and at any time after the City has provided written notice to Developer of its reasonable, good faith belief that Developer has materially breached this Agreement (together with documentation or other evidence of such breach), Developer shall make available to the MRA Director for examination all of Developer's records with respect to all matters for which reports or statements are provided pursuant to Section 17.1 of this Agreement. The MRA Director shall give reasonable notice to Developer of such examination, and in any event, a minimum of 14-days' prior notice. Developer shall permit the MRA Director to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement. This Section 17.2 shall survive the expiration or termination of this Agreement for the duration of Developer's obligations under Sections 11.1 through 11.8.

17.3 IPRA Compliance. Developer understands that records in the possession of the City are subject to IPRA, and to the extent required, Developer will comply with IPRA.

ARTICLE 18
DEFAULT AND REMEDIES

18.1 Default by Developer.

18.1.1 *Events of Default*. The following constitute an "**Event of Default**" under this Agreement:

(a) *General Breach*. Developer's breach, or failure to perform in any material respect, any Applicable Rule or any commitment, agreement, covenant, term or condition of this Agreement (other than those specifically described in any other subparagraph of this Section 18.1.1), and failure to remedy any such breach or failure within 30 days after receipt of written notice from the City with respect thereto; provided, however, that such breach or failure will not constitute an Event of Default if such breach or failure cannot reasonably be cured within said 30-day period so long as (i) Developer, within said 30-day period, initiates and diligently and continuously pursues

appropriate measures to remedy the breach or failure, and (ii) such default is cured within 90 days after Developer's receipt of the notice from the City with respect thereto.

(b) *Abandonment*. Developer Abandons the construction of the Project. For purposes hereof, "**Abandon**" and "**Abandonment**" means the stoppage of construction of a Phase of the Project for more than 120 consecutive calendar days after Commencement of Construction of the Phase and prior to Final Completion of the Phase for any reason other than a Force Majeure Event or the City's failure to perform its obligations under Section 8.2 through no fault of Developer.

(c) *Failure to Complete*. Subject to a Force Majeure Event, (i) Developer's failure to cause the Final Completion of Phase 1 by the Phase 1 Final Completion Date, (ii) following Construction Commencement for the Phase 2 Improvements, Developer's failure to cause the Final Completion of the Phase 2 Improvements by the Phase 2 Final Completion Date, or (iii) following Construction Commencement for the Phase 3 Improvements, Developer's failure to cause the Final Completion of the Phase 3 Improvements by the Phase 3 Final Completion Date.

(d) *General Assignment*. Developer makes a general assignment for the benefit of creditors or admits in writing its inability to pay its debts as they become due.

(e) *Voluntary Petition*. Developer files a voluntary petition under any title of the United States Bankruptcy Code, as amended from time to time, or such petition is filed against Developer and an order for relief is entered, or Developer files any petition or answer seeking, consenting to or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or any future federal bankruptcy code or any other present or future applicable federal, state or similar statute or law, or seeks or consents to or acquiesces to or suffers the appointment of any trustee, receiver, custodian, assignee, liquidator or similar official of Developer, or of all or any substantial part of its properties or of the Project or any interest therein of Developer; provided, however, that Developer shall have the right, within 180 days after filing or receiving notice of any such petition or similar action or proceeding described in this subparagraph, to cause such petition or similar action or proceeding to be dismissed, in which case such petition or similar action or proceeding shall not be an Event of Default.

(f) *Involuntary Petition*. Any proceeding against Developer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other present or future applicable federal, state or similar statute or law, has not been dismissed within 180 days after the commencement thereof.

(g) *Appointment of Receiver*. The appointment of any trustee, receiver, custodian, assignee, liquidator or other similar official of Developer or of all or any substantial part of its properties or of the Project or any interest therein of Developer, which appointment has not been vacated or stayed on appeal or otherwise within 180 days after the appointment, or such appointment has not been vacated within 180 days after the expiration of any such stay.

(h) *Breach of Representations*. Any material representation or warranty made by Developer in this Agreement, or in any certificate, notice, demand or request made by Developer in writing and delivered to the City pursuant to or in connection with this Agreement or the Lease, is untrue, false or misleading in any material respect as of the date made or furnished; provided, however, to the extent a representation or warranty is untrue, false or misleading for reasons other than an intentional, material misrepresentation by Developer, such untrue, false or misleading

representation or warranty shall not cause an Event of Default if (i) it is susceptible to cure (i.e., Developer's actions can cause the facts or circumstances relative to the applicable circumstance to change such that the representation or warranty as originally made will become correct), and (ii) such cure is made by Developer within 30 days after receipt by Developer of written notice from the City of the same, provided that if such cure cannot reasonably be completed within said 30-day period, then such longer period of time not to exceed 90 days after Developer's receipt of the notice from the City with respect thereto, so long as Developer, within said 30-day period, initiates and diligently and continuously pursues appropriate measures to cure such breach.

(i) *Failure to Maintain Insurance*. Developer fails to replace or otherwise maintain in full force and effect, without any gap in coverage, any insurance required to be maintained by Developer pursuant to Section 11 of the Lease.

(j) *Monetary Default*. Developer fails to make any payments required to be made by Developer hereunder as and when due, and fails to make any such payment within 30 days after receiving written notice of such failure from the City.

18.2 Remedies.

18.2.1 Upon the occurrence and during the continuance of an Event of Default, the City may, at the City's election:

(a) enter into a workout agreement with Developer to modify this Agreement in the City's sole discretion;

(b) terminate this Agreement and, if the City so elects, in its sole discretion, require the demolition and removal of any partially constructed or partially completed Private Improvements associated with the applicable Phase and the performance of Site Restoration pursuant to and in accordance with Section 7.5, but only if such Event of Default arises in connection with any of the following events (each, a "**Termination Event**"):

(i) any Event of Default arising in connection with any acts or omissions of Developer constituting gross negligence, willful or wanton misconduct, fraud or a knowing violation of any Applicable Rules;

(ii) any Event of Default under 18.1.1(d) (*General Assignment*), 18.1.1(e) (*Voluntary Petition*), 18.1.1(f) (*Involuntary Petition*) or 18.1.1(g) (*Appointment of Receiver*);

(iii) any Event of Default under Sections 18.1.1(b) (*Abandonment*);

(iv) any Event of Default under Section 18.1.1(c) (*Final Completion*) that continues for more than 12 months following the required date for Final Completion for any Phase thereunder;

(v) any Event of Default under Section 18.1.1(i) (*Failure to Maintain Insurance*), or, if the City obtains insurance on Developer's behalf pursuant to Section 18.2.1(d), Developer's failure to reimburse the City within 90 days after the City's written demand therefor; and

(vi) the occurrence of more than two Events of Default under any subsection of Section 18.1.1, exclusive of any other Terminating Event, in any 12-month period; and

(c) if the Developer Abandons the construction of the Project or fails to cause Final Completion of any applicable Phase, (i) do such acts and expend such reasonable funds at the expense of Developer as are reasonably necessary to construct and complete the applicable Private Improvements, in which event all funds expended by the City for such work shall be due and payable by Developer within 30 days after demand by the City, together with accrued interest thereon at 12% per annum from the date incurred until paid, *or* (ii) receive liquidated damages under the circumstances set forth in Section 18.3;

(d) if Developer fails to replace or otherwise maintain in full force and effect, without any gap in coverage, any insurance required to be maintained by Developer pursuant to Section 11 of the Lease, obtain such insurance on Developer's behalf, in which event Developer shall reimburse the City for the cost of such insurance premium within 30 days after written demand by the City, together with accrued interest thereon at 12% per annum from the date incurred until paid;

(e) exercise its rights and remedies under the Guaranty or Bond, as applicable;

(f) seek to enjoin or restrain Developer from commencing or continuing said Event of Default;

(g) seek to cause by injunction Developer to correct and cure said Event of Default; and/or

(h) exercise any and all remedies at law, in equity or otherwise available under this Agreement.

18.2.2 Upon the City's election to exercise its remedy to terminate this Agreement under Section 18.2.1(b) or construct the Private Improvements under Section 18.2.1(c)(i), Developer shall deliver to the City an Assignment of Plans in the form attached hereto as Exhibit L, pursuant to which Developer shall assign to the City all of Developer's right, title and interest in and to all Plans and Specifications and Approvals. Developer acknowledges and agrees that, as a condition of the City's consummation of the transactions herein, each written agreement between Developer and any Person performing work at or for the Project, including work relating to the preparation or modification of the Plans and Specifications, shall include such Person's consent to the assignment by Developer to the City of all right, title and interest of Developer in and to Plans and Specifications.

18.2.3 Upon the occurrence and during the continuance of any material breach, failure or other condition that, but for the City's delivery of notice or the lapse of time thereafter, would constitute an Event of Default, the City may withhold the release of any final maps and/or building permits or other City approvals until the breach or failure is resolved to the reasonable satisfaction of the City; provided, however, the City will not withhold the release of any of the foregoing maps, permits or approvals if Developer delivers written notice to the City of its commencement of actions to cure such breach, failure or other condition within the applicable cure period.

18.3 Liquidated Damages. The City and Developer covenant and agree that because of the difficulty and/or impossibility of determining the City's damages upon the occurrence of an Event of

Default pursuant to Section 18.1.1(c) (*Failure to Complete*), by way of detriment to the public benefit and welfare of the City through lost employment opportunities, degradation of the economic health of the City and loss of revenue, both directly and indirectly, if the City elects its remedy to receive liquidated damages under Section 18.2.1(c)(ii), Developer shall pay to the City, and the City shall accept as an exclusive remedy, as liquidated damages and as a reasonable forecast of such potential damages and not as penalties, $500 per calendar day commencing on the date that the City delivers written notice to Developer of its election to receive liquidated damages pursuant to this Section 18.3 and continuing until earlier of (a) the date that such Event of Default is cured, or (b) the termination of this Agreement pursuant to a Termination Event. Developer agrees to waive any and all affirmative defenses that the amount of liquidated damages provided herein constitutes a penalty.

18.4 Community Benefit and Commercial Use Requirements. Notwithstanding any provision of this Article 18 to the contrary, if Developer fails to satisfy or comply with any of the Community Benefit Requirements, and such failure or non-compliance continues for 30 days after the City provides written notice thereof (a "**Non-Compliance Event**"), Developer shall be obligated to pay to the City a fee (each, a "**Non-Compliance Fee**") for each such Non-Compliance Event, the amount of which shall be $25,000 as of the Effective Date and shall increase annually by the percentage increase in the Consumer Price Index from the Effective Date to the most recent anniversary of the Effective Date prior to the date such Non-Compliance Fee becomes due; provided, however, Developer shall not (i) be required to pay a Non-Compliance Fee more than one time in a calendar year for the same Non-Compliance Event, or (ii) be liable for payment of a Non-Compliance Fee for any Non-Compliance Events in excess of four such events (i.e., $100,000, subject to adjustment based on the Consumer Price Index). For purposes hereof, "**Community Benefit Requirements**" means each of the following independent requirements: (a) the economic opportunity requirements in Section 11.3, (b) the Commercial Use Requirements in Section 11.4, (c) the Film Internship Requirements in Section 11.5, and (d) the Cultural Element Requirements in Section 11.6. The Non-Compliance Fee shall constitute the City's sole and exclusive remedy with respect to Developer's failure to satisfy any such Community Benefit Requirements in any calendar year, except that Developer's failure to pay the City any Non-Compliance Fee within five days after the date such Non-Compliance Fee becomes due shall constitute an Event of Default upon which the City shall be entitled to exercise its remedies under this Article 18.

18.5 Rights and Remedies Cumulative. Except as otherwise expressly stated in Sections 18.3 (Liquidated Damages) and 18.4 (Community Benefit and Commercial Use Requirements), the rights and remedies of the City are cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing by agreement, Applicable Rules, or in equity, and the exercise by the City of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same Event of Default or any other Event of Default, to the extent permitted by law. The provisions of this Article 18 shall survive the expiration or termination of this Agreement. No waiver made by the City or Developer shall apply to obligations beyond those expressly waived in writing.

18.6 Event of Default by City. If the City defaults in its obligation to convey title to any Phase to Developer at the applicable Closing for such Phase pursuant to and in accordance with this Agreement, Developer shall deliver to the City a written notice of default and, upon the City's receipt of the notice of default, the City shall commence and complete the cure of such default. If the City has not completed the cure of the default within 60 days after receipt of the written notice of default, or such longer period as may be reasonably required by the City, provided that the City continuously and

diligently pursues the cure of the default at all times during such period until such cure is completed, then the City's failure to convey title shall constitute a "**City Default**" hereunder. Upon any City Default, Developer may elect, by written notice to the City, as Developer's sole remedy, either to (i) terminate this Agreement, in which case the Initial Deposit will be returned to Developer and, the parties will be relieved of all further obligations under this Agreement except for those obligations that survive termination of this Agreement, or (ii) treat this Agreement as being in full force and effect and, within 30 days following written notice to the City of its election, file a suit for specific performance to compel the City to convey title to the applicable Phase to Developer in accordance with this Agreement. Developer irrevocably waives any right to bring an action for damages of any nature or type, including, without limitation, actual, consequential, incidental or punitive damages. As material consideration for the City entering into this Agreement with Developer, Developer expressly waives any right to record or file a lis pendens or a notice of pendency of action or similar notice against all of any portion of the Project. No part of this Agreement shall be deemed to abrogate or limit any immunities or defenses the City may otherwise have with respect to claims for monetary damages.

18.7 Waiver. Any failures or delays by either Party in asserting any of such Party's rights and remedies as to any Event of Default or City Default, as applicable, shall not operate as a waiver of such Event of Default or City Default, or of any of such Party's rights or remedies hereunder. The provisions of this Article 18 shall survive the expiration or termination of this Agreement.

18.8 Cross-Termination. The City does not desire to lease the Property to Developer pursuant to the Lease without Developer's commitment to develop and purchase the Project pursuant to this Agreement, and Developer does not desire to lease the Property from the City pursuant to the Lease without having the right to develop and acquire the Project pursuant to this Agreement. Therefore, the parties hereto agree that notwithstanding any other provision hereof, in the event (a) the Lease is terminated for any reason (other than termination with respect to a single, conveyed Phase), then this Agreement shall also terminate and be of no further force and effect, except for those obligations that survive termination of this Agreement, and (b) this Agreement is terminated for any reason, then the Lease shall also terminate and be of no further force and effect, except for those obligations that survive termination of the Lease, and in each such case, each party shall be entitled to pursue its applicable rights or remedies, if any, provided for under this Agreement and/or the Lease.

ARTICLE 19
RIGHT OF FIRST REFUSAL

19.1 City Right of First Refusal. If, at any time prior to the ROFR Termination Date (as defined in Section 19.3), Developer receives a bona fide offer from an unaffiliated third-party ("**Offer Party**") to acquire all or any portion of the Property that Developer intends to accept, then Developer shall promptly provide written notice to the City, setting forth the material terms of the offer, including the legal description of the applicable portion of the Property (the "**Offer Land**"), offer price, earnest money deposit, due diligence period, closing time, and other material terms and conditions (the "**Offer Notice**"). The City may elect to acquire all of the Offer Land (but not less than all) in accordance with the same material terms and conditions contained in the Offer Notice, by delivering written notice to Developer of the City's willingness to enter into a contract for the purchase of the Offer Land (the "**Election Notice**") no later than 45 days following the City's receipt of the Offer Notice (the "**Election Deadline**"); provided, however, the City shall not be required to accept any terms for which the City's agreement would constitute a violation of Applicable Rules.

19.2 Contract Negotiation. Within 10 days after Developer's receipt of the City's Election Notice to Developer, Developer shall provide a draft purchase and sale agreement consistent with the material terms of the offer, and the City and Developer shall endeavor in good faith to negotiate a mutually agreeable purchase and sale agreement containing the material terms of the offer ("**Offer Contract**") within 45 days after Developer's receipt of the Election Notice ("**Offer Contract Deadline**"). Each Party shall be responsible for all expenses, including, without limitation, all legal fees, incurred by such Party with respect thereto. The execution and delivery of the Offer Contract will be subject to approval by the Governing Body in accordance with the City Code.

19.3 Termination of Right of First Refusal. The City's right of first refusal under this Article 19 shall terminate with respect to the Offer Land on the earlier of (a) the expiration of the Election Deadline if the City fails to timely deliver its Election Notice for the Offer Land, or (b) the expiration of the Offer Contract Deadline if the City and Developer, despite their commercially reasonable efforts to do so, are unable to agree upon an Offer Contract for the Offer Land following delivery of any Election Notice. Upon any such termination, the City shall have no further right or interest in the Offer Land, and Developer shall thereafter be free to sell or transfer the Offer Land to the Offer Party, subject to this Agreement, the Applicable Rules and matters of record. Notwithstanding the foregoing, if the Offer Party fails to acquire the Offer Land on terms materially consistent with the original offer within 180 days after the referenced termination, the City's option under this Article 19 shall be reinstated with respect to the unacquired Offer Land. The City's right of first refusal under this Article 19 shall expire and be of no further force or effect on the earlier of (i) the fifth anniversary of the Phase 1 Closing Date, or (ii) the date Developer has conveyed all of the Property to one or more unaffiliated third parties in accordance with this Agreement (as applicable, the "**ROFR Termination Date**"). For the avoidance of doubt, prior to the ROFR Termination Date, the City's right of first refusal shall continue with respect any portion of the Property owned by Developer that is not subject to an Offer Contract.

ARTICLE 20
GENERAL PROVISIONS

20.1 Compliance with Laws. Developer shall carry out the design and construction of the Private Improvements and the operation of the Project in conformity with all Applicable Rules, including all applicable state labor standards, building, plumbing, mechanical, and electrical codes, and the Americans With Disabilities Act of 1990 (42 U.S.C. Section 12101, et seq., as amended, the "**ADA**"), as such Applicable Rules exist on the Effective Date or the date of the relevant application or request for permit, as applicable. During any Construction Activities, Developer shall comply, and cause the other Developer Parties to comply, with all Applicable Rules, including the ADA. Developer, through any contractor, agrees to be responsible for knowing all applicable requirements of the ADA and to defend, indemnify and hold harmless the City, its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties as a result of any acts or omissions of Developer Parties or its agents in violation of the ADA.

20.2 Discrimination Prohibited. Developer shall comply, and cause the Developer Parties to comply, with Applicable Rules relating to discrimination against or segregation of any Person or group of Person, and will not on the grounds of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, sexual preference, marital status, source of income, physical or mental disability, medical condition, or citizenship status, discriminate or permit discrimination against any Person or group of Persons in any manner prohibited by Title 49 CFR Parts

21 and 23, the Civil Rights Act of 1964, as amended, the Equal Pay Act of 1963, the Rehabilitation Act of 1973, the New Mexico Human Rights Act, and SFCC 1987 Section 2.02. Without limiting the generality of the foregoing, Developer will not discriminate against any employee or applicant for employment or tenancy because of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, sexual preference, physical or mental disability, medical condition, or citizenship status. Such covered actions include, without limitation: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training; and disciplinary actions and grievances. Developer agrees to post in conspicuous places available to employees, and applicants for employment, notice to be provided setting forth the provisions of this non-discrimination clause.

20.3 Recordation. Promptly after the later of the Effective Date and the recordation of the Plat, the City shall record an executed original of this Agreement in the real property records of the Clerk's Office of Santa Fe County, New Mexico (the "**Official Records**"). All amendments, transfers, and assignments hereto must be in writing signed by the appropriate officers of the City and Developer in a form suitable for recordation in the Official Records. Upon completion of the Private Improvements based on a Certificate of Completion for the final Phase, or the earlier revocation or termination of this Agreement, the final Certificate of Completion, revocation, or termination shall be signed by the appropriate officers of the City and Developer, and the City shall record such document in the Official Records; provided, however, such document or the recording thereof shall not effect or eliminate any obligations in this Agreement that expressly survive the termination or expiration hereof.

20.4 Covenants Running With the Land. This Agreement, including all covenants, agreements, rights, restrictions and obligations contained herein (subject to certain term limitations as contained in this Agreement) (i) shall run with the Property, (ii) shall be binding upon the Developer, the owner(s) of any portion of the Property, and each of its and their successors (by merger, consolidation, operation of law or otherwise), successors-in-title, assigns, and lessees, whether by operation of law or in any manner whatsoever, and (iii) shall inure to the benefit of the City, as the intended beneficiary of the terms and provisions of this Agreement and of the covenants running with the Property, without regard to whether the City has been, remains, or is an owner of any interest in the Property or the Midtown Site. In the event this Agreement is terminated by the City, this Agreement may be released of record, in whole or in part, upon execution and recording by the City of a notice of termination or other instrument evidencing such termination.

20.5 Notices. Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be delivered either personally with a receipt requested therefor, or by overnight courier, or by certified mail, return receipt requested, postage prepaid, in any case addressed to the Parties at their respective addresses set forth below, and the same shall be effective (a) upon receipt or refusal if delivered personally, (b) one Business Day after depositing with such an overnight courier service, (c) three Business Days after deposit in the mail if mailed, or (d) upon successful electronic mail transmission evidenced by an electronic "read receipt" and provided that such notice is also delivered by the means described in clauses (a) or (b) within two Business Days after such electronic mail notice. All notices to the City or Developer shall be sent to the persons and addresses set forth below. A Party may change its address for receipt of notices by service of a notice of such change in accordance herewith.

If to the City: City of Santa Fe

Attention: City Attorney's Office
200 Lincoln Avenue
Santa Fe, NM 87501

with a copy to: Midtown Redevelopment Agency
Attention: MRA Director
200 Lincoln Avenue
Santa Fe, NM 87501

If to Developer: Aspect QOZB LLC
Attention: Phillip Gesue
1954 Siringo Road
Santa Fe, NM 87505

with a copy to: Long, Komer & Associates, P.A.
Attention: Nancy R. Long
P.O. Box 5098
1800 Old Pecos Trail, Suite A
Santa Fe, NM 87505

20.6 Relationship Between Parties. Notwithstanding any language in this Agreement or any representation or warranty to the contrary, the relationship between Developer and the City shall be as independent contractors, and neither the City nor Developer shall be deemed or constitute an employee, servant, agent, partner or joint venturer of the other.

20.7 No Third-Party Rights. This Agreement is for the sole and exclusive benefit of the Parties and their respective successors and permitted assigns, and no third party other than a permitted assignee of the City or Developer is contemplated to or shall have any rights hereunder.

20.8 Counterparts. This Agreement may be signed in multiple counterparts or with detachable signature pages, but either or both circumstances shall constitute one instrument, binding upon all parties thereto as if all parties signed the same document. If so executed, each such counterpart of this Agreement is to be deemed an original for all purposes and all such counterparts will collectively constitute one Agreement, but in making proof of this Agreement, it will not be necessary to produce or account for more than one such counterpart.

20.9 Exhibits; Ancillary Documents. All certificates, documents, exhibits, attachments, riders, and addenda referred to in this Agreement are hereby incorporated into this Agreement by reference and made a part hereof as though set forth in full in this Agreement to the extent they are consistent with its conditions and terms. In the event of any conflict between the terms set forth in this Agreement for any exhibit or ancillary document and the terms set forth in the agreed-upon exhibit or ancillary document, the terms of the agreed-upon exhibit or ancillary document, as applicable, shall control.

20.10 Time of Essence. Time is expressly made of the essence with respect to the performance by Developer of every obligation and condition of this Agreement.

20.11 Computation of Time. All references herein to "days" mean calendar days. All references herein to "months" mean the period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that, solely with respect to the last month of any period (a) if the numerically corresponding day is not a Business Day, that period will be deemed to end on the next Business Day, (b) if there is no numerically corresponding day in the next calendar month, then that period shall end on the first Business Day after the last day of that month. In computing any period of time under this Agreement in which days define the period, (i) the date of the act or event from which the designated period of time begins to run shall not be included, and (ii) the last day of the period so computed shall be included unless it is a day other than a Business Day, in which event the day for performance thereof shall be extended to the next Business Day. If any act is to be done by or within a period of time, the last day of said period of time shall be deemed to end at 5:00 p.m. MT.

20.12 Effect and Duration of Agreement Provisions. All obligations, covenants and agreements contained herein which are not performed at or before Final Completion of the Project (or any Phase thereof) but which are to be performed after Final Completion of the Project or the Phase, as applicable, as provided in this Agreement, shall survive the Final Completion of the Project or Phase, as applicable. Subject to the foregoing and any other provisions of this Agreement that by their terms expressly survive the performance, expiration or earlier termination of this Agreement, as applicable, the provisions of this Agreement applicable to any Private Improvement Project Specifications shall terminate with respect to each Phase upon the issuance of the Certificate of Completion for such Phase.

20.13 Force Majeure. Neither the City nor Developer shall be deemed to be in default hereunder if either Party is prevented from performing any of the obligations, other than monetary obligations hereunder, by reason of strikes, boycotts, labor disputes, embargoes, industry-wide or regional shortages of labor, energy or materials (to the extent not caused by the failure of any person to adequately plan materials orders or labor allocation as necessitated by the then-current markets therefor), acts of the public enemy, infectious disease or pandemic, weather conditions and the results of acts of nature, riots, rebellion, sabotage, any approval required by the City (not including any period of time normally expected for the processing of such approvals in the ordinary course of affairs), or any other similar circumstances for which it is not responsible or which are not within such Party's control (each a "**Force Majeure Event**"); provided, however, the Parties stipulate and agree that none of the following events or occurrences shall be deemed a Force Majeure Event: (a) the novel coronavirus COVID-19 pandemic (except to the extent the pandemic is the direct cause of any of the delay events listed above), (b) financial distress or the inability of a Party to earn a profit or avoid a financial loss, and (c) a Party's inability to perform its financial obligations hereunder, including Developer's inability to secure funds in an amount sufficient to complete the Private Improvements. An extension of time for any Force Majeure Event shall commence to run from the time of the commencement of the Force Majeure Event if notice by the Party claiming such extension is sent to the other Party within 30 days after said commencement. If such notice is delivered after such 30-day period, the extension period shall commence to run from the date of such notice. After the termination of any such Force Majeure Event, the obligation to perform shall recommence with a day-for-day delay extension to any deadlines.

20.14 Severability. In the event any covenant, condition or provision herein is held to be invalid, illegal, or unenforceable by any court of competent jurisdiction, such covenant, condition or provision shall be deemed amended to conform to Applicable Rules so as to be valid or enforceable or, if it cannot be so amended without materially altering the intention of the parties, it shall be stricken.

If stricken, all other covenants, conditions and provisions of this Agreement shall remain in full force and effect provided that the striking of such covenants, conditions or provisions does not materially prejudice either the City or Developer in its respective rights and obligations contained in the valid covenants, conditions or provisions of this Agreement.

20.15 Interpretation. Whenever the words "include," "includes" or "including" are used in this Agreement they shall be deemed to be followed by the words "without limitation." The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Unless otherwise expressly provided herein, any agreement, instrument or statute defined or referred to herein or in any agreement or instrument defined or referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes, and references to all attachments thereto and instruments incorporated therein.

20.16 Sections. References to section numbers are to sections in this Agreement, unless otherwise expressly stated.

20.17 Gender, Singular/Plural. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

20.18 Headings and Captions. Headings and captions of sections and paragraphs are for convenience, not limitation, and are not to be construed as modifying text.

20.19 Further Assurances. Developer and the City covenant that they shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such instrument, supplemental hereto and further acts, instruments and transfers as may be required hereunder. All such ancillary agreements shall be in accordance with and not contradictory to the terms and conditions set forth in this Agreement.

20.20 Waiver. No provisions of this Agreement shall be deemed to have been waived by either Party unless such waiver is in writing, signed by the Party making the waiver and addressed to the other Party, nor shall any custom or practice which may evolve between the Parties in the administration of the terms of this Agreement be construed to waiver or lessen the right of either Party to insist upon the performance of the other Party in strict accordance with the terms of this Agreement. Further, the waiver by any Party of a breach by the other Party or any term, covenant, or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition thereof. No acceptance by the City of any partial payment shall constitute an accord or satisfaction but shall only be deemed a partial payment.

20.21 Modifications; City Approval. Any amendment, alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each Party and, if applicable, approved by the Governing Body and in accordance with any applicable City signature policy. The MRA Director shall record amendments, alterations, changes, and modifications to this Agreement in the Official Records, though a failure to so record shall not impair the effectiveness of such as between the Parties. The MRA Director may extend the time for the performance of any term or satisfaction of any condition hereunder for up to 180 days by the execution of a letter countersigned by Developer. The City Manager may approve changes to the

Project requested by Developer to the extent the value of such changes is not in excess of the City Manager's contractual authority and to the extent equal value is received by the City. At any time during which the MRA Director position is unoccupied or in the event the MRA ceases to exist, references in this Agreement to the "MRA Director" shall be deemed to refer instead to the City Manager who shall fulfill the role and assume the responsibilities of the MRA Director under this Agreement.

20.22 Legal Advice. Each Party represents to the other that it has carefully read this Agreement; and in signing this Agreement, it does so with full knowledge of any right which it may have; it has received independent legal advice from its legal counsel as to the matter set forth in this Agreement; and it has freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other Party, or its agents, employees, or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise. This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared primarily by counsel for one of the Parties, it being recognized that both the City and Developer have contributed substantially and materially to the preparation of this Agreement.

20.23 Non-Liability of Officials and Employees of the City. No member, official or employee of the City shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Developer or its successors, or on any obligations under the terms of this Agreement.

20.24 New Mexico Tort Claims Act. The City's liability in connection with the Agreement is limited by the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et seq. NMSA 1978, as amended. The City and its "public employees", as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense, and do not waive any limitation of liability pursuant to law. No provision of this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

20.25 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico.

20.26 Legal Proceedings; Attorneys' Fees and Costs. The Parties agree that the exclusive venue for any claims, disputes, disagreements, controversies, lawsuits, or causes of action by or between Developer and the City arising out of or relating to this Agreement, the Project, the Property, or the Construction Activities (collectively, "**Disputes**"), shall be the First Judicial District Court located in Santa Fe, New Mexico. Any and all Disputes shall be tried as a bench trial and not as a jury trial. In the event it becomes necessary for the City to enforce any of the terms and provisions of this Agreement, whether or not suit be instituted, Developer shall pay all costs and expenses incurred by the City in connection with the City's enforcement of this Agreement, including, but not limited to, reasonable attorneys' fees.

20.27 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, THE PARTIES HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVE, RELINQUISH AND FOREVER FORGO THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO A DISPUTE.

EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY DISPUTE WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY DISPUTE. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE SUCH WAIVERS; (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS; (C) IT MAKES SUCH WAIVERS VOLUNTARILY; AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 20.27.

20.28 Approval Required. This Agreement shall not become effective or binding until approved by the highest approval authority required by the City under this Agreement.

20.29 Appropriations. Notwithstanding any other provisions in this Agreement, the terms of this Agreement are contingent upon the Governing Body making the appropriations necessary for the performance of this Agreement. If sufficient appropriations and authorizations are not made by the Governing Body, or if unspent appropriations from any prior fiscal year are not appropriated in the then current fiscal year, this Agreement may be terminated upon 30 days' written notice given by the City to Developer. Such event shall not constitute a City Default or other default by the City. All obligations of the City and all of its interest in this Agreement will cease upon the date of termination. The City's decision as to whether sufficient appropriations are available shall be accepted by all parties and shall be final.

20.30 No Pecuniary Liability of City. No provision of this Agreement shall constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitations of the State of New Mexico, nor constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

20.31 Officials, Agents and Employees Not Personally Liable. No official, agent, or employee of the City nor member of the Governing Body shall be personally liable to any person by virtue of any provision of this Agreement.

20.32 No Collusion. Developer represents that this Agreement is entered into by Developer without collusion on the part of Developer with any person or firm, without fraud and in good faith. Developer also represents that no gratuities, in the form of entertainment, gifts or otherwise, were, or during the term of this Agreement, will be offered or given by Developer or any agent or representative of Developer to any officer or employee of the City with a view towards securing this Agreement or for securing more favorable treatment with respect to making any determinations with respect to performing this Agreement.

20.33 Public Records. The Parties acknowledge that the City is a government entity and subject to the IPRA. Notwithstanding anything contained herein to the contrary, the City shall not be responsible to Developer or any third-party contractor for any disclosure of confidential information pursuant to the IPRA or pursuant to the City's public records act laws, rules, regulations, instructions or other legal requirement.

20.34 Governmental Right and Powers. Nothing in this Agreement will be construed or interpreted as limiting, relinquishing, or waiving any rights of ownership enjoyed by the City in the Property or waiving or limiting the City's control over the management, operations or maintenance of the Property, except as specifically provided in this Agreement, or impairing exercising or defining governmental rights and the police powers of the City.

20.35 Survival. All obligations, covenants and agreements contained herein which are intended to be performed in whole or in part after the completion of construction of the Project or termination of this Agreement shall survive the completion of construction of the Project or termination of this Agreement and shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

[*Remainder of this page intentionally left blank*]
[*Signatures and acknowledgements appear on the following pages*]

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the City and Developer as of the Effective Date.

Date of City of Santa Fe Governing Body
Approval: _____, 20__

CITY:

CITY OF SANTA FE,
a municipal corporation and political subdivision of the State of New Mexico

By: _____

Mayor

APPROVED AS TO FORM:

By: _____
Assistant City Attorney

ATTEST:

By: _____
City Clerk

STATE OF NEW MEXICO }
} ss.
COUNTY OF SANTA FE }

This instrument was acknowledged before me on _____, 20__ by _____, as _____ of City of Santa Fe, a municipal corporation and political subdivision of the State of New Mexico.

(Seal, if any)

_____
(Signature of Notarial Officer)

[*Signatures and acknowledgements continue on the following page*]

DEVELOPER:

ASPECT QOZB, LLC,
a Delaware limited liability company

By: _____
Name: Phillip Gesue
Title: Managing Member

STATE OF NEW MEXICO }
} ss.
COUNTY OF SANTA FE }

This instrument was acknowledged before me on October 24, 2024 by Phillip Gesue as Managing Member of Aspect QOZB, LLC, a Delaware limited liability company.

(Seal, if any)

_____
(Signature of Notarial Officer)

STATE OF NEW MEXICO
NOTARY PUBLIC
KANDRA LYNN PAYNE
COMMISSION # 1139277
COMMISSION EXPIRES 12/02/2026

[DEVELOPER SIGNATURE PAGE AND ACKNOWLEDGMENT]

JOINDER OF DEVELOPER'S PRINCIPAL

FOR GOOD AND VALUABLE CONSIDERATION as set forth in this Development and Disposition Agreement, the receipt and sufficiency of which is hereby acknowledged, PHILLIP GESUE, as Developer's Principal, hereby joins in the execution of this Agreement in order to evidence and confirm its agreement to be bound by the provisions hereof relating to or expressly obligating Developer under Section 14.3 hereof.

Developer's Principal, by its execution hereof, agrees that it shall be personally liable and responsible to the City for Developer's default under Section 14.3 of this Agreement. Nothing contained in this Joinder shall be deemed to waive, release, limit, or otherwise modify any obligation or liability that Developer currently has or may have in the future pursuant to this Agreement or any binding agreement between the City and Developer or any other Person or any obligation or liability arising under or pursuant to law or equity.

Phillip Gesue

[DEVELOPER SIGNATURE PAGE AND ACKNOWLEDGMENT]

EXHIBIT A

DEPICTION OF THE MIDTOWN SITE

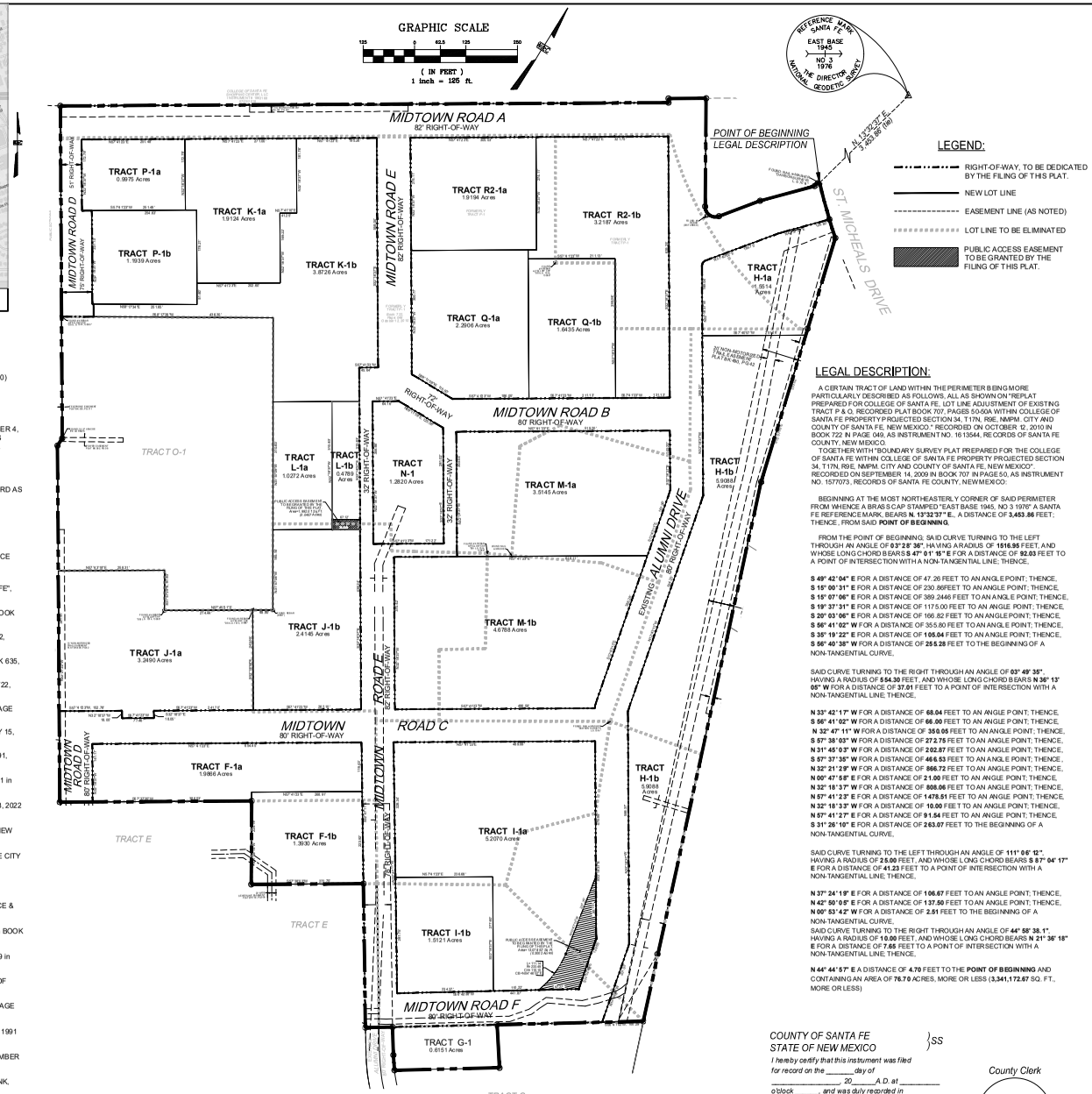
[attached]

Lot Line Adjustment to Create Right-of-Way

for PLAT OF EXISTING
College of Santa Fe
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
August 2024



VICINITY MAP
N.T.S.



LEGEND:

- RIGHT-OF-WAY, TO BE DEDICATED BY THE FILING OF THIS PLAT.
- NEW LOT LINE
- EASEMENT LINE (AS NOTED)
- LOT LINE TO BE ELIMINATED
- PUBLIC ACCESS EASEMENT TO BE GRANTED BY THE FILING OF THIS PLAT.

NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE. DISTANCES ARE GROUND DISTANCES. COMBINED GRID TO GROUND SCALE FACTOR: 1.000406253 (SCALED AROUND 0,0) BASED ON A LINE FROM "SANTA FE EAST BASE RM3" TO "BM B-439, 1984", BEARING = S.49°38'22"W.
3. BENCHMARK USED FOR THIS PROJECT IS "SANTA FE EAST BASE RM3".
4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

REFERENCED DOCUMENTS:

THE FOLLOWING DOCUMENTS AND INSTRUMENTS WERE USED FOR THE PERFORMANCE AND PREPARATION OF THIS PLAT:

1. PLAT OF SURVEY ENTITLED, "REPLAT PREPARED FOR THE COLLEGE OF SANTA FE", recorded SEPTEMBER 14, 2006 in PLAT BOOK 707, PAGE 050-051.
2. DIVISION PLAT FOR THE COLLEGE OF SANTA FE, recorded MAY 19, 2006 in PLAT BOOK 682, PAGE 06.
3. REPLAT FOR COLLEGE OF SANTA FE, recorded JANUARY 2, 2006 in PLAT BOOK 672, PAGE 33.
4. REPLAT FOR COLLEGE OF SANTA FE, recorded SEPTEMBER 19, 2006 in PLAT BOOK 635, PAGE 46, 47.
5. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in PLAT BOOK 722, PAGE 049.
6. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in BOOK 719, PAGE 044.
7. BOUNDARY EASEMENT SURVEY PLAT FOR COLLEGE OF SANTA FE, recorded JULY 15, 2010 in BOOK 719, PAGE 047.
8. PLAT OF ALTA/ACSM LAND TITLE SURVEY, recorded OCTOBER 10, 2008 in BOOK 691, PAGE 029.
9. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded JUNE 28, 2011 in BOOK 735, PAGE 045.
10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
11. PLAT OF EASEMENT SURVEY FOR COLLEGE OF THE CHRISTIAN BROTHERS OF NEW MEXICO, recorded 08/17/2009.
12. REPLAT OF TRACT 3A & 3B FOR COLLEGE OF THE BOARD OF EDUCATION OF THE CITY OF SANTA FE, recorded MARCH 12, 1991 in BOOK 220, PAGE 037.
13. BOUNDARY SURVEY PLAT FOR PRESBYTERIAN MEDICAL SERVICES, recorded NOVEMBER 30, 2004 in BOOK 574, PAGE 035.
14. LOT CONSOLIDATION FOR THE STATE OF NEW MEXICO DEPARTMENT OF FINANCE & ADMINISTRATION, recorded OCTOBER 4, 1990 in BOOK 215, PAGE 013.
15. QUITCLAIM DEED from U.S.A. to COLLEGE OF THE CHRISTIAN, filed MAY 23, 1949 in BOOK 40, PAGE 437.
16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK , filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.

LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND LYING WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "REPLAT PREPARED FOR COLLEGE OF SANTA FE, LOT LINE ADJUSTMENT OF EXISTING TRACT P & O, RECORDED PLAT BOOK 707, PAGES 50-50A WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T17N, R9E, NMPM, CITY AND COUNTY OF SANTA FE, NEW MEXICO." RECORDED ON OCTOBER 12, 2010 IN BOOK 722 IN PAGE 049, AS INSTRUMENT NO. 1613544, RECORDS OF SANTA FE COUNTY, NEW MEXICO.

TOGETHER WITH "BOUNDARY SURVEY PLAT PREPARED FOR THE COLLEGE OF SANTA FE WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T17N, R9E, NMPM, CITY AND COUNTY OF SANTA FE, NEW MEXICO". RECORDED ON SEPTEMBER 14, 2009 IN BOOK 707 IN PAGE 50, AS INSTRUMENT NO. 1577073, RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHEASTERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 13°33'37" E.**, A DISTANCE OF **3,483.86** FEET; THENCE, FROM SAID **POINT OF BEGINNING**,

FROM THE POINT OF BEGINNING, SAID CURVE TURNING TO THE LEFT THROUGH AN ANGLE OF **93°28'36"**, HAVING A RADIUS OF **1516.95** FEET, AND WHOSE LONG CHORD BEARS **S. 47° 01' 15" E** FOR A DISTANCE OF **92.03** FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE; THENCE,

S 49° 42' 04" E FOR A DISTANCE OF 47.26 FEET TO AN ANGLE POINT; THENCE, **S 15° 00' 31" E** FOR A DISTANCE OF 230.86FEET TO AN ANGLE POINT; THENCE, **S 15° 07' 06" E** FOR A DISTANCE OF 389.2446 FEET TO AN ANGLE POINT; THENCE, **S 19° 37' 31" E** FOR A DISTANCE OF 1175.00 FEET TO AN ANGLE POINT; THENCE, **S 20° 03' 06" E** FOR A DISTANCE OF 166.82 FEET TO AN ANGLE POINT; THENCE, **S 56° 41' 02" W** FOR A DISTANCE OF 355.80 FEET TO AN ANGLE POINT; THENCE, **S 35° 19' 22" E** FOR A DISTANCE OF **105.04** FEET TO AN ANGLE POINT; THENCE, **S 56° 40' 38" W** FOR A DISTANCE OF **255.28** FEET TO THE BEGINNING OF A NON-TANGENTIAL CURVE,

SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF **03° 49' 35"**, HAVING A RADIUS OF **5 54.30** FEET, AND WHOSE LONG CHORD BEARS **N 36° 13' 05" W** FOR A DISTANCE OF **37.01** FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE; THENCE,

N 33° 42' 17" W FOR A DISTANCE OF **68.04** FEET TO AN ANGLE POINT; THENCE, **S 56° 41' 02" W** FOR A DISTANCE OF **66.00** FEET TO AN ANGLE POINT; THENCE, **N 32° 47' 11" W** FOR A DISTANCE OF **350.05** FEET TO AN ANGLE POINT; THENCE, **S 57° 38' 03" W** FOR A DISTANCE OF **27.275** FEET TO AN ANGLE POINT; THENCE, **N 31° 45' 03" W** FOR A DISTANCE OF **252.87** FEET TO AN ANGLE POINT; THENCE, **S 57° 37' 35" W** FOR A DISTANCE OF **466.63** FEET TO AN ANGLE POINT; THENCE, **N 32° 21' 29" W** FOR A DISTANCE OF **866.72** FEET TO AN ANGLE POINT; THENCE, **N 00° 47' 58" E** FOR A DISTANCE OF **21.00** FEET TO AN ANGLE POINT; THENCE, **N 32° 18' 37" W** FOR A DISTANCE OF **808.06** FEET TO AN ANGLE POINT; THENCE, **N 57° 41' 23" E** FOR A DISTANCE OF **1478.51** FEET TO AN ANGLE POINT; THENCE, **N 32° 18' 33" W** FOR A DISTANCE OF **10.00** FEET TO AN ANGLE POINT; THENCE, **N 57° 41' 27" E** FOR A DISTANCE OF **91.54** FEET TO AN ANGLE POINT; THENCE, **S 31° 26' 19" E** FOR A DISTANCE OF **263.07** FEET TO THE BEGINNING OF A NON-TANGENTIAL CURVE,

SAID CURVE TURNING TO THE LEFT THROUGH AN ANGLE OF **111° 0'6' 12"**, HAVING A RADIUS OF **25.00** FEET, AND WHOSE LONG CHORD BEARS **S 87° 04' 17" E** FOR A DISTANCE OF **41.23** FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE THENCE,

N 37° 24' 19" E FOR A DISTANCE OF **106.67** FEET TO AN ANGLE POINT; THENCE, **N 42° 50' 0.5" E** FOR A DISTANCE OF **137.50** FEET TO AN ANGLE POINT; THENCE, **N 00° 53' 4.2" W** FOR A DISTANCE OF **2.51** FEET TO THE BEGINNING OF A NON-TANGENTIAL CURVE,
SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF **44° 58' 38. 1"**, HAVING A RADIUS OF **10.00** FEET, AND WHOSE LONG CHORD BEARS **N 21° 36' 18"** E FOR A DISTANCE OF **7.85** FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE THENCE,

N 44° 44' 57" E A DISTANCE OF **4.70** FEET TO THE **POINT OF BEGINNING** AND CONTAINING AN AREA OF **76.70** ACRES, MORE OR LESS (**3,341,172.67** SQ. FT., MORE OR LESS)

COUNTY OF SANTA FE }
STATE OF NEW MEXICO } SS

I hereby certify that this instrument was filed for record on the _____ day of _____ 20 _____ A.D. at _____ o'clock _____, and was duly recorded in book _____ page(s) _____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

_____
Deputy

County Clerk

Seal

STATEMENT OF DECLARATION:

THE PURPOSE OF THIS PLAT IS TO:

ADJUST LOT LINES AND TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON. THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER. THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

_____
BY: ALAN WEBBER, MAYOR DATE:

_____
CITY CLERK: DATE:

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, ACKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20 ____.

_____
NOTARY PUBLIC MY COMMISSION EXPIRES

REVIEWED BY COUNTY OF SANTA FE:

_____
COUNTY TREASURER DATE:

REVIEWED BY CITY OF SANTA FE:

_____
CITY ENGINEER FOR LAND USE DATE:

_____
CITY PLANNER DATE:

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

_____
BENJAMIN M. ARAGON N.M.P.L.S. #15268

_____
DATE

WILSON & COMPANY
4401 MASTHEAD ST. NE, SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

SHEET 1 OF 1

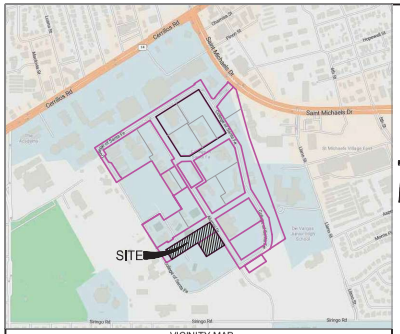
EXHIBIT B-1

DEPICTION OF THE PROPERTY

The following Tracts, as depicted on the following maps, comprise Phase 1, Phase 2 and Phase 3 of the Property, as follows:

Phase 1:	Phase 2:	Phase 3:
Tract F-1b	Tract F-1a	Tract G-1
Tract I-1a		Tract I-1b
Tract L-1a		

Lot Split to create
TRACTS F-1a and F-1b
LOT LINE ADJUSTMENT PLAT OF EXISTING
TRACT F and TRACT J
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
August 2024



VICINITY MAP
N.T.S.

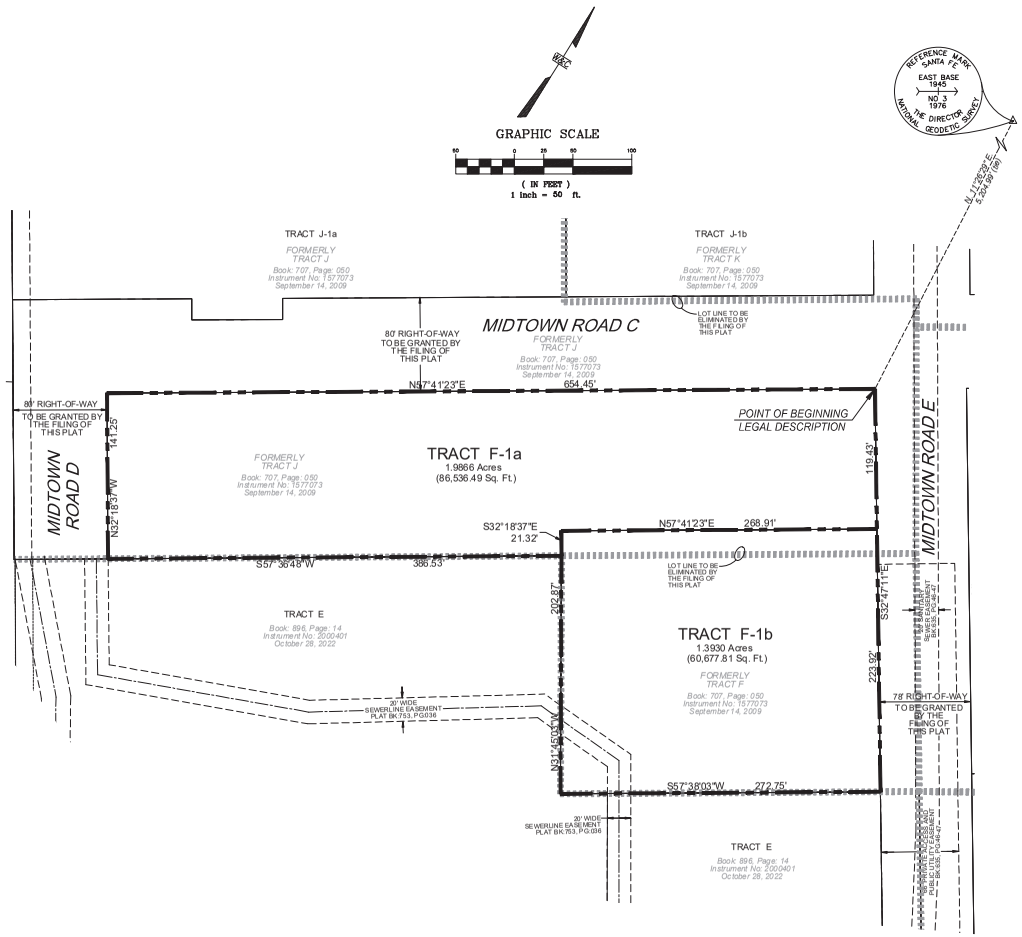
NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE. DISTANCES ARE GROUND DISTANCES. COMBINED GRID TO GROUND SCALE FACTOR: 1.000406253 (SCALED AROUND 0,0) BASED ON A LINE FROM "SANTA FE EAST BASE RM5" TO "BM B-439, 1984", BEARING = S.49°38'22"W.
3. BENCHMARK USED FOR THIS PROJECT IS "SANTA FE EAST BASE RM3".
4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

REFERENCED DOCUMENTS:

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9. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded JUNE 28, 2011 in BOOK 735, PAGE 045.
10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
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16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK , filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.



LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "BOUNDARY SURVEY PLAT PREPARED FOR THE COLLEGE OF SANTA FE WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T17N, R9E, NMPM. CITY AND COUNTY OF SANTA FE, NEW MEXICO", RECORDED ON SEPTEMBER 14, 2009 IN BOOK 707 IN PAGE 50, AS INSTRUMENT NO. 1577073, RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 11°26'29" E.**, A DISTANCE OF **5,204.99** FEET; THENCE, FROM SAID POINT OF BEGINNING,

S. 32°47'11" E., A DISTANCE OF **343.35** FEET TO AN ANGLE POINT; THENCE,

S. 57°38'03" W., A DISTANCE OF **272.75** FEET TO AN ANGLE POINT; THENCE,

N. 31°48'15" W., A DISTANCE OF **224.19** FEET TO AN ANGLE POINT; THENCE,

S. 57°37'35" W., A DISTANCE OF **386.53** FEET TO AN ANGLE POINT; THENCE,

N. 32°18'37" W., A DISTANCE OF **141.17** FEET TO AN ANGLE POINT; THENCE,

N. 57°41'23" E., A DISTANCE OF **654.45** FEET TO THE POINT OF BEGINNING AND CONTAINING AN AREA OF **3.3796** ACRES , MORE OR LESS (**147,214.30** SQ. FT., MORE OR LESS)

LEGEND:

- ◆ FOUND: REBAR w/CAP (DESCRIPTION, AS NOTED)
- NEW LOT LINE
- LOT LINE TO BE ELIMINATED
- EASEMENT LINE (AS NOTED)

COUNTY OF SANTA FE
STATE OF NEW MEXICO } SS

I hereby certify that this instrument was filed for record on the _____ day of _____, 20_____ A.D. at _____ o'block _____, and was duly recorded in book _____ page(s) _____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

_____
Deputy

County Clerk

Seal

STATEMENT OF DECLARATION:

THE PURPOSE OF THIS PLAT IS TO:

REPLAT TRACT F-1a AND F-1b, BY LOT LINE ADJUSTMENT AND/OR LOT SPLIT FROM THE ORIGINAL CONFIGURATION & TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON. THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER. THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

_____
BY: ALAN WEBBER, MAYOR DATE:

_____
CITY CLERK: DATE:

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, AOKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20____.

_____
NOTARY PUBLIC MY COMMISSION EXPIRES

REVIEWED BY COUNTY OF SANTA FE:

_____
COUNTY TREASURER DATE:

REVIEWED BY CITY OF SANTA FE:

_____
CITY ENGINEER FOR LAND USE DATE:

_____
CITY PLANNER DATE:

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

_____
BENJAMIN M. ARAGON N.M.P.L.S. #15268

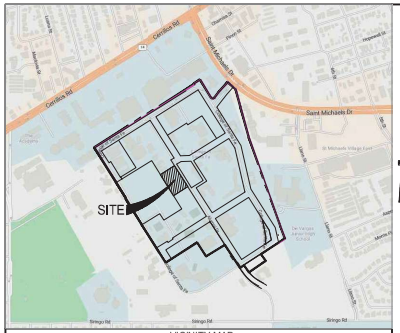
_____
DATE

BENJAMIN M. ARAGON NEW MEXICO 15268 REGISTERED PROFESSIONAL SURVEYOR

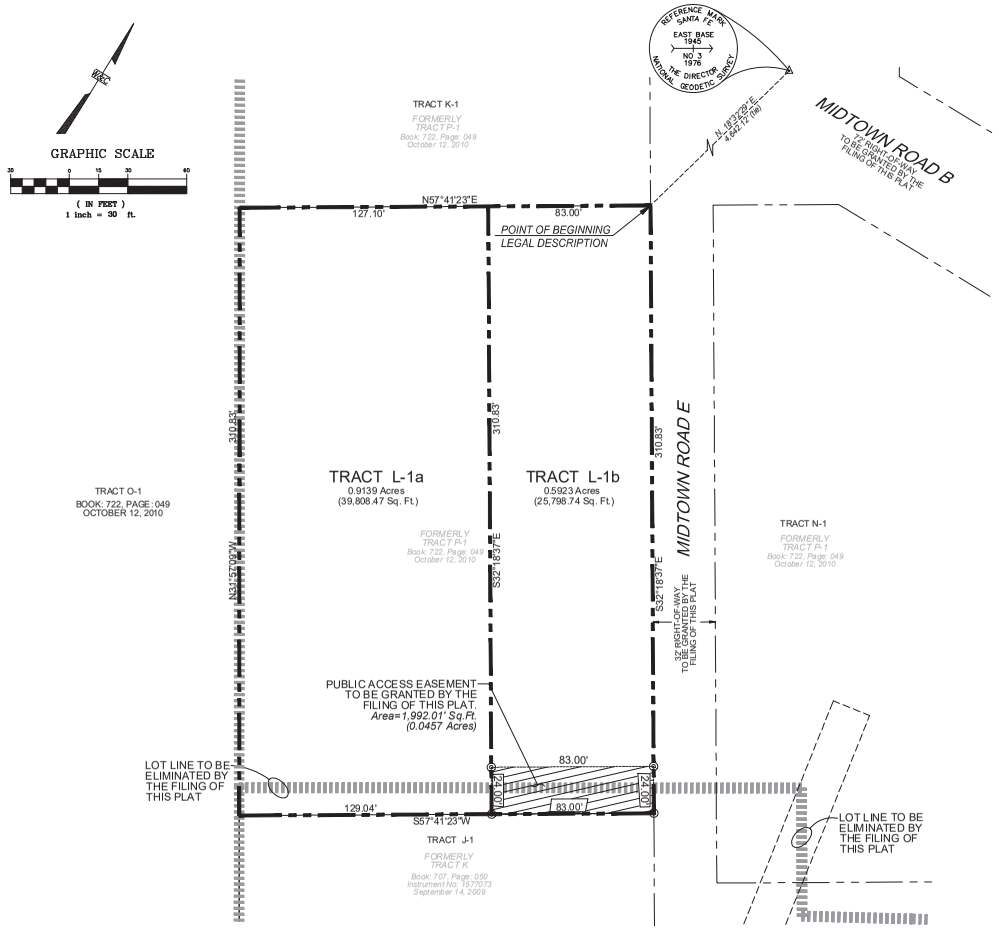
WILSON & COMPANY
4401 MASTHEAD ST. NE, SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

SHEET 1 OF 1

Lot Split to create
TRACTS L-1a and L-1b
LOT LINE ADJUSTMENT PLAT OF EXISTING TRACT P-1
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
August 2024



VICINITY MAP
N.T.S.



NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE. DISTANCES ARE GROUND DISTANCES. COMBINED GRID TO GROUND SCALE FACTOR: 1.0004066253 (SCALED AROUND 0,0) BASED ON A LINE FROM "SANTA FE EAST BASE RM5" TO "BM B-439, 1984", BEARING = S.49°38'22"W.
3. BENCHMARK USED FOR THIS PROJECT IS "SANTA FE EAST BASE RM3".
4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

REFERENCED DOCUMENTS:

THE FOLLOWING DOCUMENTS AND INSTRUMENTS WERE USED FOR THE PERFORMANCE AND PREPARATION OF THIS PLAT:

1. PLAT OF SURVEY ENTITLED, "REPLAT PREPARED FOR THE COLLEGE OF SANTA FE", recorded SEPTEMBER 14, 2006 in PLAT BOOK 707, PAGE 050-051.
2. DIVISION PLAT FOR THE COLLEGE OF SANTA FE, recorded MAY 19, 2006 in PLAT BOOK 682, PAGE 06.
3. REPLAT FOR COLLEGE OF SANTA FE, recorded JANUARY 2, 2006 in PLAT BOOK 672, PAGE 33.
4. REPLAT FOR COLLEGE OF SANTA FE, recorded SEPTEMBER 19, 2006 in PLAT BOOK 635, PAGE 46, 47.
5. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in PLAT BOOK 722, PAGE 049.
6. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in BOOK 719, PAGE 044.
7. BOUNDARY EASEMENT SURVEY PLAT FOR COLLEGE OF SANTA FE, recorded JULY 15, 2010 in BOOK 719, PAGE 047.
8. PLAT OF ALTA/ACSM LAND TITLE SURVEY, recorded OCTOBER 10, 2008 in BOOK 691, PAGE 029.
9. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded JUNE 28, 2011 in BOOK 735, PAGE 045.
10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
11. PLAT OF EASEMENT SURVEY FOR COLLEGE OF THE CHRISTIAN BROTHERS OF NEW MEXICO, recorded 08/17/2009.
12. REPLAT OF TRACT 3A & 3B FOR COLLEGE OF THE BOARD OF EDUCATION OF THE CITY OF SANTA FE, recorded MARCH 12, 1991 in BOOK 220, PAGE 037.
13. BOUNDARY SURVEY PLAT FOR PRESBYTERIAN MEDICAL SERVICES, recorded NOVEMBER 30, 2004 in BOOK 574, PAGE 035.
14. LOT CONSOLIDATION FOR THE STATE OF NEW MEXICO DEPARTMENT OF FINANCE & ADMINISTRATION, recorded OCTOBER 4, 1990 in BOOK 215, PAGE 013.
15. QUITCLAIM DEED from U.S.A. to COLLEGE OF THE CHRISTIAN, filed MAY 23, 1949 in BOOK 40, PAGE 437.
16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK , filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.

LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "REPLAT PREPARED FOR COLLEGE OF SANTA FE, LOT LINE ADJUSTMENT OF EXISTING TRACT P & O, RECORDED PLAT BOOK 707, PAGES 50-50A WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T.17N, R9E, NMPM, CITY AND COUNTY OF SANTA FE, NEW MEXICO." RECORDED ON OCTOBER 12, 2010 IN BOOK 722 IN PAGE 049, AS INSTRUMENT NO. 1613544, RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 18°32'29" E.**, A DISTANCE OF **4,642.12** FEET; THENCE, FROM SAID POINT OF BEGINNING,

S. 32°18'37" E., A DISTANCE OF **310.83** FEET TO AN ANGLE POINT; THENCE,

S. 57°41'23" W., A DISTANCE OF **212.04** FEET TO AN ANGLE POINT; THENCE,

N. 31°57'09" W., A DISTANCE OF **310.83** FEET TO AN ANGLE POINT; THENCE,

N. 57°41'23" E., A DISTANCE OF **210.10** FEET TO THE POINT OF BEGINNING AND CONTAINING AN AREA OF **1.5061** ACRES, MORE OR LESS (**65,607.21** SQ. FT., MORE OR LESS)

LEGEND:

- ◆ FOUND: REBAR w/CAP (DESCRIPTION, AS NOTED)
- NEW LOT LINE
- LOT LINE TO BE ELIMINATED
- EASEMENT LINE (AS NOTED)

COUNTY OF SANTA FE } SS
STATE OF NEW MEXICO

I hereby certify that this instrument was filed for record on the _____ day of _____, 20_____ A.D. at _____ o'block _____, and was duly recorded in book _____ page(s) _____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

Deputy

County Clerk

Seal

STATEMENT OF DECLARATION:

THE PURPOSE OF THIS PLAT IS TO:

REPLAT TRACT L-1, BY LOT LINE ADJUSTMENT AND/OR LOT SPLIT FROM THE ORIGINAL CONFIGURATION & TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON. THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER. THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

BY: _____ ALAN WEBBER, MAYOR DATE: _____

CITY CLERK: _____ DATE: _____

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, AOKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20____.

NOTARY PUBLIC _____ MY COMMISSION EXPIRES

REVIEWED BY COUNTY OF SANTA FE:

COUNTY TREASURER _____ DATE: _____

REVIEWED BY CITY OF SANTA FE:

CITY ENGINEER FOR LAND USE _____ DATE: _____

CITY PLANNER _____ DATE: _____

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

BENJAMIN M. ARAGON N.M.P.L.S. #15268

DATE

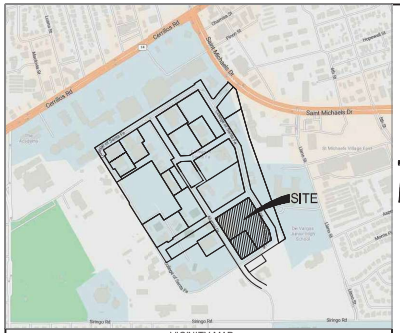
BENJAMIN M. ARAGON NEW MEXICO 15268 REGISTERED PROFESSIONAL SURVEYOR

WILSON & COMPANY
4401 MASTHEAD ST. NE, SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

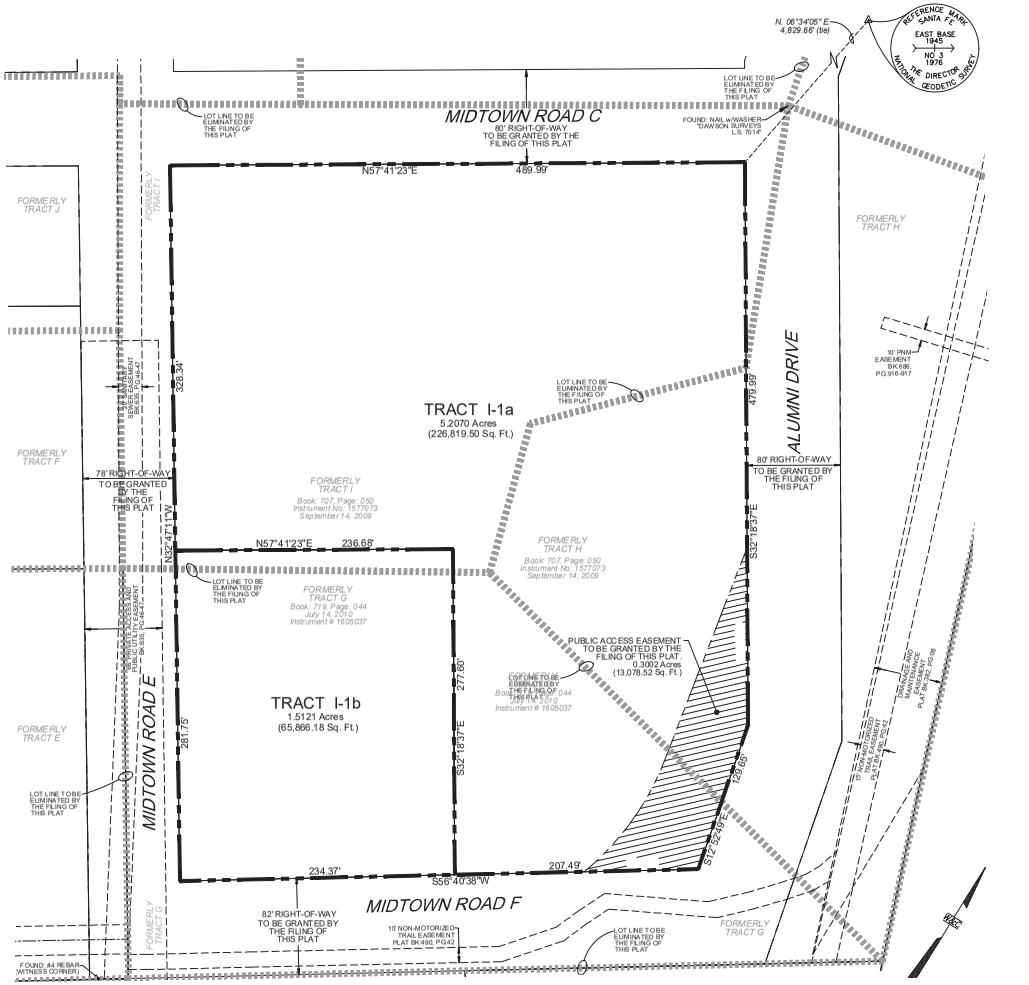
SHEET 1 OF 1

m:\SGR\21-306-19-00\2_Disciplines\Survey\Drawings_PLATTING\TRACT L-1\TRACTS L-1a AND L-1b\Lot Split for TRACT L-1a and L-1b.dwg

Lot Split to create
TRACTS I-1a and I-1b
LOT LINE ADJUSTMENT PLAT OF EXISTING
TRACT G, H and TRACT I
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
August 2024



VICINITY MAP
N.T.S.



GRAPHIC SCALE
50 0 25 50 100
(IN FEET)
1 inch = 50 ft.

NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE. DISTANCES ARE GROUND DISTANCES. COMBINED GRID TO GROUND SCALE FACTOR: 1.0004066253 (SCALED AROUND 0,0) BASED ON A LINE FROM "SANTA FE EAST BASE RM3" TO "BM B-439, 1984", BEARING = S.49°38'22"W.
3. BENCHMARK USED FOR THIS PROJECT IS "SANTA FE EAST BASE RM3".
4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

REFERENCED DOCUMENTS:

THE FOLLOWING DOCUMENTS AND INSTRUMENTS WERE USED FOR THE PERFORMANCE AND PREPARATION OF THIS PLAT:

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4. REPLAT FOR COLLEGE OF SANTA FE, recorded SEPTEMBER 19, 2006 in PLAT BOOK 635, PAGE 46, 47.
5. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in PLAT BOOK 722, PAGE 049.
6. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in BOOK 719, PAGE 044.
7. BOUNDARY EASEMENT SURVEY PLAT FOR COLLEGE OF SANTA FE, recorded JULY 15, 2010 in BOOK 719, PAGE 047.
8. PLAT OF ALTA/ACSM LAND TITLE SURVEY, recorded OCTOBER 10, 2008 in BOOK 691, PAGE 029.
9. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded JUNE 28, 2011 in BOOK 735, PAGE 045.
10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
11. PLAT OF EASEMENT SURVEY FOR COLLEGE OF THE CHRISTIAN BROTHERS OF NEW MEXICO, recorded 08/17/2009.
12. REPLAT OF TRACT 3A & 3B FOR COLLEGE OF THE BOARD OF EDUCATION OF THE CITY OF SANTA FE, recorded MARCH 12, 1991 in BOOK 220, PAGE 037.
13. BOUNDARY SURVEY PLAT FOR PRESBYTERIAN MEDICAL SERVICES, recorded NOVEMBER 30, 2004 in BOOK 574, PAGE 035.
14. LOT CONSOLIDATION FOR THE STATE OF NEW MEXICO DEPARTMENT OF FINANCE & ADMINISTRATION, recorded OCTOBER 4, 1990 in BOOK 215, PAGE 013.
15. QUITCLAIM DEED from U.S.A. to COLLEGE OF THE CHRISTIAN, filed MAY 23, 1949 in BOOK 40, PAGE 437.
16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK , filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.

LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "BOUNDARY SURVEY PLAT PREPARED FOR THE COLLEGE OF SANTA FE WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T17N, R9E, NMPM. CITY AND COUNTY OF SANTA FE, NEW MEXICO". RECORDED ON SEPTEMBER 14, 2009 IN BOOK 707 IN PAGE 50, AS INSTRUMENT NO. 1577073, RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 06°34'05" E.**, A DISTANCE OF **4,829.66** FEET; THENCE, FROM SAID POINT OF BEGINNING,

S. 32°18'37" E., A DISTANCE OF **479.99** FEET TO AN ANGLE POINT; THENCE,

S. 12°52'49" E., A DISTANCE OF **129.65** FEET TO AN ANGLE POINT; THENCE,

S. 56°40'38" W., A DISTANCE OF **441.86** FEET TO AN ANGLE POINT; THENCE,

N. 32°47'11" W., A DISTANCE OF **610.09** FEET TO AN ANGLE POINT; THENCE,

N. 57°41'23" E., A DISTANCE OF **489.99** FEET TO THE POINT OF BEGINNING AND CONTAINING AN AREA OF **6.7191** ACRES , MORE OR LESS (**292,685.68** SQ. FT., MORE OR LESS)

LEGEND:

- ⬨ FOUND: REBAR w/CAP (DESCRIPTION, AS NOTED)
- NEW LOT LINE
- LOT LINE TO BE ELIMINATED
- EASEMENT LINE (AS NOTED)

COUNTY OF SANTA FE
STATE OF NEW MEXICO } SS

I hereby certify that this instrument was filed for record on the _____ day of _____, 20_____A.D. at _____ o'block _____, and was duly recorded in book _____ page(s) _____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

_____
Deputy

County Clerk

Seal

STATEMENT OF DECLARATION:

THE PURPOSE OF THIS PLAT IS TO:

REPLAT TRACT I-1a AND I-1b, BY LOT LINE ADJUSTMENT AND/OR LOT SPLIT FROM THE ORIGINAL CONFIGURATION & TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON. THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER. THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

_____
BY: ALAN WEBBER, MAYOR DATE:

_____
CITY CLERK: DATE:

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, ACKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20____.

_____
NOTARY PUBLIC MY COMMISSION EXPIRES

REVIEWED BY COUNTY OF SANTA FE:

_____
COUNTY TREASURER DATE:

REVIEWED BY CITY OF SANTA FE:

_____
CITY ENGINEER FOR LAND USE DATE:

_____
CITY PLANNER DATE:

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

_____
BENJAMIN M. ARAGON N.M.P.L.S. #15268

_____
DATE

BENJAMIN M. ARAGON NEW MEXICO 15268 REGISTERED PROFESSIONAL SURVEYOR

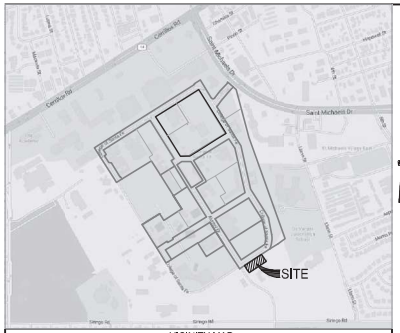
WILSON & COMPANY
4401 MASTHEAD ST. NE, SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

SHEET 1 OF 1

m:\2021-306--194--00\2_Disciplines\Survey\Drawings_PLATTING\TRACT I-1\TRACTS I-1a AND I-1b\Lot Split for TRACT I-1a AND I-1b.dwg

Lot Split and Lot Line Adjustment to create TRACT G-1

LOT LINE ADJUSTMENT PLAT OF EXISTING TRACT G
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
June 2024



VICINITY MAP
N.T.S.

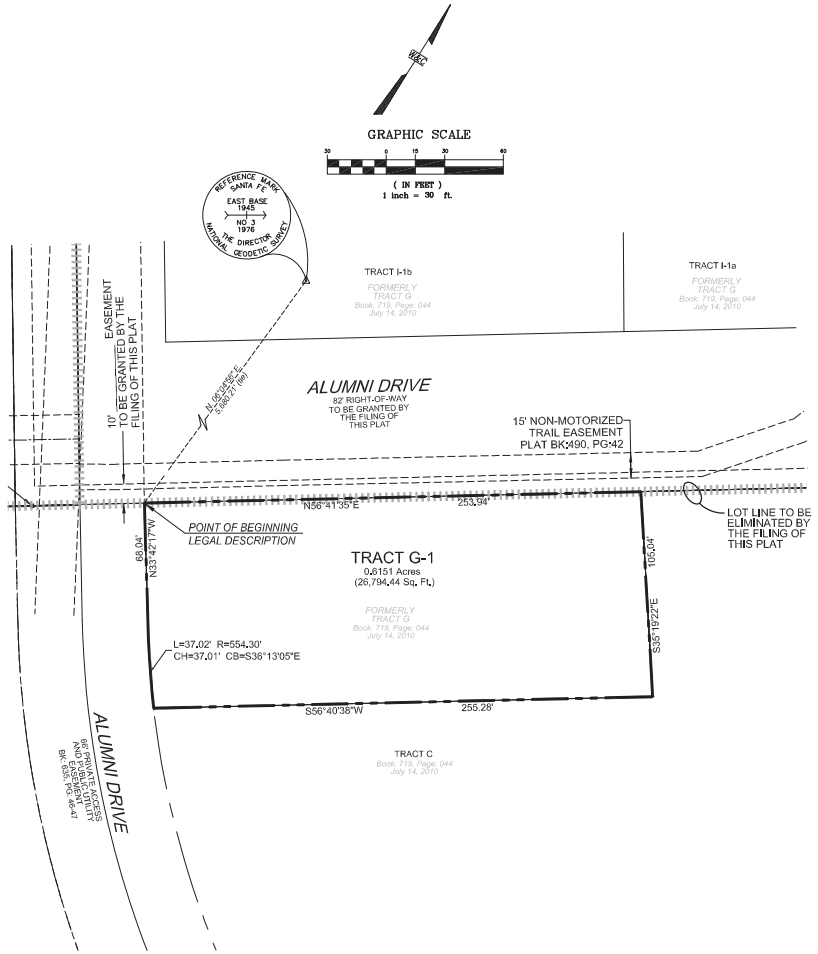
NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE. DISTANCES ARE GROUND DISTANCES. COMBINED GRID TO GROUND SCALE FACTOR: 1.0004066253 (SCALED AROUND 0,0) BASED ON A LINE FROM "SANTA FE EAST BASE RM3" TO "BM B-439, 1984", BEARING = S.49°38'22"W.
3. BENCHMARK USED FOR THIS PROJECT IS "SANTA FE EAST BASE RM3".
4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

REFERENCED DOCUMENTS;

THE FOLLOWING DOCUMENTS AND INSTRUMENTS WERE USED FOR THE PERFORMANCE AND PREPARATION OF THIS PLAT:

1. PLAT OF SURVEY ENTITLED, "REPLAT PREPARED FOR THE COLLEGE OF SANTA FE", recorded SEPTEMBER 14, 2006 in PLAT BOOK 707, PAGE 050-051.
2. DIVISION PLAT FOR THE COLLEGE OF SANTA FE, recorded MAY 19, 2006 in PLAT BOOK 682, PAGE 06.
3. REPLAT FOR COLLEGE OF SANTA FE, recorded JANUARY 2, 2006 in PLAT BOOK 672, PAGE 33.
4. REPLAT FOR COLLEGE OF SANTA FE, recorded SEPTEMBER 19, 2006 in PLAT BOOK 635, PAGE 46, 47.
5. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in PLAT BOOK 722, PAGE 049.
6. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in BOOK 719, PAGE 044.
7. BOUNDARY EASEMENT SURVEY PLAT FOR COLLEGE OF SANTA FE, recorded JULY 15, 2010 in BOOK 719, PAGE 047.
8. PLAT OF ALTA/ACSM LAND TITLE SURVEY, recorded OCTOBER 10, 2008 in BOOK 691, PAGE 029.
9. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded JUNE 28, 2011 in BOOK 735, PAGE 045.
10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
11. PLAT OF EASEMENT SURVEY FOR COLLEGE OF THE CHRISTIAN BROTHERS OF NEW MEXICO, recorded 08/17/ 2009.
12. REPLAT OF TRACT 3A & 3B FOR COLLEGE OF THE BOARD OF EDUCATION OF THE CITY OF SANTA FE, recorded MARCH 12, 1991 in BOOK 220, PAGE 037.
13. BOUNDARY SURVEY PLAT FOR PRESBYTERIAN MEDICAL SERVICES, recorded NOVEMBER 30, 2004 in BOOK 574, PAGE 035.
14. LOT CONSOLIDATION FOR THE STATE OF NEW MEXICO DEPARTMENT OF FINANCE & ADMINISTRATION, recorded OCTOBER 4, 1990 in BOOK 215, PAGE 013.
15. QUITCLAIM DEED from U.S.A. to COLLEGE OF THE CHRISTIAN, filed MAY 23, 1949 in BOOK 40, PAGE 437.
16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK , filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.



LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "REPLAT PREPARED FOR COLLEGE OF SANTA FE, LOT LINE ADJUSTMENT OF EXISTING TRACT C & G, RECORDED PLAT BOOK 707, PAGES 50-50A WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T17N, R9E, NMPM, CITY AND COUNTY OF SANTA FE, NEW MEXICO." RECORDED ON JULY 14, 2010 IN BOOK 719 IN PAGE 044, AS INSTRUMENT NO. 1605037, RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 06°04'56" E.**, A DISTANCE OF **5,680.21** FEET; THENCE, FROM SAID POINT OF BEGINNING,

N. 56°41'35" E., A DISTANCE OF **253.94** FEET TO AN ANGLE POINT; THENCE,

S. 35°19'22" E., A DISTANCE OF **105.04** FEET TO AN ANGLE POINT; THENCE,

S. 56°40'38" W., A DISTANCE OF **255.28** FEET TO A CURVE; THENCE,

37.02 FEET ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF **554.30** FEET, DELTA OF **3°49'35"**, CHORD BEARING AND DISTANCE OF **N. 36°13'05" E., 37.01'** FEET TO A POINT; THENCE,

N. 33°42'17" W., A DISTANCE OF **68.04** FEET TO THE POINT OF BEGINNING AND CONTAINING AN AREA OF **0.6151** ACRES, MORE OR LESS (**26,794.44** SQ. FT., MORE OR LESS)

LEGEND:

- ◦ FOUND: REBAR w/CAP (DESCRIPTION, AS NOTED)
- NEW LOT LINE
- LOT LINE TO BE ELIMINATED
- EASEMENT LINE (AS NOTED)

COUNTY OF SANTA FE } SS
STATE OF NEW MEXICO

I hereby certify that this instrument was filed for record on the _____ day of _____, 20_____ A.D. at _____ o'clock _____, and was duly recorded in book _____ page(s) _____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

_____
Deputy

County Clerk
Seal

STATEMENT OF DECLARATION;

THE PURPOSE OF THIS PLAT IS TO:

REPLAT TRACT G-1, BY LOT LINE ADJUSTMENT AND/OR LOT SPLIT FROM THE ORIGINAL CONFIGURATION & TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON, THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER, THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL, PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

BY: ALAN WEBBER, MAYOR DATE: _____

CITY CLERK: DATE: _____

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, ACKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20____.

NOTARY PUBLIC MY COMMISSION EXPIRES

REVIEWED BY COUNTY OF SANTA FE:

COUNTY TREASURER DATE: _____

REVIEWED BY CITY OF SANTA FE:

CITY ENGINEER FOR LAND USE DATE: _____

CITY PLANNER DATE: _____

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

BENJAMIN M. ARAGON N.M.P.L.S. #15268

DATE

BENJAMIN M. ARAGON NEW MEXICO 15268 REGISTERED PROFESSIONAL SURVEYOR

WILSON & COMPANY
4401 MASTHEAD ST., NE. SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

SHEET 1 OF 1

EXHIBIT B-2

LEGAL DESCRIPTION OF THE PROPERTY

[To be attached upon recording of subdivision plat]

EXHIBIT C

FORM OF LEASE AGREEMENT

[attached]

Recording Requested By,
And When Recorded Return To:

CITY OF SANTA FE
200 LINCOLN AVENUE
SANTA FE, NM 87501
ATTN: ERIN MCSHERRY, CITY ATTORNEY

LEASE AGREEMENT BETWEEN
THE CITY OF SANTA FE AND ASPECT QOZB, LLC

THIS LEASE AGREEMENT (this "**Lease**") is made and executed as of the _____ day of _____ 20__, between the CITY OF SANTA FE, a municipal corporation and political subdivision of the State of New Mexico (the "**City**"), and ASPECT QOZB, LLC, a Delaware limited liability company ("**Developer**"), effective as of the Lease Commencement Date (defined below). The City and Developer are sometimes referred to herein individually as a "**Party**" and together as the "**Parties**."

Recitals

A. The City owns the real property and improvements consisting of approximately 60 acres generally located within the block defined by Cerrillos Road, St. Michaels Drive, Llano Street, Siringo Road, and Camino Carlos Rey in the City of Santa Fe, County of Santa Fe, State of New Mexico, as generally depicted on Exhibit A attached hereto (the "**Midtown Site**").

B. By Resolution No. 2022-68, approved on November 30, 2022, the governing body of the City (the "**Governing Body**") adopted the Midtown Master Plan (the "**Master Plan**"), which, together with the Midtown Community Development Plan adopted on January 25, 2023 by Resolution No. 2023-5 (the "**Community Development Plan**"), sets forth the City's vision for development of the Midtown Site and establishes certain form-based zoning standards and certain other standards and policies for the future redevelopment of the Midtown Site as a sustainable, pedestrian-friendly, mixed-use neighborhood that provides employment and housing opportunities, improved mobility options, and access to recreation, public spaces, and cultural venues.

C. On August 9, 2023, the Governing Body, by Ordinance No. 2023-21, revised the City of Santa Fe metropolitan redevelopment code (the "**City Redevelopment Code**"), under which the Governing Body updated its ordinance establishing a metropolitan redevelopment agency (the "**MRA**"), comprised of the commission of the MRA, director of the MRA ("**MRA Director**"), and staff, as the official body for making advisory recommendations to the Governing Body, at such time as an area is designated by the Governing Body with respect thereto, and for taking certain actions delegated to the MRA pursuant to the City Redevelopment Code. In the absence of a MRA Director, the City Manager or the City Manager's designee will act for the MRA Director hereunder.

D. The City released a Request for Proposals on December 1, 2022 (the "**Studio RFP**"), for the redevelopment and operation of the portion of the Midtown Site to, among other

things, expand the existing film production studio facilities with the addition of more state-of-the art sound stages, pre- and post-production offices and work facilities to meet the needs of the industry and support film and multi-media production in the City, all as more specifically set forth in the Studio RFP. The City will subdivide the Property (defined below) into parcels as set forth in Section 2.1 below.

E. Midtown Santa Fe Productions QOF, LLC, a Delaware limited liability company, affiliated with Developer ("**QOF**"), submitted the only response to the Studio RFP on March 2, 2023, to redevelop the Property consistent with the Studio RFP (the "**Proposed Project**"). QOF proposed combining the Proposed Project with the adjacent Midtown Santa Fe Production Studio, formerly the Shellaberger Tennis Center, and envisions that the combined projects will become the largest studio in northern New Mexico, featuring multi-family housing, six soundstages and nearly 180,000 square feet of production and support space across five different buildings.

F. Pursuant to the Studio RFP, the City established an Evaluation Committee to review and evaluate the response based on the factors set forth in the Studio RFP, following which the Evaluation Committee determined that QOF had the experience, qualifications, and capacity to implement the scope of work and achieve the vision and goals articulated in the Studio RFP.

G. The City and QOF entered into the Exclusive Negotiation Agreement approved by the Governing Body on July 26, 2023 (as extended, the "**ENA**"), for the redevelopment of the Proposed Project consistent with the Studio RFP. The ENA included, among other things, that the City and QOF would negotiate and enter into a disposition and development agreement setting forth the scope of the Proposed Project and the requirements and conditions for the design, development, operation and disposition of the completed Proposed Project.

H. Concurrent with the execution of this Lease, the City and Developer are entering into a Development and Disposition Agreement (the "**DDA**"), the purpose of which is to set forth the scope of the Project (as defined in the DDA) and the requirements and conditions for the design, development, operation and disposition of the completed Project.

I. The purpose of this Lease is to lease to Developer for the Term (defined below) the Property (or portion thereof) for Developer to perform its obligations set forth in the DDA, until such time as the City coveys the Property (or portion thereof) to Developer pursuant to the terms of the DDA.

J. The City is authorized, pursuant to the Santa Fe City Code of 1987, as amended from time to time (the "**City Code**") to enter into binding leases to carry out the plan for the development of the Property.

AGREEMENT

NOW THEREFORE, for and in consideration of the mutual promises, covenants and conditions contained herein, the receipt and sufficiency of which are hereby acknowledged, the

City, as landlord, and Developer, as tenant, hereby agree that the foregoing recitals are true and correct and incorporated herein and as follows:

ARTICLE 1
DEMISE AND DESCRIPTION OF PROPERTY

1.1 The City leases to Developer and Developer leases from City upon the terms and conditions contained herein, approximately 11 acres of land, together with the buildings known as Benildus Hall, Onate Hall, Driscoll Fitness Center and Garson Studios (collectively, the "**Buildings**"), and all other existing accessory structures and improvements located thereon, and rights of egress across adjacent roadways (collectively, the "**Property**"), located within in the Midtown Site and generally depicted on Exhibit B.

1.2 As of the Lease Commencement Date, pursuant to Section 2.4 of the DDA, the City conveyed to Developer all furniture, fixtures and equipment located within or affixed to any Building at the Property.

ARTICLE 2
COMMENCEMENT AND TERM.

2.1 This Lease shall become effective on the date that is 45 days after the Governing Body adopts an ordinance approving the DDA (the "**Lease Commencement Date**"); provided, however, if a referendum election is held, as required by Section 3-54-1, NMSA 1978, the Lease Commencement Date shall be suspended pending the outcome of the referendum election. If the results of the election are in favor of DDA, the Lease Commencement Date will commence on the date of the favorable election results. If the referendum election results are against the DDA, this Lease shall be immediately null and void. Notwithstanding the foregoing, if the City has not recorded a new plat map to subdivide the Property into parcels (the "**Plat**") in the real property records of the Clerk's Office of Santa Fe County, New Mexico ("**Official Records**") prior to the Lease Commencement Date, the Lease Commencement Date shall be suspended until the recording date of the Plat. Developer shall have the right to enter the Property to perform its obligations under the DDA on the Lease Commencement Date.

2.2 Upon the recordation of the Plat in the Official Records, the MRA Director will deliver written notice thereof to Developer ("**Plat Recording Notice**"), together with a copy of the recorded plat map and the platted legal description of the Property (the "**Legal Description**"), and the Developer shall execute and deliver to the City an acknowledgment including the Legal Description as Exhibit C to this Lease. Upon attachment of the Legal Description hereto, the City shall record this Lease in the Official Records. If the DDA is not approved, or if the DDA is approved and the referendum results are against the DDA, the City shall not be required to record the Plat or deliver a Plat Recording Notice to Developer.

2.3 This Lease shall expire 10 years following the Lease Commencement Date, unless earlier terminated (the "**Term**").

2.4 If Developer elects to acquire any Phase upon completion of an applicable Phase pursuant to the terms of the DDA, then upon the closing of the conveyance of such Phase (each a "**Closing**"), the Lease shall terminate with respect to such Phase and the Legal Description will be amended to remove the Phase so conveyed in accordance with Section 17.2 hereof. This Lease shall terminate in its entirety upon the earlier of (a) the expiration of the Term, (b) Developer's default under the terms of the DDA or this Lease, (c) upon the City's conveyance of all of the Property to Developer pursuant to the terms of the DDA, or (d) Developer's termination of the DDA as permitted under the DDA.

ARTICLE 3
RENT; TRIPLE NET LEASE; NO OFFSET

3.1 Developer hereby agrees to pay to the City the total base rent of $300,000.00 during the Term of the Lease ("**Rent**"), payable in annual installments of $30,000.00, without offset or reduction for any Partial Release (defined below). Such Rent shall be payable annually in advance, commencing on the Lease Commencement Date and on the same day of each year during the Term. Payment shall be made in good funds and shall be made to whomever the City designates in writing, from time to time.

3.2 In the event Developer fails to pay Rent when due and such failure continues beyond any notice and cure period provided in Section 13.1.3 hereof, then interest shall accrue at the rate of 18% per annum ("**Default Interest**") on the amount due and unpaid, compounded monthly, so long as said amount remains unpaid. The assessment and collection of the Default Interest is in addition to any other rights of the City, if the Developer does not faithfully perform the terms, covenants and conditions of this Lease.

3.3 It is expressly understood and agreed by and between the City and Developer that this Lease is a triple net lease, and the Rent, and all other sums payable hereunder to or on behalf of the City, shall be paid without notice or demand and without offset, counterclaim, abatement, suspension, deduction, or defense. This Lease shall yield to the City the Rent specified during the Term, and all costs and obligations of every kind and nature whatsoever relating to the Property shall be performed and paid by Developer. Developer shall perform all of its obligations under this Lease at its sole cost and expense.

ARTICLE 4
UTILITIES AND SERVICES

4.1 The City will provide gas and electricity to the Property pursuant to the terms of a utility agreement to be entered into by and between Developer and the City (the "**Utility Agreement**") and will invoice Developer for such gas and electric services as more specifically set forth in the Utility Agreement. Developer shall pay, when due, all charges for all other utility services used on the Property during the Term directly to the applicable utility provider, and for any other services in connection with Developer's operation of the Property. Developer may cause the installation of internet fiber in the existing utility rights-of-way located on the Property.

4.2 Developer shall be solely responsible for connection of such utilities to the Property, meter installation, tap and connection fees and all other costs and expense in connection with such utilities, as more specifically set forth in Utility Agreement.

ARTICLE 5
"AS IS" CONDITION OF PROPERTY

5.1 The Parties hereto intend that this Lease is made on an "as is, where is" basis with all faults. In connection therewith, the Parties hereto hereby agree as follows:

5.1.1 Developer acknowledges and agrees that the City has not made, does not make, will not make, and specifically disclaims, any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express, implied, or statutory, oral or written, past, present or future, of, as to, concerning or with respect to: the nature, quality or condition of the Property or any part thereof, including, without limitation, the water, soil and geology; the economic feasibility of the Property or the income to be derived from the Property; the suitability of the Property for any and all activities and uses which Developer may conduct thereon; the nature and extent of any right-of-way, possession or title matter; the compliance of or by the Property, or the operation of any business or other enterprise thereon, with any laws, rules, ordinances or regulations of any applicable governmental authority or body; the rentability, habitability, merchantability or fitness for a particular purpose of the Property; or any other matter with respect to the Property.

5.1.2 Developer represents that it has investigated the Property prior to Lease Commencement Date, and that in leasing the Property, Developer has relied solely upon its independent examination, study, inspection and knowledge of the Property, including Developer's determination of the value of the Property and uses to which the Property may be put, and not on any information provided or to be provided by the City. Developer will make or cause to be made all inspections, investigations and analyses necessary or appropriate, in Developer's discretion, for the purpose of determining compliance or non-compliance by the Property with all building, health, environmental, zoning and land use laws, ordinances, rules and regulations, and the City makes no representation or warranty, express, implied or statutory, concerning the Property's compliance with such building, health, environmental, zoning and land use laws, ordinances, rules and regulations.

ARTICLE 6
TAXES

6.1 Taxes. Beginning on the Lease Commencement Date and throughout the Term, Developer shall pay, before they become delinquent, all taxes and assessments of any kind whatsoever levied, taxed or assessed against the Property, Developer, or the City during the Term related to or arising out of this Lease and the activities of the Parties hereunder, including without limitation, (i) all taxes or assessments upon the Property or any part thereof and upon any personal property, trade fixtures and improvements located on the Property, whether belonging to the City or Developer, or any tax or charge levied in lieu of such taxes and assessments; (ii) all taxes, charges, license fees and or similar fees imposed by reason of the use of the Property by Developer;

and (iii) all excise, franchise, transaction, privilege, license, sales, use and other taxes upon the Rent hereunder, the leasehold estate or the activities of Developer pursuant to this Lease.

6.2 Payment in Lieu of Taxes. In addition to the foregoing, commencing on January 1, 2026, and continuing through the Term, Developer shall pay to the City, in arrears, an annual payment in lieu of taxes for the preceding calendar year, in the following amounts for each Phase: (a) Phase 1: $37,500.00; (b) Phase 2: $10,700.00; and (c) Phase 3: $5,350.00 (collectively, the "**Annual Assessment**"). Developer shall pay to the City the total Annual Assessment due for the 2026 calendar no later than May 31, 2027, and shall pay to the City the Annual Assessment due for each calendar year thereafter no later than May 31st of each following calendar (including the calendar year following the expiration of the Term). In any calendar year in which the City conveys a Phase to Developer pursuant to the terms of the DDA, Developer shall pay to the City the prorata portion of the Annual Assessment for such Phase based on the number of days in such calendar year in which the City owned the applicable Phase. If the Santa Fe County Assessor levies a property tax for the assessed value of Developer's leasehold interest in the Property ("**County Assessment**"), the amount of the Annual Assessment then due to the City shall be reduced by the amount of the County Assessment paid by Developer to the Santa Fe County Assessor.

ARTICLE 7
ASSIGNMENT AND SUBLEASE

7.1 Developer shall not be permitted to Transfer (as defined in the DDA) all or any portion of Developer's rights or other interests under this Lease, without the prior written consent of the City, which consent may be withheld in the City's sole and absolute discretion. Any such attempted Transfer (except in connection with a Permitted Transfer as defined in and permitted in Article 15 of the DDA), without such consent shall be null and void. No Transfer, whether with or without consent, shall operate to release Developer or alter Developer's primary liability to perform its obligations under this Lease.

7.2 Based on the Lease Purpose (defined below), without the prior written consent of the City, which consent may be withheld in the City's sole and absolute discretion, Developer will not be permitted to sublease any of Developer's rights or obligations under this Lease; provided, however, Developer may, without the prior written consent of the City, sublease space within any building on the Property following substantial completion thereof to any residential, restaurant, retail and other commercial tenants for the use and occupancy of such buildings as contemplated under the DDA.

ARTICLE 8
PERMITTED USES; CONSTRUCTION; MAINTENANCE; APPLICABLE RULES.

8.1 Developer is permitted to use the Property solely for the purpose of carrying out Developer's obligations under the DDA, which includes Developer's development and operation of the Property in accordance with DDA ("**Lease Purpose**").

8.2 Subject to the development rights and obligations under the DDA, Developer shall, at Developer's sole cost and expense, be responsible for maintaining the Property in good condition and repair and in compliance with all laws.

8.3 Developer shall comply with all maintenance, repair and indemnification obligations under Article 12 of the DDA.

8.4 Developer shall comply with all Applicable Rules, as such term is defined in the DDA. Developer shall pay all costs, expenses, liabilities, losses, damages, fines, penalties, Claims (defined below) and demands, including reasonable attorney's fees, that may in any manner arise out of or be imposed because of the failure of Developer to comply with Applicable Rules.

8.5 Developer shall comply with Section 12.2 of the DDA regarding damage to Adjacent Land and Adjacent Improvements (each as defined in the DDA).

8.6 The City shall not be responsible for any maintenance, repair or replacement of any improvements located on the Property.

ARTICLE 9
USES PROHIBITED; ENVIRONMENTAL INDEMNITY

9.1 Developer shall not use or permit the use of the Property, or any part thereof, for any illegal purpose or purposes, nor shall Developer maintain a nuisance on the Property. The Property may not be used as a toxic waste dump or storage facility, a solid waste disposal site or any use which could have a harmful effect on the land itself.

9.2 Developer hereby agrees to indemnify, defend (with counsel reasonably approved by the City, as applicable) and hold harmless the City, the MRA or any department, governing body, commission, agency, official, officer, employee, agent, representative or volunteer of the City or the MRA (collectively, the "**City Parties**"), from any and all claims, encumbrances, liens, demands, suits, judgments, proceedings, damages, losses, liabilities, penalties, fines, costs and expenses (including reasonable attorneys' fees and court costs) ("**Liabilities**") (including, but not limited to expenses, penalties and clean-up costs) arising from and against any and all Claims brought against one or more City Parties related to the Project, arising out of or in any way relating to (a) the presence, release, use, generation, transportation, discharge, storage or as a consequence of disposal by Developer or Developer's officers, directors, managers, members, affiliates, agents, employees, representatives, contractors, subcontractors, any other person or entity acting at the direction or with the consent of Developer, assignees, subtenants, or licensees (collectively, including Developer, "**Developer Parties**", and individually, a "**Developer Party**"), or the presence of any Pollutants (as defined in the DDA) in, on or about the Property occurring as a result of or in connection with Developer Parties' use or occupancy of the Property, and in the removal, remediation and disposal of any Pollutants, and (b) the violation, or alleged violation, of any Environmental Laws (as defined in the DDA) relating to the use, generation, release, discharge, storage, disposal or transportation of Pollutants on, under, in or about, to or from the Property or migrating onto or under the Property from neighboring properties or otherwise affecting the Property, to the extent caused or permitted by any Developer Parties.

9.3 No Developer Party shall (i) manufacture, treat, use, improperly store or dispose of any Pollutant (as defined below) on the Property, or (ii) permit the release of a Pollutant on or from the Property, or (iii) permit the use of materials containing Pollutants on the Property in violation of applicable Environmental Laws (as defined in the DDA).

ARTICLE 10
GENERAL RELEASE & INDEMNIFICATION

10.1 Developer releases City Parties from, and covenants and agrees that the City Parties shall not be liable to Developer for, any loss or damage to property or any injury to or death of any person or persons caused by Developer Parties by any cause whatsoever pertaining to the Project, the Property, the use thereof, or any other transaction contemplated by this Lease; provided that such release shall not apply to any loss or damage caused by the negligence, acts or omissions of the City Parties.

10.2 Developer shall indemnify, defend (with counsel reasonably approved by the City, as applicable) and hold harmless the City Parties from all Liabilities, arising from any all claims ("**Claims**") brought against one or more City Parties by any third-party which arise out of or in connection with the Property or any activities, acts or omissions of any of the Developer Parties; provided, however, such indemnity shall not apply to any Liabilities caused by the negligence, acts or omissions of any City Parties and shall be subject to the limitations of NMSA 1978, Section 56-7-1. Developer's indemnity obligations owing to the City Parties under this Section are not limited by applicable insurance coverage required hereunder. The City shall, after receipt of notice of the existence of a Claim for which it is entitled to indemnity hereunder, notify Developer in writing of the existence of such Claim or commencement of such action.

10.3 The provisions of this Article 10 shall survive any expiration or earlier termination of this Lease.

ARTICLE 11
INSURANCE

11.1 During the Term, and for such other time as specified hereinbelow, Developer shall comply with the following insurance requirements:

11.1.1 *Workers' Compensation*. During the Term, Developer shall, at its sole cost and expense, fully comply with the terms of the laws of the State of New Mexico concerning workers' compensation. Said compliance shall include maintaining in full force and effect one or more policies of insurance insuring against any liability Developer may have for workers' compensation. Said policy shall also include Employer's Liability coverage no less than $1,000,000 per accident; $1,000,000 policy limit bodily injury by disease; $1,000,000 each employee bodily injury by disease. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City and City Parties.

11.1.2 *General Liability Insurance*. During the Term and for a period of 10 years following Final Completion (as defined in the DDA) of the Project, Developer shall, at its sole cost and expense, obtain and keep in full force and effect commercial general liability

insurance with contractual liability coverage, which policy shall be written on an occurrence basis providing coverage at least as broad as Insurance Services Office (ISO) form CG 00 01, for claims against bodily injury (including death), personal injury, and property damage with limits not less than $5,000,000 per occurrence, $5,000,000 in the aggregate, and Products and Completed Operations of $5,000,000 in the aggregate, and property damage and shall be endorsed with a waiver of subrogation in favor of the City Parties. Said policy shall be primary, and any insurance or self-insurance maintained by the City Parties shall not be required to contribute with it. Any excess or umbrella coverage shall not include any limitations or exclusions from the primary coverage and shall also be endorsed to name the City Parties as additional insureds. Developer's Commercial General Liability coverage shall:

(a) include the following endorsements:

(i) An Aggregate Limit Per Project endorsement;

(ii) ISO Additional Insured endorsements with coverage at least as broad as CG 20 10 (ongoing operations) and CG 20 37 (completed operations) or a blanket additional insured endorsement, in each case naming the City Parties as additional insureds, provided that, if the blanket additional insured endorsement is used, premises and operations, as well as products-completed operations coverage must be provided to the City Parties;

(iii) A Waiver of Subrogation endorsement in favor of the City Parties or a blanket waiver of subrogation endorsement; and

(iv) A Primary, Non-contributory endorsement in favor of the City Parties or a blanket primary, non-contributory endorsement.

(b) The Commercial General Liability policy shall not include the following endorsements:

(i) Amendment of Contractual Liability;

(ii) Total Pollution Exclusion;

(iii) Cross Claims or Cross Suits Liability Exclusion;

(iv) X, C, U Exclusion (Explosion, Collapse, and Underground Hazard); and

(v) Subsidence of Soil or Earth Movement Exclusion.

11.1.3 *Automobile Liability Insurance*. In the event Developer utilizes automobiles as part of its operations, use, or occupancy of the Property. during the term of this Agreement, Developer shall, at its sole cost and expense, obtain and keep in full force and effect a policy of automobile liability insurance, with a combined single limit (CSL) in the amount of $2,000,000 per accident for bodily injury and property damage for any owned, hired and non-owned vehicles used in the performance of this Agreement. Said policy shall include Contractual Liability and the following coverages and endorsements: (a) a Broadened Pollution Coverage endorsement; (b) an endorsement naming the City Parties or a blanket additional insured endorsement; (c) A Waiver

of Subrogation endorsement in favor of the City Parties or a blanket waiver of subrogation endorsement; (d) a Primary, Non-contributory endorsement in favor of the City Parties or a blanket primary, non-contributory endorsement; and (e) notice of cancellation/non-renewal to the City, providing 30-days prior notice of cancellation or non-renewal, excepting only non-payment of premium, which will be 10-days prior notice.

11.1.4 *Course of Construction/Builder's Risk Insurance*. During all construction and/or renovation work on the Property, Developer shall, at its sole cost and expense, obtain and keep (or cause its contractors to maintain and keep) in full force and effect Course of Construction/Builder's Risk insurance covering "Special Form" (All Risks) of direct physical loss, including, but not limited to, fire, theft, water, explosion, vandalism, mechanical breakdown, electrical arcing, ordinance or law, in an amount to cover the total value of the construction Project, including all subsequent change orders, without co-insurance penalties. Such coverage shall include all items of labor and material, soft costs such as loss of income, architect and engineering fees, building permits and any other non-recurring costs as may be appropriate for Developer or its Contractor. Said insurance policy shall: (a) include Developer, its contractors and subcontractors, and the City as insureds; (b) be maintained until the completion of the applicable construction; and (c) provide coverage from the time any covered property becomes the responsibility of Developer, and continue without interruption during construction, renovation, or installation.

11.1.5 *Contractors Pollution Liability Insurance*. A contractor's pollution liability policy with limits of at least $2,000,000 per claim and an aggregate limit of $2,000,000 with a deductible not to exceed $25,000. Coverage must be included for bodily injury and property damage, including coverage for loss of use and/or diminution in property value, and for clean-up costs, arising out of, pertaining to, or in any way related to the actual or alleged discharge, dispersal, seepage, migration, release or escape of contaminants or pollutants resulting from any services or work performed by Developer or its contractors under this Agreement, including the transportation of hazardous wastes, hazardous materials, or contaminants. Developer warrants that any retroactive date applicable to the coverage under the policy is the same as or precedes the Lease Commencement Date and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of three years beginning from the time any construction performed under this Agreement is completed or if coverage is cancelled for any reason the extended discovery period will be exercised for the maximum time allowed by the policy. The Pollution Liability coverage shall include the following endorsements:

(a) ISO Additional Insured endorsements with coverage at least as broad as ISO forms CG 20 10 (ongoing operations) and CG 20 37 (completed operations) naming the City Parties or a blanket additional insured endorsement applicable "when required by written contract or agreement", provided that, if the blanket additional insured endorsement is used, premises and operations as well as products-completed operations coverage must be provided for the City Parties;

(b) A Waiver of Subrogation endorsement in favor of the City Parties or a blanket waiver of subrogation endorsement; and

(c) A Primary, Non-contributory endorsement in favor of the City Parties or a blanket primary, non-contributory endorsement.

11.1.6 *Professional Liability*. If Developer provides project management, design-build, engineer, architect or other types of professional services to the City, Developer shall obtain and maintain Professional Liability coverage with limits not less than $5,000,000 per claim and $5,000,000 aggregate limit. Such insurance coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Developer in this Agreement, and shall include (a) a retroactive date no later than the Lease Commencement Date; and (b) an extended reporting period of not less than five years after the termination of this contract.

11.1.7 *Property Insurance*. Developer shall maintain "Special Form" (All-Risks) property insurance upon property of every description owned by Developer and located on the Premises, or for which Developer is legally liable, including without limitation, furnishings, fixtures, and equipment. Such insurance shall be in an amount equal to one hundred percent (100%) of the full insurable replacement value of the property. The City shall be included as loss payee.

11.1.8 *Subcontractor Insurance*. Developer shall ensure that all contractors and subcontractors are licensed in the State of New Mexico and as otherwise required by the Applicable Rules. Developer shall cause all subcontractors performing work at the Property to maintain appropriate insurance, including, but not limited to, Workers' Compensation, Commercial General Liability and Automobile Insurance in a form and with limits deemed appropriate by Developer for work performed in connection with this Agreement. Developer acknowledges that Developer is solely responsible for obtaining, prior to the commencement of any work at the Property by such Persons and maintaining from time to time thereafter current certificates of insurance and applicable endorsements from its contractors/subcontractors, and this information shall be promptly made available to the City upon request. Developer shall require all subcontractors to obtain the following endorsements:

(a) ISO Additional Insured endorsements with coverage at least as broad as ISO forms CG 20 10 and CG 20 37 naming Developer and the City Parties as additional insureds or a blanket additional insured endorsement applicable "when required by written contract or agreement", provided that, if the blanket additional insured endorsement is used, premises and operations as well as products-completed operations coverage must be provided for Developer and the City Parties;

(b) A Waiver of Subrogation endorsement in favor of the City Parties or a blanket waiver of subrogation endorsement; and

(c) A Primary, Non-contributory endorsement in favor of the City Parties or a blanket primary, non-contributory endorsement.

11.1.9 *Provisions Applicable to All Insurance Requirements*. Prior to the Construction Commencement (as defined in the DDA) at the Property or any portion thereof and annually thereafter, Developer shall furnish or cause to be furnished to the City certificates of insurance and all applicable endorsements evidencing the foregoing insurance coverages and limits. If any coverage is maintained on a claims-made basis, the following shall apply:

(a) The retroactive date must be shown and must be before the date of this Agreement or the beginning of any work or services under this Agreement;

(b) Except as otherwise set forth herein, coverage must be maintained and evidence of coverage must be provided for at least five years after termination of this Agreement;

(c) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Lease Commencement Date, Developer must purchase an extended reporting period for a minimum of five years after termination of this Agreement; and

(d) All insurance policies shall be written by an insurer with an A.M. Best rating of not less than A- (Excellent), Financial Size Category VII, and must be authorized to do business within the state of New Mexico; and

(e) Developer shall cause its insurer to deliver written notice to the City no later than 30-days prior to any cancellation or nonrenewal, and shall deliver to the City a copy of any notice of cancellation or nonrenewal within five days of Developer's receipt of such notice from its insurer.

ARTICLE 12
CONDEMNATION; CASUALTY

12.1 Condemnation.

12.1.1 Should the entire Property be taken (which term, as used in this Section, shall include any conveyance in avoidance or settlement of eminent domain, condemnation or other similar proceedings) by any governmental authority, corporation or other entity, excluding the City, under the right of eminent domain, condemnation or similar right, then this Lease shall terminate as of the date of taking possession by the condemning authority, and the award therefor will be distributed to the City and the Developer pro rata to their actual losses. After the distribution of the condemnation award as herein provided, this Lease shall terminate, and the parties shall have no further rights, duties or obligations under this Lease.

12.1.2 Should any portion of any Phase be taken by any governmental authority, corporation or other entity under the right of eminent domain, condemnation or similar right, such that (a) the untaken portion of such Phase is, in either Party's reasonable discretion, insufficient for the economic or feasible operation thereof by Developer; or (b) any access is taken that materially prohibits use of such Phase, unless reasonable alternate access is provided by the City, then Developer may either terminate this Lease and DDA with respect to the affected Phase as of the date of taking possession by the condemning authority in the same manner as provided in Section 12.1.1 for the entire Property and the award therefor shall be distributed as provided in Section 12.1.1, or Developer may continue to pursue its obligations under this Lease and the DDA with respect to the affected Phase. Should any other partial taking of the Property occur, then this Lease nevertheless shall continue in effect as to the Property, or the remainder thereof, as the case may be. In the event of a partial taking where this Lease is not terminated, the Rent payable during the remainder of the Term after taking of possession by the condemning authority shall be reduced on a just and proportionate basis having due regard to the relative value and square footage of the portion of the Property thus taken as compared to the remainder thereof and taking into

consideration the extent, if any, to which Developer's use of the remainder of the Property shall have been impaired or interfered with by reason of such partial taking.

12.2 Casualty. Developer covenants and agrees that in the event of damage to the Property or destruction of the whole or any part thereof, by any cause whatsoever, Developer shall proceed immediately and diligently to restore the Property to the same or equivalent condition or status as on the Lease Commencement Date.

ARTICLE 13
EVENT OF DEFAULT

13.1 The following constitute an "**Event of Default**" under this Lease:

13.1.1 an Event of Default (as such term is defined in the DDA) occurs under the DDA; or

13.1.2 Developer fails to pay in full when due any installment of Rent or other amount due hereunder within 30 days after such due date; or

13.1.3 Developer breaches or fails perform or observe any other requirement of this Lease not otherwise specifically referred to in this Article 13, and such failure continues for 30 days after written notice thereof from the City to Developer, provided, however, that such breach or failure will not constitute an Event of Default if such breach or failure cannot reasonably be cured within said 30-day period so long as (i) Developer, within said 30-day period, initiates and diligently and continuously pursues appropriate measures to remedy the breach or failure, and (ii) such breach or failure is cured within 90 days after Developer's receipt of the notice from the City with respect thereto.

13.2 Remedies. Upon the occurrence of an Event of Default, the City may take any of the following actions, and without limiting the City in the exercise of any other right and/or remedy which the City may have by reason of such Event of Default under this Lease:

13.2.1 If such Event of Default results in a Termination Event (as defined in the DDA), the City may terminate this Lease (in whole or in part) by giving Developer written notice thereof, effective at such time as may be specified by notice to Developer. The City may through any permitted legal process reenter and take possession of the Property and the improvements thereon without prejudice to any remedies for arrears of Rent or existing breaches hereof. In the event of such termination, Developer shall be liable to the City for damages immediately payable in an amount equal to the actual damages incurred by the City, including all expenses incurred by the City in enforcing its rights hereunder.

13.2.2 The City may through any permitted legal process reenter and take possession of the Property and the Buildings and without prejudice to any remedies for arrears of Rent or existing breaches hereof, lease, manage and operate the Property and collect the rents, issues and profits therefrom all for the account of Developer, and credit to the satisfaction of Developer's obligations hereunder the net rental thus received (after deducting therefrom all

reasonable costs and expenses of repossessing, leasing, managing and operating the Property, including, but not limited to brokerage commissions and any costs associated with advertising, remodeling, alterations or repair of the Property). If the net rental so received by the City exceeds the amounts necessary to satisfy all of Developer's obligations under this Lease, nevertheless the City shall retain such excess. The City shall use commercially reasonable efforts to mitigate its damages.

13.2.3 The City may bring an action against Developer for actual damages incurred by the City or any equitable relief available to the City and to the extent not prohibited by applicable law, to seize all personal property or fixtures upon the Property which Developer owns or in which it has an interest, in which the City shall have a landlord's lien and/or security interest, and to dispose thereof in accordance with the laws prevailing at the time and place of such seizure or to remove all or any portion of such property and cause the same to be stored in a public warehouse or elsewhere at Developer's sole expense, without becoming liable for any loss or damage resulting therefrom and without resorting to legal or judicial process, procedure or action.

13.2.4 If, after the City exercises its remedies in Section 13.2.1 or Section 13.2.2, Developer remains in possession of the Property or any portion thereof without express written approval of the City for such holdover possession, such possession may, at the sole option of the City, continue as a month-to-month tenancy, during which period Developer shall pay the City Holdover Rent on a monthly basis in advance on the first day of each calendar month thereafter, and all other terms and conditions of this Lease shall otherwise apply. "**Holdover Rent**" shall mean the then current market rent, as of the commencement of the holdover possession, for similar properties located in Santa Fe County, NM, as determined by the City in its sole discretion. The City may terminate such holdover possession in accordance with applicable law.

ARTICLE 14
SURRENDER

With respect to any portion of the Property remaining under this Lease upon the expiration or earlier termination of this Lease, Developer shall peaceably and quietly leave, surrender and deliver such Property to the City, together with all alterations, changes, additions and improvements located thereon, all of the foregoing to be surrendered in good and sufficient repair, order and condition, reasonable use, wear and tear excepted, and free of liens and occupants. Notwithstanding the foregoing, on or prior to the expiration or earlier termination of this Lease, Developer shall have the right to remove any and all personal property of Developer. Developer shall pay for the cost to repair or remedy any damage caused by Developer's removal of any such personal property, providing that no item may be removed if its removal would impair the structural integrity of any Building or any part thereof. All personal property not so removed shall be deemed abandoned and may either be retained by the City as its property or disposed of, without accountability, in such manner as the City may see fit.

ARTICLE 15
DEVELOPER FINANCING

15.1 Leasehold Mortgages. Throughout the Term, Developer may from time to time and without the City's consent, execute and deliver a mortgage, deed of trust, security agreement

or other hypothecating instrument (a "**Leasehold Mortgage**") encumbering Developer's leasehold interest in the Property (the "**Leasehold Estate**") for the benefit of a leasehold lender providing financing for Developer's obligations under the DDA (a "**Leasehold Mortgagee**"); provided, however, (a) no Leasehold Mortgage may constitute a lien on the fee title of the City, (b) the City shall not be required to encumber or subordinate, and nothing in this Lease will be construed as the City agreeing to encumber or subordinate, the City's right, title or interest in and to the fee interest to the Property, this Lease, the DDA, or the City's ROFR in the Property under the DDA, and (c) the City shall not be required to undertake any personal liability for the obligations of Developer secured or to be secured by any Leasehold Mortgage. Any Leasehold Mortgage and all rights acquired thereunder shall be subject all covenants, conditions and restrictions set forth in this Lease, including all obligations to comply with the terms and conditions of the DDA, and to all rights and interests of the City. Within 30 days after the recordation of a Leasehold Mortgage, Developer shall furnish to the City a complete copy of such recorded Leasehold Mortgage. In the event of a default by Developer under a Leasehold Mortgage, the City consents to the exercise by the Leasehold Mortgagee of any of its rights and remedies permitted under such Leasehold Mortgage, provided that such Leasehold Mortgagee delivers written notice to the City of such default prior to the exercise of any such remedies, and upon a Mortgagee Transfer Event (defined below), Leasehold Mortgagee (or its nominee or designee approved by the City ("**Approved Designee**")) shall assume all of Developer obligations under the DDA. A "**Mortgagee Transfer Event**" means that the Leasehold Mortgagee (or its Approved Designee) obtained possession of the Property through one of the following by Leasehold Mortgagee: (x) foreclosure or exercise of other remedies under the Leasehold Mortgage, (y) assumption of this Lease, or (z) a Replacement Lease (defined below). In no event shall a Leasehold Mortgage's exercise of remedies under a Leasehold Mortgage affect the City's rights or Developer's obligations under this Lease.

15.2 Leasehold Mortgagee's Rights to Cure a Lease Default. Prior to terminating this Lease or exercising any other right or remedy due to an Event of Default, the City will give written notice to the Leasehold Mortgagee, provided that the Leasehold Mortgage previously notified the City of its name, its address for notices and the fact that it is a Leasehold Mortgagee of a Leasehold Mortgage and includes with such notice a copy of the Leasehold Mortgage by virtue of which it became a Leasehold Mortgagee (a "**Notice Mortgagee**"), of any such Event of Default and shall afford the Notice Mortgagee a period of 30 days after notice is given in which to cure such Event of Default; provided, however, that (a) if such Event of Default is not a failure to pay Rent and is susceptible of cure by the Notice Mortgagee but cannot reasonably be cured within such 30-day period, then so long as the Notice Mortgagee commences a cure within such 30-day period (and notifies the City that it has done so), its cure period will be extended for as long as reasonably necessary for it to diligently pursue the cure to completion, but in no event longer than 90 days; and (b) if such Event of Default is not a failure to pay Rent and is susceptible of cure by the Notice Mortgagee but cannot reasonably be cured until the Notice Mortgagee obtains possession of the Property, then so long as the Notice Mortgagee commences to foreclose or otherwise enforce its Leasehold Mortgage (or assumes this Lease in lieu thereof) and thereafter diligently pursues such foreclosure, remedy or assumption to completion (and notifies the City that it has done so), Notice Mortgagee's 30-day cure period will be extended for as long as reasonably necessary for it to obtain possession of the Property and then promptly commence and thereafter diligently pursue the cure to completion, but in no event longer than 90 days after Notice Mortgagee obtains possession.

15.3 Notice Mortgagee's Right to Attorn. If, by virtue of an Event of Default, the City reenters and repossesses the Property without terminating this Lease or terminates this Lease, the City will give notice thereof to the Notice Mortgagee within 10 days prior to such reentry and repossession or termination, as the case may be. If the Notice Mortgagee notifies the City within 30 days after the City gives such notice that the Notice Mortgagee would like to attorn to the City and either assume Developer's obligations under this Lease (in the case of a reentry and repossession without termination of this Lease) or enter into a new lease with the City for the Property pursuant to the terms hereof (a "**Replacement Lease**") (in the case of a termination of this Lease), and provided that the Notice Mortgagee (a) pays the City all Rent, penalties and Default Interest due the City under this Lease at the date of reentry and repossession or termination and which thereafter becomes due or would have become due if this Lease had not been terminated up to and including the date the Notice Mortgagee's attornment to the City becomes effective, together with all of the City's expenses incident to the reentry and repossession or termination; and (b) covenants to promptly thereafter cure any Event of Default existing at the time of such reentry and repossession or termination that is not a failure to pay Rent and is susceptible of cure by the Notice Mortgagee pursuant to Section 15.2(b), then (i) the City will accept such attornment and either deliver possession of the Property to the Notice Mortgagee (or its Approved Designee) if the City has reentered and repossessed the same without terminating this Lease, whereupon the Notice Mortgagee (or its Approved Designee) will assume in writing all obligations of Developer arising under this Lease and the DDA from and after the date possession is so delivered and this Lease will continue in full force and effect as a direct obligation between the City and the Notice Mortgagee (or its Approved Designee), or (ii) the City will execute and deliver one Replacement Lease for the Property to the Notice Mortgagee (or its Approved Designee) for the balance of what would have been the Term had this Lease not been so terminated and otherwise upon all of the same terms and conditions set forth in this Lease. The lessee under the Replacement Lease will have the same leasehold interest in the Property as Developer had under this Lease.

15.4 Notice Mortgagee Limitation on Liability. Except for Developer's obligations under the DDA assumed by the Leasehold Mortgagee as required by this Lease, a Notice Mortgagee shall not have any other obligations under this Lease arising prior to the earlier of the date that the Notice Mortgagee assumes the obligations of Developer under this Lease or obtains absolute title to the Leasehold Estate. Any such Notice Mortgagee shall be liable to perform obligations under this Lease only for and during the period of time that such Notice Mortgagee directly holds such absolute title to the Leasehold Estate, except for any outstanding obligations of Developer's to be performed under the DDA. Further, in the event that a Notice Mortgagee elects to (a) perform Developer's obligations under this Lease, (b) continue operations on the Property, (c) acquire Developer's Leasehold Estate, or (d) enter into a Replacement Lease, then such Notice Mortgagee shall not have any personal liability to the City in connection therewith, and the City's sole recourse in the event of default by such Notice Mortgagee shall be to execute against such Notice Mortgagee's interest in the Leasehold Estate. Moreover, any Notice Mortgagee who acquires Developer's interest in the Leasehold Estate pursuant a Mortgagee Transfer Event shall not be liable to perform any obligations thereunder to the extent the same are incurred or accrue after such Notice Mortgagee no longer has ownership of the Leasehold Estate created thereby.

15.5 Prohibition Against Mutual Rescission. Except for a Partial Release (defined below), no mutual termination, cancellation or rescission of this Lease by the City and Developer will be effective unless and until the same is approved in writing by the Notice Mortgagee.

15.6 Bankruptcy. If this Lease is rejected in connection with a bankruptcy proceeding by Developer or a trustee in bankruptcy for Developer, such rejection, to the extent permitted under the Bankruptcy Code, shall be deemed an assignment by Developer to the Notice Mortgagee of the Leasehold Estate and all of Developer's interest under this Lease, and this Lease shall not terminate, and the Notice Mortgagee shall have all the rights of the Developer under this Lease as if such bankruptcy proceeding had not occurred, unless such Notice Mortgagee rejects such deemed assignment by notice in writing to the City within 30 days following rejection of this Lease by Developer or Developer's trustee in bankruptcy. If any court of competent jurisdiction shall determine that this Lease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by Developer or the trustee in connection with any such proceedings, the rights of one Notice Mortgagee to a Replacement Lease from the City pursuant to Section 15.2 hereof shall not be affected thereby.

ARTICLE 16
LEASE SUBORDINATE

16.1 This Lease and all of Developer's rights hereunder shall be subordinate to the lien and terms of any mortgage, deed of trust and related documents now or hereafter placed upon the Property by any lender of the City (if any, a "**City Mortgagee**") (including all advances made thereunder), and to all amendments, renewals, replacements, or restatements thereof (collectively, "**Mortgage**") unless any City Mortgagee elects to have this Lease superior to the lien and terms of its Mortgage pursuant to Section 16.2 below. Developer agrees that no documentation other than this Lease is required to evidence such subordination.

16.2 If any City Mortgagee elects to have this Lease superior to the lien of its Mortgage and gives notice to Developer, this Lease will be deemed prior to such Mortgage whether this Lease is dated prior or subsequent to the date of such Mortgage or the date of recording thereof.

16.3 In confirmation of subordination or superior position, as the case may be, Developer will execute such documents as may be required by any City Mortgagee and if it fails to do so within 10 days after demand, Developer hereby irrevocably appoints the City as Developer's attorney-in-fact and in Developer's name, place, and stead, to do so.

16.4 Following Developer's request therefor, the City shall use commercially reasonable efforts to obtain from any future City Mortgagee, a subordination, non-disturbance and attornment agreement on such City Mortgagee's form.

16.5 Developer hereby attorns to all successor owners of the Property, whether such ownership is acquired by sale, foreclosure of a Mortgage, or otherwise.

ARTICLE 17
PARTIAL RELEASE

17.1 During the Term, Developer will redevelop the Property in three phases (each, a "**Phase**" and, collectively, the "**Phase**s"), as depicted in the Property delineation map set forth on Exhibit B attached hereto. The real property and improvements, collectively, comprising the first, second and third Phases of the Property are referred to herein as "**Phase 1**", "**Phase 2**" and "**Phase 3**," respectively.

17.2 It is the intention of the Parties that the City shall convey the Phase 1, Phase 2, and Phase 3 portions of the Property in accordance with the DDA as the Developer completes the Phase 1 Closing Conditions, the Phase 2 Closing Conditions, and the Phase 3 Closing Conditions, as those are defined in the DDA, as applicable. pursuant to the terms of Article 10 of the DDA. As each Phase is conveyed to Developer, the Legal Description shall be automatically amended to remove the legal description of the applicable Phase to reflect the conveyance of such Phase to Developer (each, a "**Partial Release**").

ARTICLE 18
MISCELLANEOUS

18.1 Commissions. Developer hereby represents and warrants that it has not entered into contracts with any brokers or finders nor has Developer obligated itself to pay any real estate commissions or finder's fees on account of the execution of this Lease. The City hereby represents and warrants that it has not entered into contracts with any brokers or finders nor has the City obligated itself to pay any real estate commissions or finder's fees on account of the execution of this Lease. Based on such representations and warranties, the City and Developer hereby agree to indemnify and hold the other harmless from and against all claims, damages, expenses, liabilities, liens or judgments (including costs, expenses and attorneys' fees in defending the same) which arise on account of any claim that real estate commissions or finders' fees are payable and have not been discharged in their entirety.

18.2 Quiet Enjoyment. Except during the existence of an Event of Default and subject to the provisions of this Lease and the DDA, the City shall not disturb Developer's quiet possession of the Property for the entire Term. Developer acknowledges that the City's performance of its obligations under Article 8 of the DDA may restrict or temporarily prevent Developer's use of and/or access to the Property or otherwise inconvenience Developer. Developer agrees that no such events shall constitute a constrictive eviction of Developer or give rise to any remedies or right of Developer against the City; provided, however, if the City's performance of its obligations under Article 8 of the DDA substantially deprives Developer of its beneficial use and access to all of the Property for more than 30 consecutive days after written notice from Developer to the City, Rent shall abate commencing at the end of said 30 day period until the cessation of the activity causing the deprivation, unless the City has commenced to cure such cause or remediate such deprivation with reasonable diligence within such 30-day period. Further, the City shall under no circumstances be held responsible for any restriction or disruption of the use of or access to the Property from public streets caused by construction work or other actions taken by Developer or any Developer Parties, any other tenant or any third-party, or their contractors, employees, agents, visitors, or invitees, or any other cause not within the City's control, and any such circumstances shall not constitute a constructive eviction of Developer nor give rise to any remedies or right of Developer against the City.

18.3 Compliance with Laws. Through the Lease Term, Developer shall comply, and cause Developer Parties to comply, with all Applicable Rules then in effect, including the Americans With Disabilities Act of 1990 (42 U.S.C. Section 12101, et seq., as amended, the "**ADA**"). Developer agrees to be responsible for knowing all applicable requirements of the ADA and to defend, indemnify and hold harmless the City, its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties as a result of any acts or omissions of Developer or Developer Parties in violation of the ADA.

18.4 Discrimination Prohibited. Developer shall comply, and cause the Developer Parties to comply, with Applicable Rules relating to discrimination against or segregation of any Person or group of Person, and will not on the grounds of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, sexual preference, marital status, source of income, physical or mental disability, medical condition, or citizenship status, discriminate or permit discrimination against any Person or group of Persons in any manner prohibited by Title 49 CFR Parts 21 and 23, the Civil Rights Act of 1964, as amended, the Equal Pay Act of 1963, the Rehabilitation Act of 1973, the New Mexico Human Rights Act, and SFCC 1987 Section 2.02. Without limiting the generality of the foregoing, Developer will not discriminate against any employee or applicant for employment or tenancy because of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, sexual preference, physical or mental disability, medical condition, or citizenship status. Such covered actions include, without limitation: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training; and disciplinary actions and grievances. Developer agrees to post in conspicuous places available to employees, and applicants for employment, notice to be provided setting forth the provisions of this non-discrimination clause.

18.5 Recordation. Promptly after the later of the Lease Commencement Date and the recordation of the Plat, the City shall record an executed original of this Lease in the real property records of the Clerk's Office of Santa Fe County, New Mexico (the "**Official Records**"). All amendments, transfers, and assignments hereto must be in writing signed by the appropriate officers of the City and Developer in a form suitable for recordation in the Official Records.

18.6 Run with the Land. This Lease, including all covenants, agreements, rights, restrictions and obligations contained herein, shall run with the Property until expiration of the Lease. Except as provided herein, all covenants, agreements, rights, restrictions and obligations contained herein shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns, and all persons claiming under them. In the event this Lease is terminated by the City with respect to all or any portion of the Property, this Lease may be released of record, in whole or in part, upon execution and recording by the City of a notice of termination or other instrument evidencing such termination.

18.7 Notices. Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be delivered either personally with a receipt requested therefor, or by overnight courier, or by certified mail, return receipt requested, postage prepaid, in any case addressed to the Parties at their respective addresses set forth below, and the same shall be effective (a) upon receipt or refusal if delivered personally, (b) one Business Day after depositing with such an overnight courier service, (c) three Business Days after deposit in the mail if mailed, or (d) upon successful electronic mail transmission evidenced by an electronic "read receipt" and provided that such

notice is also delivered by the means described in clauses (a) or (b) within two Business Days after such electronic mail notice. A Party may change its address for receipt of notices by service of a notice of such change in accordance herewith. "**Business Day**" means Monday through Friday and specifically excludes any federal, state, and City holidays and any additional days on which City offices are closed (other than essential services). All notices to the City or Developer shall be sent to the persons and addresses set forth below. A Party may change its address for receipt of notices by service of a notice of such change in accordance herewith.

If to the City:	City of Santa Fe Attn: City Manager P.O. Box 909 Santa Fe, NM 87504
with a copy to:	Midtown Redevelopment Agency Attention: MRA Director 200 Lincoln Avenue Santa Fe, NM 87505
If to Developer:	Aspect QOZB, LLC Attention: Phillip Gesue 1954 Siringo Road Santa Fe, NM 87501
with a copy to:	Long, Komer & Associates, P.A. Attention: Nancy R. Long P.O. Box 5098 1800 Old Pecos Trail, Suite A Santa Fe, NM 87505

18.8 Relationship Between Parties. Notwithstanding any language in this Lease or any representation or warranty to the contrary, the relationship between the City and Developer shall be as landlord and tenant, respectively, and neither the City nor Developer shall be deemed or constitute an employee, servant, agent, partner or joint venturer of the other.

18.9 No Third-Party Rights. This Lease is for the sole and exclusive benefit of the Parties and their respective successors and permitted assigns, and no third party other than a permitted assignee of the City or Developer is contemplated to or shall have any rights hereunder.

18.10 Counterparts. This Lease may be signed in multiple counterparts or with detachable signature pages, but either or both circumstances shall constitute one instrument, binding upon all Parties thereto as if all Parties signed the same document. If so executed, each such counterpart of this Lease is to be deemed an original for all purposes and all such counterparts will collectively constitute one Lease, but in making proof of this Lease, it will not be necessary to produce or account for more than one such counterpart.

18.11 Time of Essence. Time is expressly made of the essence with respect to the performance by Developer of every obligation and condition of this Lease.

18.12 Computation of Time. All references herein to "days" mean calendar days. All references herein to "months" mean the period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that, solely with respect to the last month of any period (a) if the numerically corresponding day is not a Business Day, that period will be deemed to end on the next Business Day, (b) if there is no numerically corresponding day in the next calendar month, then that period shall end on the first Business Day after the last day of that month. In computing any period of time under this Lease in which days define the period, (i) the date of the act or event from which the designated period of time begins to run shall not be included, and (ii) the last day of the period so computed shall be included unless it is a day other than a Business Day, in which event the day for performance thereof shall be extended to the next Business Day. If any act is to be done by or within a period of time, the last day of said period of time shall be deemed to end at 5:00 p.m. MT.

18.13 Force Majeure. Neither the City nor Developer shall be deemed to be in default hereunder if either Party is prevented from performing any of the obligations, other than monetary obligations hereunder, by reason of a Force Majeure Event, as such term is defined in the DDA. An extension of time for any Force Majeure Event shall commence to run from the time of the commencement of the Force Majeure Event if notice by the Party claiming such extension is sent to the other Party within 30 days of the commencement of the cause. If such notice is delivered after such 30-day period, the extension period shall commence to run from the date of such notice. After the termination of any such Force Majeure Event, the obligation to perform shall recommence with a day-for-day delay extension to any deadlines.

18.14 Severability. In the event any covenant, condition or provision herein is held to be invalid, illegal, or unenforceable by any court of competent jurisdiction, such covenant, condition or provision shall be deemed amended to conform to Applicable Rules so as to be valid or enforceable or, if it cannot be so amended without materially altering the intention of the parties, it shall be stricken. If stricken, all other covenants, conditions and provisions of this Lease shall remain in full force and effect provided that the striking of such covenants, conditions or provisions does not materially prejudice either the City or Developer in its respective rights and obligations contained in the valid covenants, conditions or provisions of this Lease.

18.15 Interpretation. Whenever the words "include," "includes" or "including" are used in this Lease they shall be deemed to be followed by the words "without limitation." The words "hereof", "herein" and "hereunder" and words of similar import when used in this Lease shall refer to this Lease as a whole and not to any particular provision of this Lease. Unless otherwise expressly provided herein, any agreement, instrument or statute defined or referred to herein or in any agreement or instrument defined or referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes, and references to all attachments thereto and instruments incorporated therein.

18.16 Sections. References to section numbers are to sections in this Lease, unless otherwise expressly stated.Gender, Singular/Plural. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.Headings and Captions. Headings and

captions of sections and paragraphs are for convenience, not limitation, and are not to be construed as modifying text.

18.19 Further Assurances. Developer and the City covenant that they shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such instrument, supplemental hereto and further acts, instruments and transfers as may be required hereunder. All such ancillary agreements shall be in accordance with and not contradictory to the terms and conditions set forth in this Lease.

18.20 Waiver. No provisions of this Agreement shall be deemed to have been waived by either Party unless such waiver is in writing, signed by the Party making the waiver and addressed to the other Party, nor shall any custom or practice which may evolve between the Parties in the administration of the terms of this Agreement be construed to waiver or lessen the right of either Party to insist upon the performance of the other Party in strict accordance with the terms of this Agreement. Further, the waiver by any Party of a breach by the other Party or any term, covenant, or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition thereof. No acceptance by the City of any partial payment shall constitute an accord or satisfaction but shall only be deemed a partial payment.

18.21 Modifications; City Approval. Any amendment, alteration, change or modification of or to this Lease, in order to become effective, shall be made in writing and in each instance signed on behalf of each Party and, if applicable, approved by the Governing Body and in accordance with any applicable City signature policy. The MRA Director shall record amendments, alterations, changes, and modifications to this Lease in the Official Records, though a failure to so record shall not impair the effectiveness of such as between the Parties. The MRA Director may extend the time for the performance of any term or satisfaction of any condition hereunder for up to 180 days by the execution of a letter countersigned by Developer.

18.22 Legal Advice. Each Party represents to the other that it has carefully read this Lease; and in signing this Lease, it does so with full knowledge of any right which it may have; it has received independent legal advice from its legal counsel as to the matter set forth in this Lease; and it has freely signed this Lease without any reliance upon any agreement, promise, statement or representation by or on behalf of the other Party, or its agents, employees, or attorneys, except as specifically set forth in this Lease, and without duress or coercion, whether economic or otherwise. This Lease shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared primarily by counsel for one of the Parties, it being recognized that both the City and Developer have contributed substantially and materially to the preparation of this Lease.

18.23 Non-Liability of Officials and Employees of the City. No member, official or employee of the City shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Developer or its successors, or on any obligations under the terms of this Lease.

18.24 New Mexico Tort Claims Act. The City's liability in connection with the Lease is limited by the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et seq. NMSA 1978, as amended. The City and its "public employees", as defined in the New Mexico

Tort Claims Act, do not waive sovereign immunity, do not waive any defense, and do not waive any limitation of liability pursuant to law. No provision of this Lease modifies or waives any provision of the New Mexico Tort Claims Act.

18.25 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of New Mexico.

18.26 Legal Proceedings; Attorneys' Fees and Costs. The Parties agree that the exclusive venue for any claims, disputes, disagreements, controversies, lawsuits, or causes of action by or between Developer and the City arising out of or relating to this Lease, the Project, the Property, or the construction activities permitted under the DDA (collectively, "**Disputes**"), shall be the First Judicial District Court located in Santa Fe, New Mexico. Any and all Disputes shall be tried as a bench trial and not as a jury trial. In the event it becomes necessary for the City to enforce any of the terms and provisions of this Lease, whether or not suit be instituted, Developer shall pay all costs and expenses incurred by the City in connection with the City's enforcement of this Lease, including, but not limited to, reasonable attorneys' fees, unless as a part of such action a court determines that the claims made by City in such action were frivolous and not made in good faith.Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, THE PARTIES HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVE, RELINQUISH AND FOREVER FORGO THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO A DISPUTE.EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY DISPUTE WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY DISPUTE. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE SUCH WAIVERS; (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS; (C) IT MAKES SUCH WAIVERS VOLUNTARILY; AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 18.27.

18.28 Approval Required. This Lease shall not become effective or binding until approved by the highest approval authority required by the City under this Lease. No Pecuniary Liability of City. No provision of this Lease shall constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitations of the State of New Mexico, nor constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.Officials, Agents and Employees Not Personally Liable. No official, agent, or employee of the City nor member of the Governing Body shall be personally liable to any person by virtue of any provision of this Lease.No Collusion. Developer represents that this Lease is entered into by Developer without collusion on the part of the Developer with any person or firm, without fraud and in good faith. The Developer also represents that no gratuities, in the form of entertainment, gifts or otherwise, were, or during the term of this Lease, will be offered or given

by Developer or any agent or representative of Developer to any officer or employee of the City with a view towards securing this Lease or for securing more favorable treatment with respect to making any determinations with respect to performing this Lease.Public Records. The Parties acknowledge that the City is a government entity and subject to the IPRA. Notwithstanding anything contained herein to the contrary, the City shall not be responsible to Developer or any third-party contractor for any disclosure of confidential information pursuant to the IPRA or pursuant to the City's public records act laws, rules, regulations, instructions or other legal requirement.

18.33 Governmental Right and Powers. Nothing in this Lease will be construed or interpreted as limiting, relinquishing, or waiving any rights of ownership enjoyed by the City in the Property or waiving or limiting the City's control over the management, operations or maintenance of the Property, except as specifically provided in this Lease, or impairing exercising or defining governmental rights and the police powers of the City.

18.34 Survival. All obligations, covenants and agreements contained herein which are intended to be performed in whole or in part after the completion of construction of the Project or termination of this Lease shall survive the completion of construction of the Project or termination of this Lease and shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

[*Remainder of this page intentionally left blank*]
[*Signatures and acknowledgements appear on the following pages*]

IN WITNESS WHEREOF, this Lease has been executed and delivered by the City and Developer as of the date shown below.

Date of City of Santa Fe Governing Body
Approval: _____ ___, 20__

CITY:

CITY OF SANTA FE,
a municipal corporation and political subdivision of the State of New Mexico

By: _____

Mayor

APPROVED AS TO FORM:

By: _____
Assistant City Attorney

ATTEST:

By: _____
City Clerk

STATE OF NEW MEXICO }
} ss.
COUNTY OF SANTA FE }

This instrument was acknowledged before me on _____, 20__ by _____, as _____ of City of Santa Fe, a municipal corporation and political subdivision of the State of New Mexico.

(Seal, if any)

_____
(Signature of Notarial Officer)

[*Signatures and acknowledgements continue on the following page*]

DEVELOPER:
ASPECT QOZB, LLC,
a Delaware limited liability company

By: _____
Name: Phillip Gesue
Title: Managing Member

STATE OF NEW MEXICO }
} ss.
COUNTY OF SANTA FE }

This instrument was acknowledged before me on 10/24/, 2024 by Phillip Gesue as Managing Member of Aspect QOZB, LLC, a Delaware limited liability company.

(Seal, if any)

_____
(Signature of Notarial Officer)

STATE OF NEW MEXICO
NOTARY PUBLIC
KANDRA LYNN PAYNE
COMMISSION # 1139277
COMMISSION EXPIRES 12/02/2026

[DEVELOPER SIGNATURE PAGE AND ACKNOWLEDGMENT]

EXHIBIT A

Depiction of the Midtown Site

[see attached]



VICINITY MAP
N.T.S.

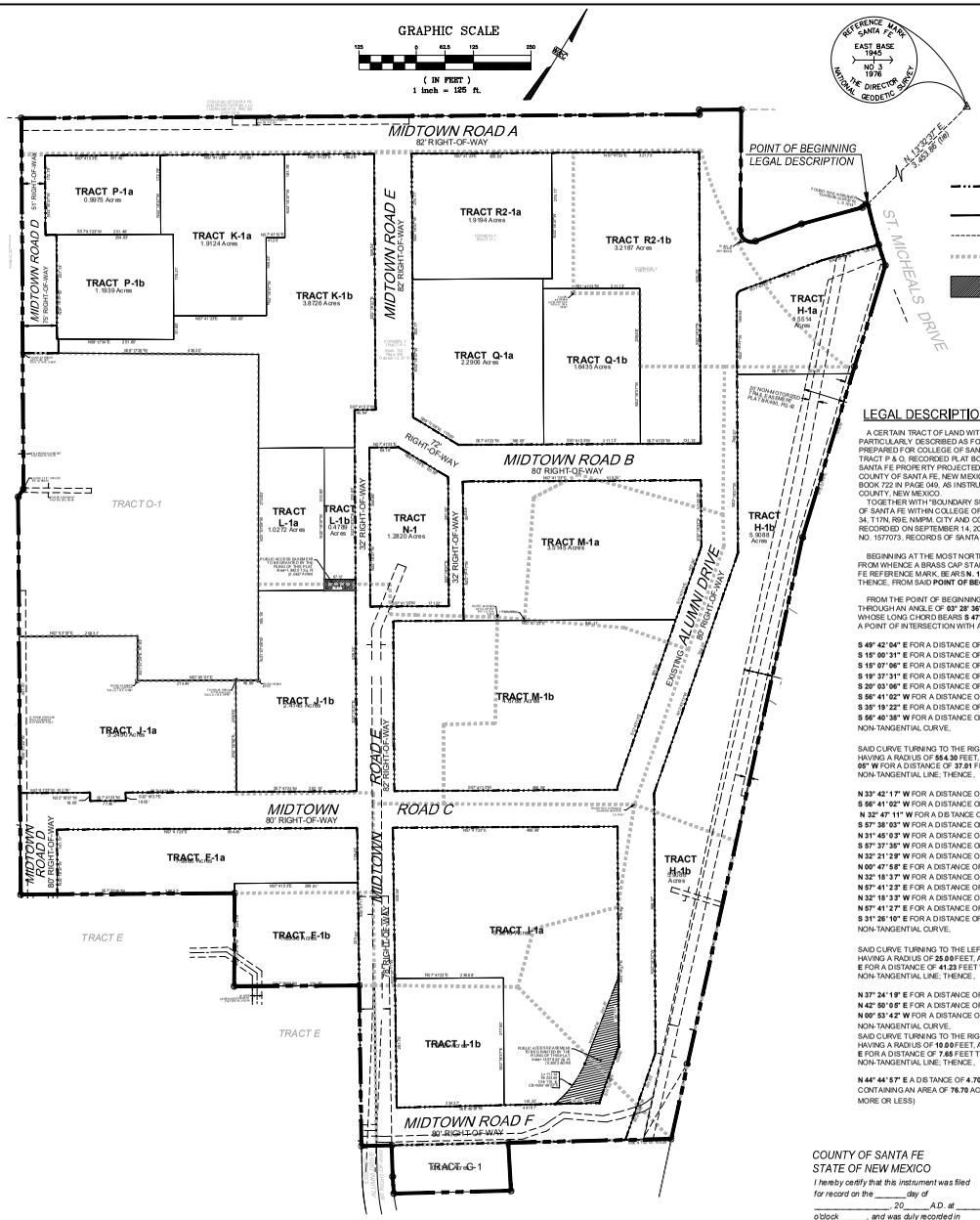
NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE.
   DISTANCES ARE GROUND DISTANCES.
   COMBINED GRID TO GROUND SCALE FACTOR: 1.0004066253 (SCALED AROUND 0,0)
   BASED ON A LINE FROM "SANTA FE EAST BASE RM3" TO "BM B-439, 1984",
   BEARING = S.49°38'22"W.
3. BENCHMARK USED FOR THIS PROJECT IS "SANTA FE EAST BASE RM3".
4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

REFERENCED DOCUMENTS:

THE FOLLOWING DOCUMENTS AND INSTRUMENTS WERE USED FOR THE PERFORMANCE AND PREPARATION OF THIS PLAT:

1. PLAT OF SURVEY ENTITLED, "REPLAT PREPARED FOR THE COLLEGE OF SANTA FE", recorded SEPTEMBER 14, 2006 in PLAT BOOK 707, PAGE 050-051.
2. DIVISION PLAT FOR THE COLLEGE OF SANTA FE, recorded MAY 19, 2006 in PLAT BOOK 682, PAGE 06.
3. REPLAT FOR COLLEGE OF SANTA FE, recorded JANUARY 2, 2006 in PLAT BOOK 672, PAGE 33.
4. REPLAT FOR COLLEGE OF SANTA FE, recorded SEPTEMBER 19, 2006 in PLAT BOOK 635, PAGE 46, 47.
5. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in PLAT BOOK 722, PAGE 049.
6. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in BOOK 719, PAGE 044.
7. BOUNDARY EASEMENT SURVEY PLAT FOR COLLEGE OF SANTA FE, recorded JULY 15, 2010 in BOOK 719, PAGE 047.
8. PLAT OF ALTA/ACSM LAND TITLE SURVEY, recorded OCTOBER 10, 2008 in BOOK 691, PAGE 029.
9. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded JUNE 28, 2011 in BOOK 735, PAGE 045.
10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
11. PLAT OF EASEMENT SURVEY FOR COLLEGE OF THE CHRISTIAN BROTHERS OF NEW MEXICO, recorded 08/17/ 2009.
12. REPLAT OF TRACT 3A & 3B FOR COLLEGE OF THE BOARD OF EDUCATION OF THE CITY OF SANTA FE, recorded MARCH 12, 1991 in BOOK 220, PAGE 037.
13. BOUNDARY SURVEY PLAT FOR PRESBYTERIAN MEDICAL SERVICES, recorded NOVEMBER 30, 2004 in BOOK 574, PAGE 035.
14. LOT CONSOLIDATION FOR THE STATE OF NEW MEXICO DEPARTMENT OF FINANCE & ADMINISTRATION, recorded OCTOBER 4, 1990 in BOOK 215, PAGE 013.
15. QUITCLAIM DEED from U.S.A. to COLLEGE OF THE CHRISTIAN, filed MAY 23, 1949 in BOOK 40, PAGE 437.
16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK, filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.



LEGEND:

- RIGHT-OF-WAY, TO BE DEDICATED BY THE FILING OF THIS PLAT.
- NEW LOT LINE
- EASEMENT LINE (AS NOTED)
- LOT LINE TO BE ELIMINATED
- PUBLIC ACCESS EASEMENT TO BE GRANTED BY THE FILING OF THIS PLAT.

LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "REPLAT PREPARED FOR COLLEGE OF SANTA FE, LOT LINE ADJUSTMENT OF EXISTING TRACT P & O, RECORDED PLAT BOOK 707, PAGES 50-50A WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T1 7N., R9E, NMPM, CITY AND COUNTY OF SANTA FE, NEW MEXICO." RECORDED ON OCTOBER 12, 2010 IN BOOK 722 IN PAGE 049, AS INSTRUMENT NO. 1613544., RECORDS OF SANTA FE COUNTY, NEW MEXICO.

TOGETHER WITH "BOUNDARY SURVEY PLAT PREPARED FOR THE COLLEGE OF SANTA FE WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T17N, R9E, NMPM, CITY AND COUNTY OF SANTA FE, NEW MEXICO". RECORDED ON SEPTEMBER 14, 2009 IN BOOK 707 IN PAGE 50, AS INSTRUMENT NO. 1577073., RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHEASTERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 13°32'37" E.**, A DISTANCE OF **3,483.86** FEET; THENCE, FROM SAID **POINT OF BEGINNING**,

FROM THE POINT OF BEGINNING; SAID CURVE TURNING TO THE LEFT THROUGH AN ANGLE OF **03° 28' 36"**, HAVING A RADIUS OF **1516.95** FEET, AND WHOSE LONG CHORD BEARS **S 47° 01' 15" E** FOR A DISTANCE OF **92.03** FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE; THENCE,

S 49° 42' 04" E FOR A DISTANCE OF 47.26 FEET TO AN ANGLE POINT; THENCE,
S 15° 00' 31" E FOR A DISTANCE OF 230.86FEET TO AN ANGLE POINT; THENCE,
S 15° 07' 06" E FOR A DISTANCE OF 389.24 6 FEET TO AN ANGLE POINT; THENCE,
S 19° 37' 31" E FOR A DISTANCE OF 1175.00 FEET TO AN ANGLE POINT; THENCE,
S 20° 03' 06" E FOR A DISTANCE OF 166.82 FEET TO AN ANGLE POINT; THENCE,
S 56° 41' 02" W FOR A DISTANCE OF 355.80 FEET TO AN ANGLE POINT; THENCE,
S 35° 19' 22" E FOR A DISTANCE OF **105.04** FEET TO AN ANGLE POINT; THENCE,
S 56° 40' 38" W FOR A DISTANCE OF **255.28** FEET TO THE BEGINNING OF A NON-TANGENTIAL CURVE,

SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF **03° 49' 35"**, HAVING A RADIUS OF **554.30** FEET, AND WHOSE LONG CHORD BEARS **N 36° 13' 05" W** FOR A DISTANCE OF **37.01** FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE; THENCE ,

N 33° 42' 17" W FOR A DISTANCE OF **68.04** FEET TO AN ANGLE POINT; THENCE,
S 56° 41' 02" W FOR A DISTANCE OF **66.00** FEET TO AN ANGLE POINT; THENCE,
N 32° 47' 11" W FOR A DISTANCE OF **350.05** FEET TO AN ANGLE POINT; THENCE,
S 57° 38' 03" W FOR A DISTANCE OF **272.75** FEET TO AN ANGLE POINT; THENCE,
N 31° 46' 37" W FOR A DISTANCE OF **202.87** FEET TO AN ANGLE POINT; THENCE,
S 57° 37' 35" W FOR A DISTANCE OF **466.53** FEET TO AN ANGLE POINT; THENCE,
N 32° 21' 29" W FOR A DISTANCE OF **866.72** FEET TO AN ANGLE POINT; THENCE,
N 00° 47' 58" E FOR A DISTANCE OF **21.00** FEET TO AN ANGLE POINT; THENCE,
N 32° 18' 37" W FOR A DISTANCE OF **868.06** FEET TO AN ANGLE POINT; THENCE,
N 57° 41' 23" E FOR A DISTANCE OF **1478.51** FEET TO AN ANGLE POINT; THENCE,
N 32° 18' 33" W FOR A DISTANCE OF **10.00** FEET TO AN ANGLE POINT; THENCE,
N 57° 41' 27" E FOR A DISTANCE OF **91.54** FEET TO AN ANGLE POINT; THENCE,
S 31° 26' 16" E FOR A DISTANCE OF **263.07** FEET TO THE BEGINNING OF A NON-TANGENTIAL CURVE,

SAID CURVE TURNING TO THE LEFT THROUGH AN ANGLE OF **111° 06' 12"**, HAVING A RADIUS OF **25.00** FEET, AND WHOSE LONG CHORD BEARS **S 87° 04' 17" E** FOR A DISTANCE OF **41.23** FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE; THENCE ,

N 37° 24' 19" E FOR A DISTANCE OF **106.67** FEET TO AN ANGLE POINT; THENCE,
N 42° 50' 05" E FOR A DISTANCE OF **137.50** FEET TO AN ANGLE POINT; THENCE,
N 00° 53' 42" W FOR A DISTANCE OF **2.51** FEET TO THE BEGINNING OF A NON-TANGENTIAL CURVE,
SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF **44° 58' 38.1"**, HAVING A RADIUS OF **10.00** FEET, AND WHOSE LONG CHORD BEARS **N 21° 36' 18" E** FOR A DISTANCE OF **7.55** FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE; THENCE ,

N 44° 44' 57" E A DISTANCE OF **4.70** FEET TO THE **POINT OF BEGINNING** AND CONTAINING AN AREA OF **76.70** ACRES, MORE OR LESS (**3,341,172.67** SQ. FT., MORE OR LESS)

COUNTY OF SANTA FE
STATE OF NEW MEXICO } SS

I hereby certify that this instrument was filed for record on the _____ day of _____ 20____ A.D. at _____ o'clock _____, and was duly recorded in book _____ page(s) _____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

_____ *Deputy*

County Clerk

Seal

Lot Line Adjustment to Create Right-of-Way

for PLAT OF EXISTING
College of Santa Fe
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
August 2024

STATEMENT OF DECLARATION:

THE PURPOSE OF THIS PLAT IS TO:

ADJUST LOT LINES AND TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON. THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER. THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

BY: _____ ALAN WEBBER, MAYOR DATE: _____

CITY CLERK: _____ DATE: _____

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, ACKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20____.

NOTARY PUBLIC _____ MY COMMISSION EXPIRES _____

REVIEWED BY COUNTY OF SANTA FE:

COUNTY TREASURER _____ DATE: _____

REVIEWED BY CITY OF SANTA FE:

CITY ENGINEER FOR LAND USE _____ DATE: _____

CITY PLANNER _____ DATE: _____

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

_____
BENJAMIN M. ARAGON N.M.P.L.S. #15268

_____
DATE

NEW MEXICO 15268 BENJAMIN M. ARAGON REGISTERED PROFESSIONAL SURVEYOR

WILSON & COMPANY
4401 MASTHEAD ST. NE, SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

SHEET 1 OF 1

EXHIBIT A

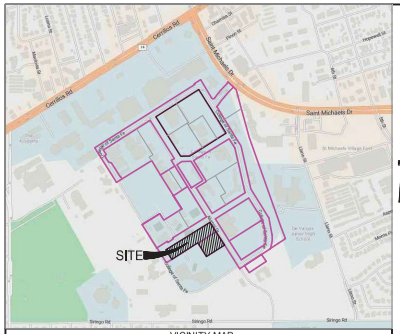
EXHIBIT B

Depiction of the Property

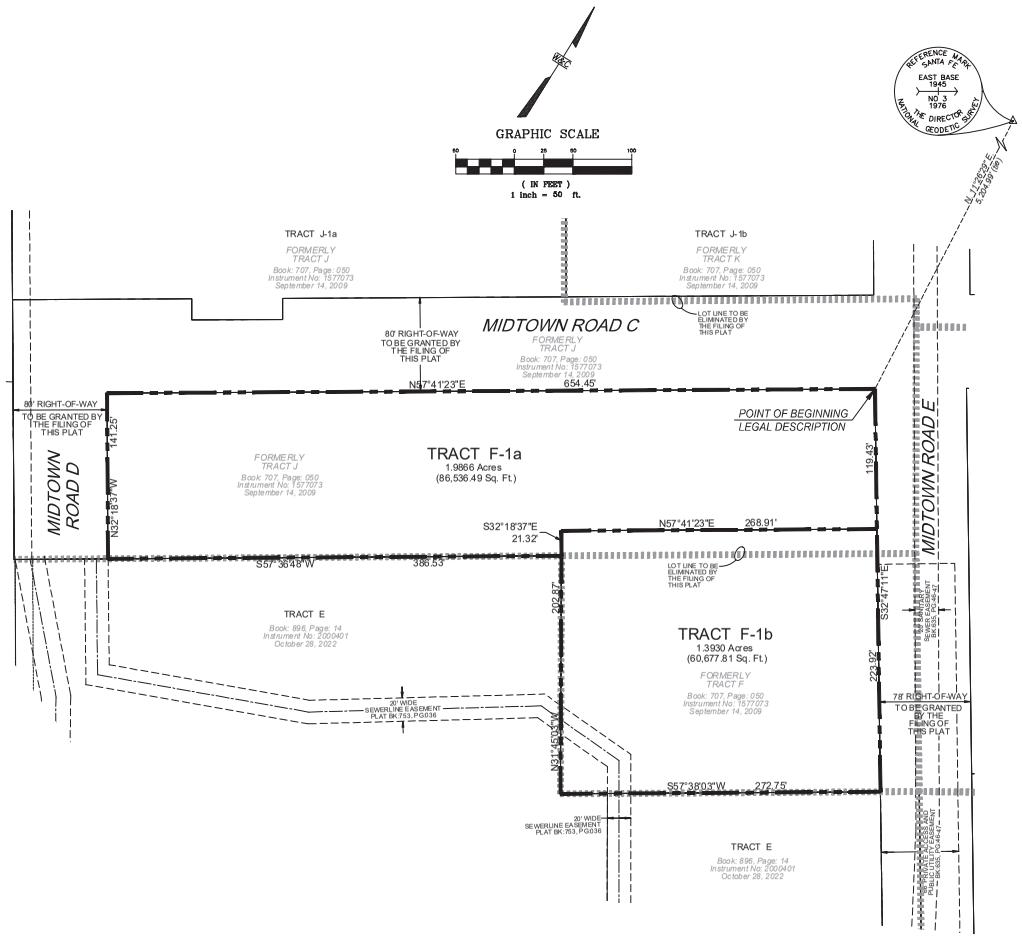
[see attached]

Lot Split to create
TRACTS F-1a and F-1b

LOT LINE ADJUSTMENT PLAT OF EXISTING
TRACT F and TRACT J
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
August 2024



VICINITY MAP
N.T.S.



NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE. DISTANCES ARE GROUND DISTANCES. COMBINED GRID TO GROUND SCALE FACTOR: 1.0004066253 (SCALED AROUND 0,0) BASED ON A LINE FROM "SANTA FE EAST BASE RM3" TO "BM B-439, 1984", BEARING = S.49°38'22"W.
3. BENCHMARK USED FOR THIS PROJECT IS "SANTA FE EAST BASE RM3".
4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

REFERENCED DOCUMENTS:

THE FOLLOWING DOCUMENTS AND INSTRUMENTS WERE USED FOR THE PERFORMANCE AND PREPARATION OF THIS PLAT:

1. PLAT OF SURVEY ENTITLED, "REPLAT PREPARED FOR THE COLLEGE OF SANTA FE", recorded SEPTEMBER 14, 2006 in PLAT BOOK 707, PAGE 050-051.
2. DIVISION PLAT FOR THE COLLEGE OF SANTA FE, recorded MAY 19, 2006 in PLAT BOOK 682, PAGE 06.
3. REPLAT FOR COLLEGE OF SANTA FE, recorded JANUARY 2, 2006 in PLAT BOOK 672, PAGE 33.
4. REPLAT FOR COLLEGE OF SANTA FE, recorded SEPTEMBER 19, 2006 in PLAT BOOK 635, PAGE 46, 47.
5. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in PLAT BOOK 722, PAGE 049.
6. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in BOOK 719, PAGE 044.
7. BOUNDARY EASEMENT SURVEY PLAT FOR COLLEGE OF SANTA FE, recorded JULY 15, 2010 in BOOK 719, PAGE 047.
8. PLAT OF ALTA/ACSM LAND TITLE SURVEY, recorded OCTOBER 10, 2008 in BOOK 691, PAGE 029.
9. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded JUNE 28, 2011 in BOOK 735, PAGE 045.
10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
11. PLAT OF EASEMENT SURVEY FOR COLLEGE OF THE CHRISTIAN BROTHERS OF NEW MEXICO, recorded 08/17/ 2009.
12. REPLAT OF TRACT 3A & 3B FOR COLLEGE OF THE BOARD OF EDUCATION OF THE CITY OF SANTA FE, recorded MARCH 12, 1991 in BOOK 220, PAGE 037.
13. BOUNDARY SURVEY PLAT FOR PRESBYTERIAN MEDICAL SERVICES, recorded NOVEMBER 30, 2004 in BOOK 574, PAGE 035.
14. LOT CONSOLIDATION FOR THE STATE OF NEW MEXICO DEPARTMENT OF FINANCE & ADMINISTRATION, recorded OCTOBER 4, 1990 in BOOK 215, PAGE 013.
15. QUITCLAIM DEED from U.S.A. to COLLEGE OF THE CHRISTIAN, filed MAY 23, 1949 in BOOK 40, PAGE 437.
16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK, filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.

LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "BOUNDARY SURVEY PLAT PREPARED FOR THE COLLEGE OF SANTA FE WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T17N, R9E, NMPM. CITY AND COUNTY OF SANTA FE, NEW MEXICO", RECORDED ON SEPTEMBER 14, 2009 IN BOOK 707 IN PAGE 50, AS INSTRUMENT NO. 1577073, RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 11°26'29" E.**, A DISTANCE OF **5,204.99** FEET; THENCE, FROM SAID POINT OF BEGINNING,

S. 32°47'11" E., A DISTANCE OF **343.35** FEET TO AN ANGLE POINT; THENCE,

S. 57°38'03" W., A DISTANCE OF **272.75** FEET TO AN ANGLE POINT; THENCE,

N. 31°48'15" W., A DISTANCE OF **224.19** FEET TO AN ANGLE POINT; THENCE,

S. 57°37'35" W., A DISTANCE OF **386.53** FEET TO AN ANGLE POINT; THENCE,

N. 32°18'37" W., A DISTANCE OF **141.17** FEET TO AN ANGLE POINT; THENCE,

N. 57°41'23" E., A DISTANCE OF **654.45** FEET TO THE POINT OF BEGINNING AND CONTAINING AN AREA OF **3.3796** ACRES , MORE OR LESS (**147,214.30** SQ. FT., MORE OR LESS)

LEGEND:

- FOUND: REBAR w/CAP (DESCRIPTION, AS NOTED)
- NEW LOT LINE
- LOT LINE TO BE ELIMINATED
- EASEMENT LINE (AS NOTED)

COUNTY OF SANTA FE
STATE OF NEW MEXICO } SS

I hereby certify that this instrument was filed for record on the _____ day of _____, 20_____ A.D. at _____ o'block _____ and was duly recorded in book _____ page(s) _____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

_____
Deputy

County Clerk
Seal

STATEMENT OF DECLARATION:

THE PURPOSE OF THIS PLAT IS TO:

REPLAT TRACT F-1a AND F-1b, BY LOT LINE ADJUSTMENT AND/OR LOT SPLIT FROM THE ORIGINAL CONFIGURATION & TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON. THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER. THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

_____
BY: ALAN WEBBER, MAYOR DATE:

_____
CITY CLERK: DATE:

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, ACKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20____.

_____
NOTARY PUBLIC MY COMMISSION EXPIRES

REVIEWED BY COUNTY OF SANTA FE:

_____
COUNTY TREASURER DATE:

REVIEWED BY CITY OF SANTA FE:

_____
CITY ENGINEER FOR LAND USE DATE:

_____
CITY PLANNER DATE:

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

_____
BENJAMIN M. ARAGON N.M.P.L.S. #15268

_____
DATE

BENJAMIN M. ARAGON NEW MEXICO 15268 REGISTERED PROFESSIONAL SURVEYOR

WILSON & COMPANY
4401 MASTHEAD ST. NE, SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

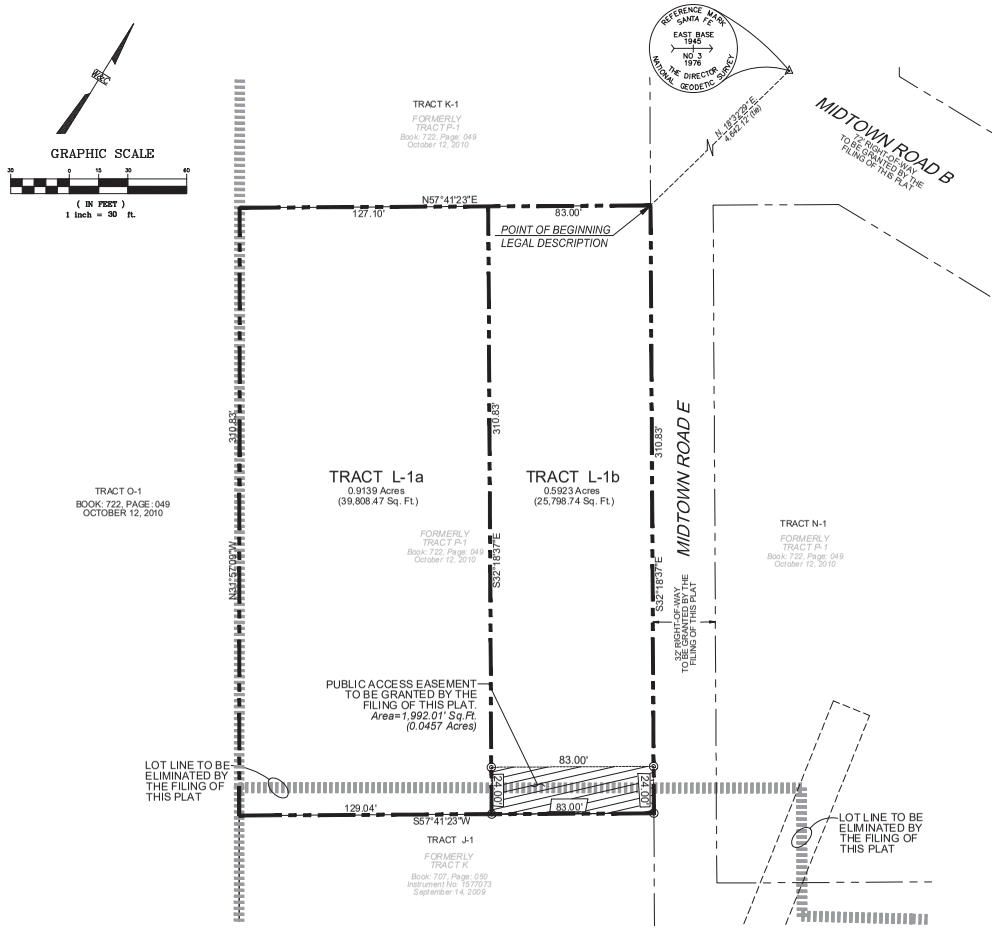
SHEET 1 OF 1

EXHIBIT B

Lot Split to create
TRACTS L-1a and L-1b
LOT LINE ADJUSTMENT PLAT OF EXISTING TRACT P-1
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
August 2024



VICINITY MAP
N.T.S.



NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE. DISTANCES ARE GROUND DISTANCES. COMBINED GRID TO GROUND SCALE FACTOR: 1.0004066253 (SCALED AROUND 0,0) BASED ON A LINE FROM "SANTA FE EAST BASE RM3" TO "BM B-439, 1984", BEARING = S.49°38'22"W.
3. BENCHMARK USED FOR THIS PROJECT IS "SANTA FE EAST BASE RM3".
4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

REFERENCED DOCUMENTS:

THE FOLLOWING DOCUMENTS AND INSTRUMENTS WERE USED FOR THE PERFORMANCE AND PREPARATION OF THIS PLAT:

1. PLAT OF SURVEY ENTITLED, "REPLAT PREPARED FOR THE COLLEGE OF SANTA FE", recorded SEPTEMBER 14, 2006 in PLAT BOOK 707, PAGE 050-051.
2. DIVISION PLAT FOR THE COLLEGE OF SANTA FE, recorded MAY 19, 2006 in PLAT BOOK 682, PAGE 06.
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4. REPLAT FOR COLLEGE OF SANTA FE, recorded SEPTEMBER 19, 2006 in PLAT BOOK 635, PAGE 46, 47.
5. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in PLAT BOOK 722, PAGE 049.
6. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in BOOK 719, PAGE 044.
7. BOUNDARY EASEMENT SURVEY PLAT FOR COLLEGE OF SANTA FE, recorded JULY 15, 2010 in BOOK 719, PAGE 047.
8. PLAT OF ALTA/ACSM LAND TITLE SURVEY, recorded OCTOBER 10, 2008 in BOOK 691, PAGE 029.
9. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded JUNE 28, 2011 in BOOK 735, PAGE 045.
10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
11. PLAT OF EASEMENT SURVEY FOR COLLEGE OF THE CHRISTIAN BROTHERS OF NEW MEXICO, recorded 08/17/2009.
12. REPLAT OF TRACT 3A & 3B FOR COLLEGE OF THE BOARD OF EDUCATION OF THE CITY OF SANTA FE, recorded MARCH 12, 1991 in BOOK 220, PAGE 037.
13. BOUNDARY SURVEY PLAT FOR PRESBYTERIAN MEDICAL SERVICES, recorded NOVEMBER 30, 2004 in BOOK 574, PAGE 035.
14. LOT CONSOLIDATION FOR THE STATE OF NEW MEXICO DEPARTMENT OF FINANCE & ADMINISTRATION, recorded OCTOBER 4, 1990 in BOOK 215, PAGE 013.
15. QUITCLAIM DEED from U.S.A. to COLLEGE OF THE CHRISTIAN, filed MAY 23, 1949 in BOOK 40, PAGE 437.
16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK , filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.

LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "REPLAT PREPARED FOR COLLEGE OF SANTA FE, LOT LINE ADJUSTMENT OF EXISTING TRACT P & O, RECORDED PLAT BOOK 707, PAGES 50-50A WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T 17N, R9E, NMPM, CITY AND COUNTY OF SANTA FE, NEW MEXICO." RECORDED ON OCTOBER 12, 2010 IN BOOK 722 IN PAGE 049, AS INSTRUMENT NO. 1613544, RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 18°32'29" E.**, A DISTANCE OF **4,642.12** FEET; THENCE, FROM SAID POINT OF BEGINNING,

S. 32°18'37" E., A DISTANCE OF **310.83** FEET TO AN ANGLE POINT; THENCE,

S. 57°41'23" W., A DISTANCE OF **212.04** FEET TO AN ANGLE POINT; THENCE,

N. 31°57'09" W., A DISTANCE OF **310.83** FEET TO AN ANGLE POINT; THENCE,

N. 57°41'23" E., A DISTANCE OF **210.10** FEET TO THE POINT OF BEGINNING AND CONTAINING AN AREA OF **1.5061** ACRES, MORE OR LESS (**65,607.21** SQ. FT., MORE OR LESS)

LEGEND:

- ◆ FOUND: REBAR w/CAP (DESCRIPTION, AS NOTED)
- NEW LOT LINE
- LOT LINE TO BE ELIMINATED
- EASEMENT LINE (AS NOTED)

COUNTY OF SANTA FE } SS
STATE OF NEW MEXICO

I hereby certify that this instrument was filed for record on the _____ day of _____, 20_____ A.D. at _____ o'block _____, and was duly recorded in book _____ page(s) _____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

_____
Deputy

County Clerk
Seal

STATEMENT OF DECLARATION:

THE PURPOSE OF THIS PLAT IS TO:

REPLAT TRACT L-1, BY LOT LINE ADJUSTMENT AND/OR LOT SPLIT FROM THE ORIGINAL CONFIGURATION & TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON. THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER. THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

_____
BY: ALAN WEBBER, MAYOR DATE:

_____
CITY CLERK: DATE:

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, AOKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20____.

_____
NOTARY PUBLIC MY COMMISSION EXPIRES

REVIEWED BY COUNTY OF SANTA FE:

_____
COUNTY TREASURER DATE:

REVIEWED BY CITY OF SANTA FE:

_____
CITY ENGINEER FOR LAND USE DATE:

_____
CITY PLANNER DATE:

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

_____
BENJAMIN M. ARAGON N.M.P.L.S. #15268

_____
DATE

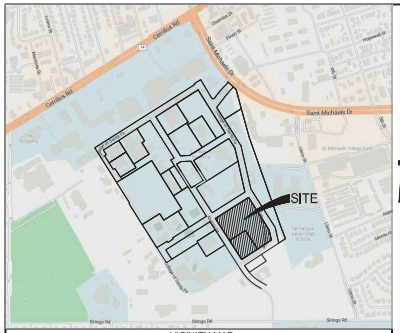
BENJAMIN M. ARAGON NEW MEXICO 15268 REGISTERED PROFESSIONAL SURVEYOR

WILSON & COMPANY
4401 MASTHEAD ST. NE, SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

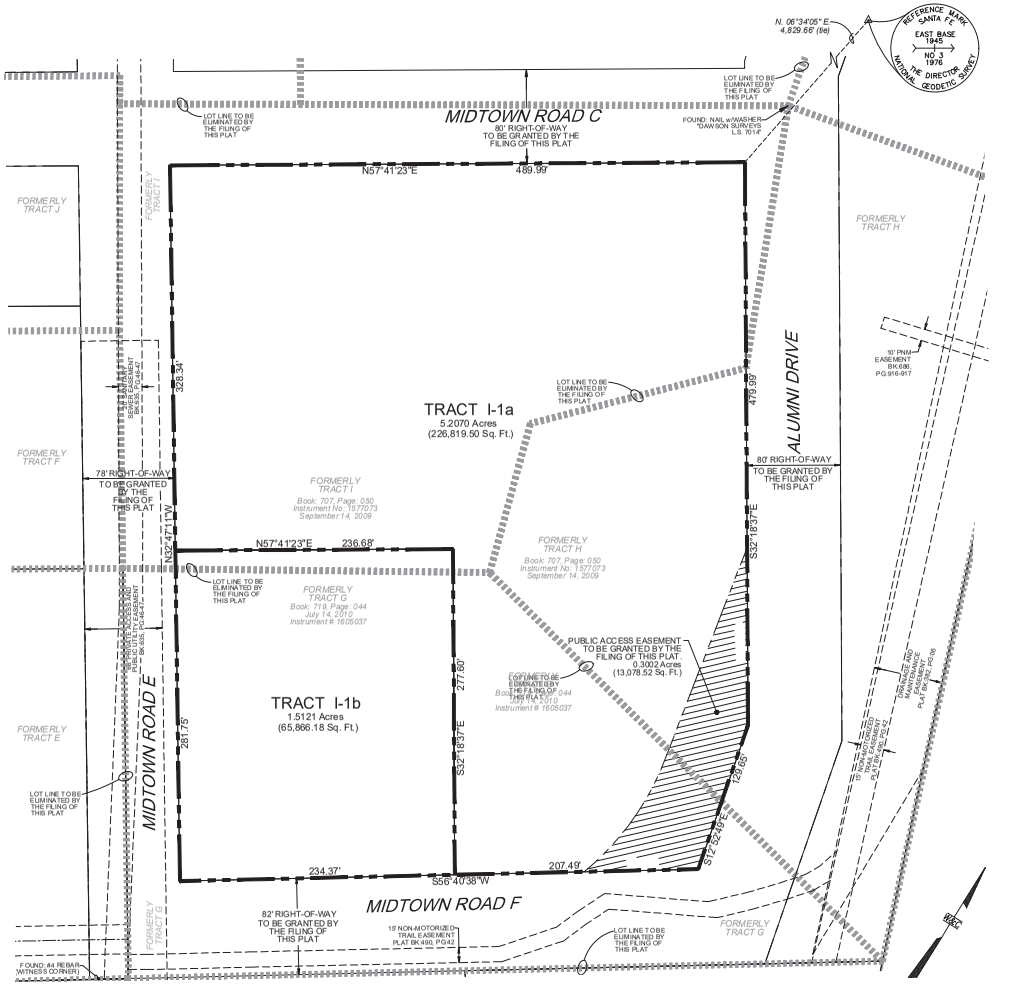
SHEET 1 OF 1

Lot Split to create
TRACTS I-1a and I-1b

LOT LINE ADJUSTMENT PLAT OF EXISTING
TRACT G, H and TRACT I
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
August 2024



VICINITY MAP
N.T.S.



NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE. DISTANCES ARE GROUND DISTANCES. COMBINED GRID TO GROUND SCALE FACTOR: 1.0004066253 (SCALED AROUND 0,0) BASED ON A LINE FROM "SANTA FE EAST BASE RM3" TO "BM B-439, 1984", BEARING = S.49°38'22"W.
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4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

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6. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in BOOK 719, PAGE 044.
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10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
11. PLAT OF EASEMENT SURVEY FOR COLLEGE OF THE CHRISTIAN BROTHERS OF NEW MEXICO, recorded 08/17/2009.
12. REPLAT OF TRACT 3A & 3B FOR COLLEGE OF THE BOARD OF EDUCATION OF THE CITY OF SANTA FE, recorded MARCH 12, 1991 in BOOK 220, PAGE 037.
13. BOUNDARY SURVEY PLAT FOR PRESBYTERIAN MEDICAL SERVICES, recorded NOVEMBER 30, 2004 in BOOK 574, PAGE 035.
14. LOT CONSOLIDATION FOR THE STATE OF NEW MEXICO DEPARTMENT OF FINANCE & ADMINISTRATION, recorded OCTOBER 4, 1990 in BOOK 215, PAGE 013.
15. QUITCLAIM DEED from U.S.A. to COLLEGE OF THE CHRISTIAN, filed MAY 23, 1949 in BOOK 40, PAGE 437.
16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK , filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.

LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "BOUNDARY SURVEY PLAT PREPARED FOR THE COLLEGE OF SANTA FE WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T17N, R9E, NMPM. CITY AND COUNTY OF SANTA FE, NEW MEXICO". RECORDED ON SEPTEMBER 14, 2009 IN BOOK 707 IN PAGE 50, AS INSTRUMENT NO. 1577073, RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 06°34'05" E.**, A DISTANCE OF **4,829.66** FEET; THENCE, FROM SAID POINT OF BEGINNING,

S. 32°18'37" E., A DISTANCE OF **479.99** FEET TO AN ANGLE POINT; THENCE,

S. 12°52'49" E., A DISTANCE OF **129.65** FEET TO AN ANGLE POINT; THENCE,

S. 56°40'38" W., A DISTANCE OF **441.86** FEET TO AN ANGLE POINT; THENCE,

N. 32°47'11" W., A DISTANCE OF **610.09** FEET TO AN ANGLE POINT; THENCE,

N. 57°41'23" E., A DISTANCE OF **489.99** FEET TO THE POINT OF BEGINNING AND CONTAINING AN AREA OF **6.7191** ACRES , MORE OR LESS (**292,685.68** SQ. FT., MORE OR LESS)

LEGEND:

- ⋄ FOUND: REBAR w/CAP (DESCRIPTION, AS NOTED)
- NEW LOT LINE
- LOT LINE TO BE ELIMINATED
- EASEMENT LINE (AS NOTED)

COUNTY OF SANTA FE
STATE OF NEW MEXICO } SS

I hereby certify that this instrument was filed for record on the_____day of _____, 20_____A.D. at _____ o'block _____, and was duly recorded in book _____ page(s)_____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

_____
Deputy

County Clerk

Seal

STATEMENT OF DECLARATION:

THE PURPOSE OF THIS PLAT IS TO:

REPLAT TRACT I-1a AND I-1b, BY LOT LINE ADJUSTMENT AND/OR LOT SPLIT FROM THE ORIGINAL CONFIGURATION & TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON. THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER. THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

_____
BY: ALAN WEBBER, MAYOR DATE:

_____
CITY CLERK: DATE:

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, ACKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20____.

_____
NOTARY PUBLIC MY COMMISSION EXPIRES

REVIEWED BY COUNTY OF SANTA FE:

_____
COUNTY TREASURER DATE:

REVIEWED BY CITY OF SANTA FE:

_____
CITY ENGINEER FOR LAND USE DATE:

_____
CITY PLANNER DATE:

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

_____
BENJAMIN M. ARAGON N.M.P.L.S. #15268

_____
DATE

BENJAMIN M. ARAGON NEW MEXICO 15268 REGISTERED PROFESSIONAL SURVEYOR

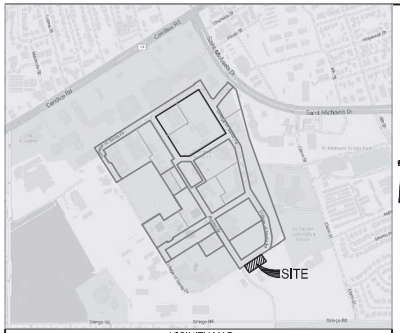
WILSON & COMPANY
4401 MASTHEAD ST. NE, SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

SHEET 1 OF 1

m:\SURVEY\21-900-1\04-Data_Disciplines\Survey\Drawings_PLATTING\TRACT I-1\TRACTS I-1a AND I-1b\Lot Split for TRACT I-1a AND I-1b.dwg

Lot Split and Lot Line Adjustment to create TRACT G-1

LOT LINE ADJUSTMENT PLAT OF EXISTING TRACT G
within Projected Section 34, T.17N., R.9E., N.M.P.M.
City of Santa Fe
Santa Fe County, New Mexico
June 2024



VICINITY MAP
N.T.S.

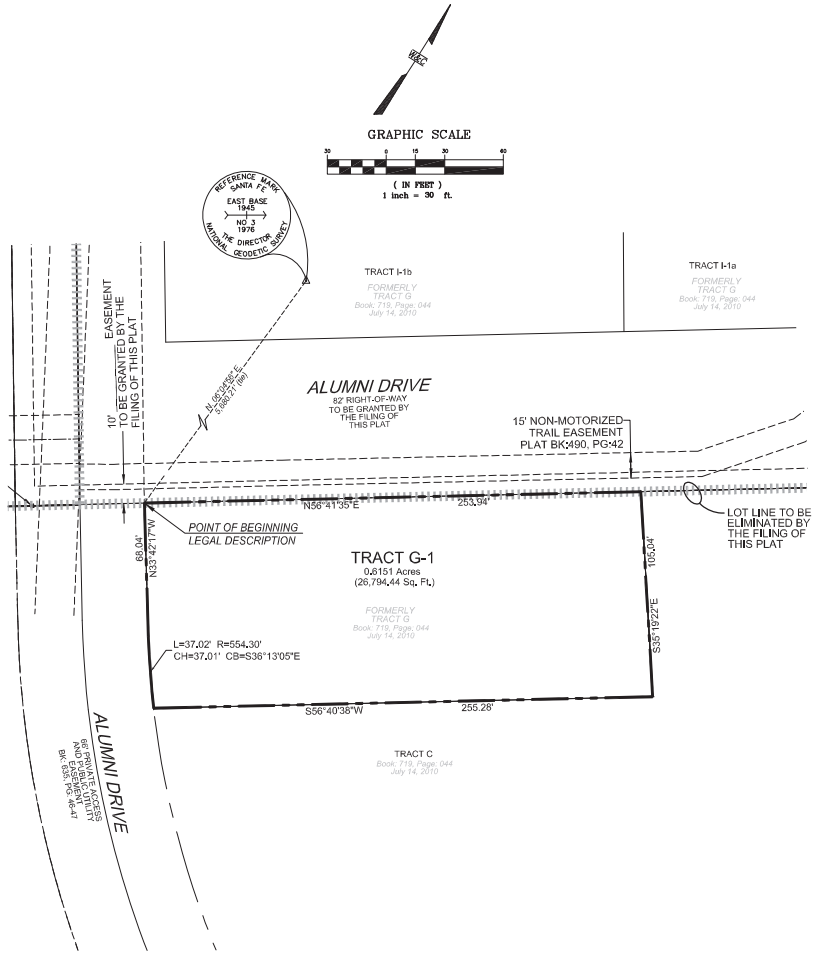
NOTES:

1. FIELD SURVEY WAS PERFORMED NOVEMBER 2021.
2. BEARINGS ARE NEW MEXICO STATE PLANE, CENTRAL ZONE. DISTANCES ARE GROUND DISTANCES. COMBINED GRID TO GROUND SCALE FACTOR: 1.0004066253 (SCALED AROUND 0,0) BASED ON A LINE FROM "SANTA FE EAST BASE RM3" TO "BM B-439, 1984", BEARING = S.49°38'22"W.
3. BENCHMARK USED FOR THIS PROJECT IS "SANTA FE EAST BASE RM3".
4. FEDERAL FLOODPLAIN MAP 35049C0411E WITH AN EFFECTIVE DATE OF DECEMBER 4, 2012 AS PUBLISHED BY THE FEDERAL EMERGENCY AGENCY SHOW THIS SITE AS BEING WITHIN ZONE X (DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN).
5. THIS PLAT SHOWS ALL AVAILABLE RECORD OF EASEMENTS.
6. THIS PLAT SUBJECT TO RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD AS SHOWN ON PLATS REFERENCED HEREON.

REFERENCED DOCUMENTS:

THE FOLLOWING DOCUMENTS AND INSTRUMENTS WERE USED FOR THE PERFORMANCE AND PREPARATION OF THIS PLAT:

1. PLAT OF SURVEY ENTITLED, "REPLAT PREPARED FOR THE COLLEGE OF SANTA FE", recorded SEPTEMBER 14, 2006 in PLAT BOOK 707, PAGE 050-051.
2. DIVISION PLAT FOR THE COLLEGE OF SANTA FE, recorded MAY 19, 2006 in PLAT BOOK 682, PAGE 06.
3. REPLAT FOR COLLEGE OF SANTA FE, recorded JANUARY 2, 2006 in PLAT BOOK 672, PAGE 33.
4. REPLAT FOR COLLEGE OF SANTA FE, recorded SEPTEMBER 19, 2006 in PLAT BOOK 635, PAGE 46, 47.
5. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in PLAT BOOK 722, PAGE 049.
6. REPLAT FOR COLLEGE OF SANTA FE, recorded OCTOBER 12, 2010 in BOOK 719, PAGE 044.
7. BOUNDARY EASEMENT SURVEY PLAT FOR COLLEGE OF SANTA FE, recorded JULY 15, 2010 in BOOK 719, PAGE 047.
8. PLAT OF ALTA/ACSM LAND TITLE SURVEY, recorded OCTOBER 10, 2008 in BOOK 691, PAGE 029.
9. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded JUNE 28, 2011 in BOOK 735, PAGE 045.
10. BOUNDARY SURVEY OF TRACT E "COLLEGE OF SANTA FE", recorded OCTOBER 28, 2022 in BOOK 896, PAGE 14.
11. PLAT OF EASEMENT SURVEY FOR COLLEGE OF THE CHRISTIAN BROTHERS OF NEW MEXICO, recorded 08/17/ 2009.
12. REPLAT OF TRACT 3A & 3B FOR COLLEGE OF THE BOARD OF EDUCATION OF THE CITY OF SANTA FE, recorded MARCH 12, 1991 in BOOK 220, PAGE 037.
13. BOUNDARY SURVEY PLAT FOR PRESBYTERIAN MEDICAL SERVICES, recorded NOVEMBER 30, 2004 in BOOK 574, PAGE 035.
14. LOT CONSOLIDATION FOR THE STATE OF NEW MEXICO DEPARTMENT OF FINANCE & ADMINISTRATION, recorded OCTOBER 4, 1990 in BOOK 215, PAGE 013.
15. QUITCLAIM DEED from U.S.A. to COLLEGE OF THE CHRISTIAN, filed MAY 23, 1949 in BOOK 40, PAGE 437.
16. DECLARATION from U.S.A. to COLLEGE OF THE CRISTIAN, filed DECEMBER 22, 1969 in BOOK 269, PAGE 855.
17. SPECIAL WARRANTY DEED from COLLEGE OF THE CRISTIAN BROTHERS to CITY OF SANTA FE, filed SEPTEMBER 16, 2009 as INSTRUMENT 1577356.
18. EASEMENT from COLLEGE OF SANTA FE to PNM, filed JULY 9, 1990 in BOOK 682, PAGE 916.
19. EASEMENT from COLLEGE OF SANTA FE to BOARD OF EDUCATION, filed JUNE 10, 1991 in BOOK 730, PAGE 568.
20. EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed SEPTEMBER 21, 2007 as INSTRUMENT 1500540.
21. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed JULY 20, 2009 as INSTRUMENT 1571651.
22. EASEMENT from COLLEGE OF SANTA FE to PNM, filed AUGUST 13, 1996 in BOOK 1299, PAGE 74.
23. EASEMENT from COLLEGE OF SANTA FE to NEW MEXICO STATE BANK , filed JUNE 12, 2009 as INSTRUMENT 1566667.
24. VACATION OF EASEMENT from COLLEGE OF SANTA FE to FIRST COMMUNITY BANK, filed AUGUST 17, 2009 as INSTRUMENT 1574183.



LEGAL DESCRIPTION:

A CERTAIN TRACT OF LAND WITHIN THE PERIMETER BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, ALL AS SHOWN ON "REPLAT PREPARED FOR COLLEGE OF SANTA FE, LOT LINE ADJUSTMENT OF EXISTING TRACT C & G, RECORDED PLAT BOOK 707, PAGES 50-50A WITHIN COLLEGE OF SANTA FE PROPERTY PROJECTED SECTION 34, T17N, R9E, NMPM, CITY AND COUNTY OF SANTA FE, NEW MEXICO." RECORDED ON JULY 14, 2010 IN BOOK 719 IN PAGE 044, AS INSTRUMENT NO. 1605037, RECORDS OF SANTA FE COUNTY, NEW MEXICO:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID PERIMETER FROM WHENCE A BRASS CAP STAMPED "EAST BASE 1945, NO 3 1976" A SANTA FE REFERENCE MARK, BEARS **N. 06°04'56" E.**, A DISTANCE OF **5,680.21** FEET; THENCE, FROM SAID POINT OF BEGINNING,

N. 56°41'35" E., A DISTANCE OF **253.94** FEET TO AN ANGLE POINT; THENCE,

S. 35°19'22" E., A DISTANCE OF **105.04** FEET TO AN ANGLE POINT; THENCE,

S. 56°40'38" W., A DISTANCE OF **255.28** FEET TO A CURVE; THENCE,

37.02 FEET ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF **554.30** FEET, DELTA OF **3°49'35"**, CHORD BEARING AND DISTANCE OF **N. 36°13'05" E., 37.01'** FEET TO A POINT; THENCE,

N. 33°42'17" W., A DISTANCE OF **68.04** FEET TO THE POINT OF BEGINNING AND CONTAINING AN AREA OF **0.6151** ACRES, MORE OR LESS (**26,794.44** SQ. FT., MORE OR LESS)

LEGEND:

- ◦ FOUND: REBAR w/CAP (DESCRIPTION, AS NOTED)
- NEW LOT LINE
- LOT LINE TO BE ELIMINATED
- EASEMENT LINE (AS NOTED)

COUNTY OF SANTA FE
STATE OF NEW MEXICO } SS

I hereby certify that this instrument was filed for record on the _____ day of _____, 20_____ A.D. at _____ o'clock _____, and was duly recorded in book _____ page(s) _____ of the records of Santa Fe County.

Witness my Hand and Seal of office
KATHARINE E. CLARK
County Clerk, Santa Fe county, N.M.

_____
Deputy

County Clerk

Seal

STATEMENT OF DECLARATION:

THE PURPOSE OF THIS PLAT IS TO:

REPLAT TRACT G-1, BY LOT LINE ADJUSTMENT AND/OR LOT SPLIT FROM THE ORIGINAL CONFIGURATION & TO DEDICATE RIGHT-OF-WAY, AS SHOWN HEREON.

AFFIDAVIT:

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED OWNER HAS CAUSED TO BE REPLATTED THOSE LANDS SHOWN HEREON, THE SAID REPLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE SAID OWNER, THIS REPLAT CONTAINS 4.88 ACRES, MORE OR LESS. ALL TRACTS SHOWN HEREON ARE SUBJECT TO RECIPROCAL, PRIVATE ACCESS AND PARKING EASEMENTS ALONG AND OVER EXISTING DRIVEWAYS AND PARKING AREAS. EASEMENTS ARE GRANTED FOR EXISTING UTILITIES. THERE IS NO ROAD DEDICATION.
THIS REPLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF SANTA FE, N.M.

OWNER: _____

BY: ALAN WEBBER, MAYOR DATE: _____

CITY CLERK: DATE: _____

STATE OF NEW MEXICO
COUNTY OF SANTA FE
THE FOREGOING INSTRUMENT WAS SWORN, ACKNOWLEDGED AND SUBSCRIBED BEFORE ME ON THIS _____ DAY OF _____, 20____.

NOTARY PUBLIC MY COMMISSION EXPIRES

REVIEWED BY COUNTY OF SANTA FE:

COUNTY TREASURER DATE: _____

REVIEWED BY CITY OF SANTA FE:

CITY ENGINEER FOR LAND USE DATE: _____

CITY PLANNER DATE: _____

SURVEYOR'S CERTIFICATION:

I, BENJAMIN M. ARAGON, NEW MEXICO PROFESSIONAL SURVEYOR No. 15268, DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS A BOUNDARY SURVEY PLAT OF AN EXISTING TRACT OR TRACTS.

BENJAMIN M. ARAGON N.M.P.L.S. #15268

DATE

BENJAMIN M. ARAGON NEW MEXICO 15268 REGISTERED PROFESSIONAL SURVEYOR

WILSON & COMPANY
4401 MASTHEAD ST. NE, SUITE 150
ALBUQUERQUE, NEW MEXICO 87109
OFFICE: 505-348-4000
FAX: 505-348-4155
www.wilsonco.com

SHEET 1 OF 1

EXHIBIT C

Legal Description of the Property

[To be attached]

EXHIBIT D

DEVELOPER OWNER AND CONTROL PARTIES

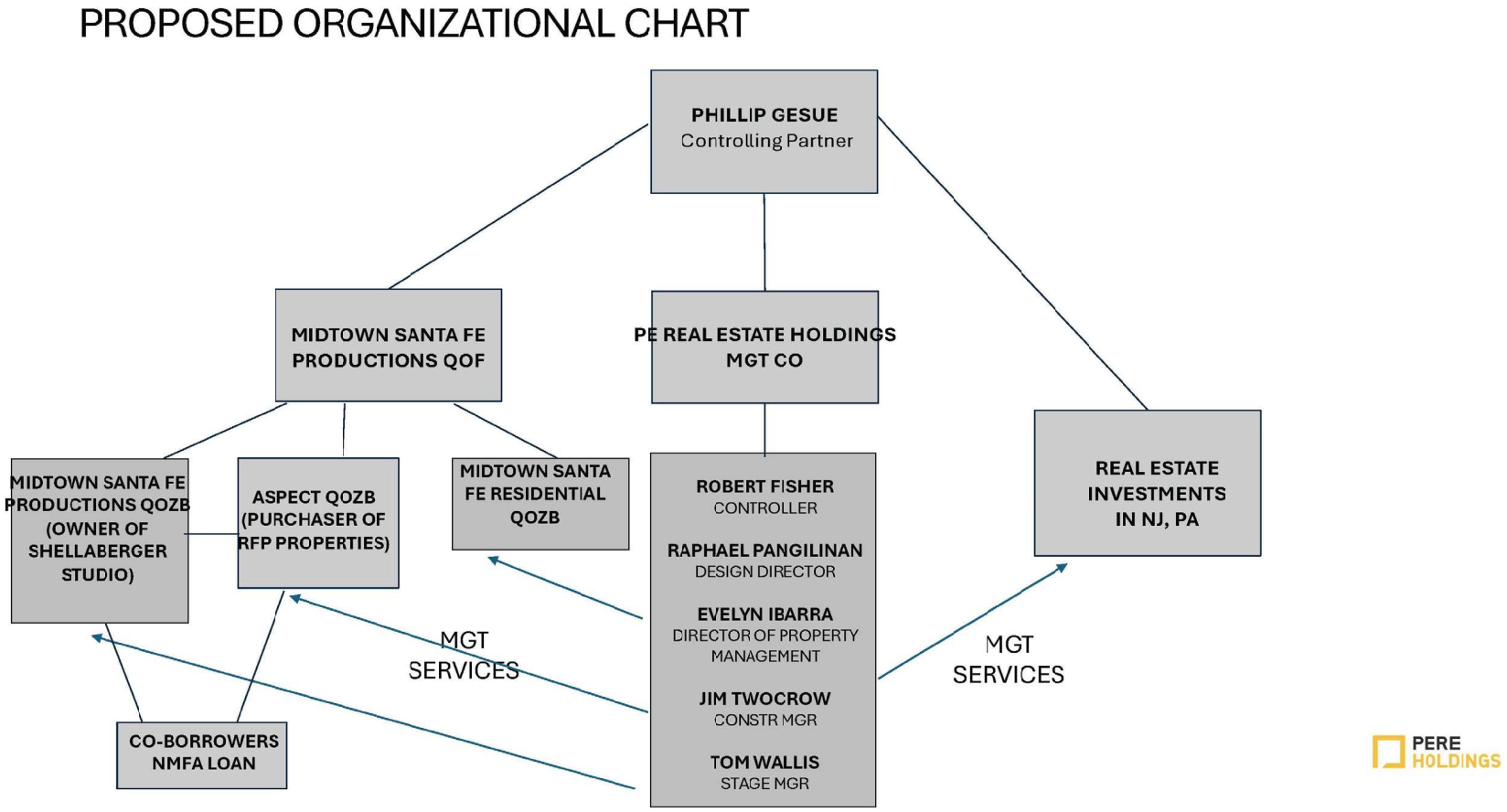


EXHIBIT E

PHASE 1 CONCEPTUAL PLANS

[attached]

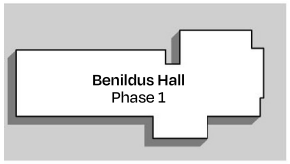
ASPECT STUDIOS

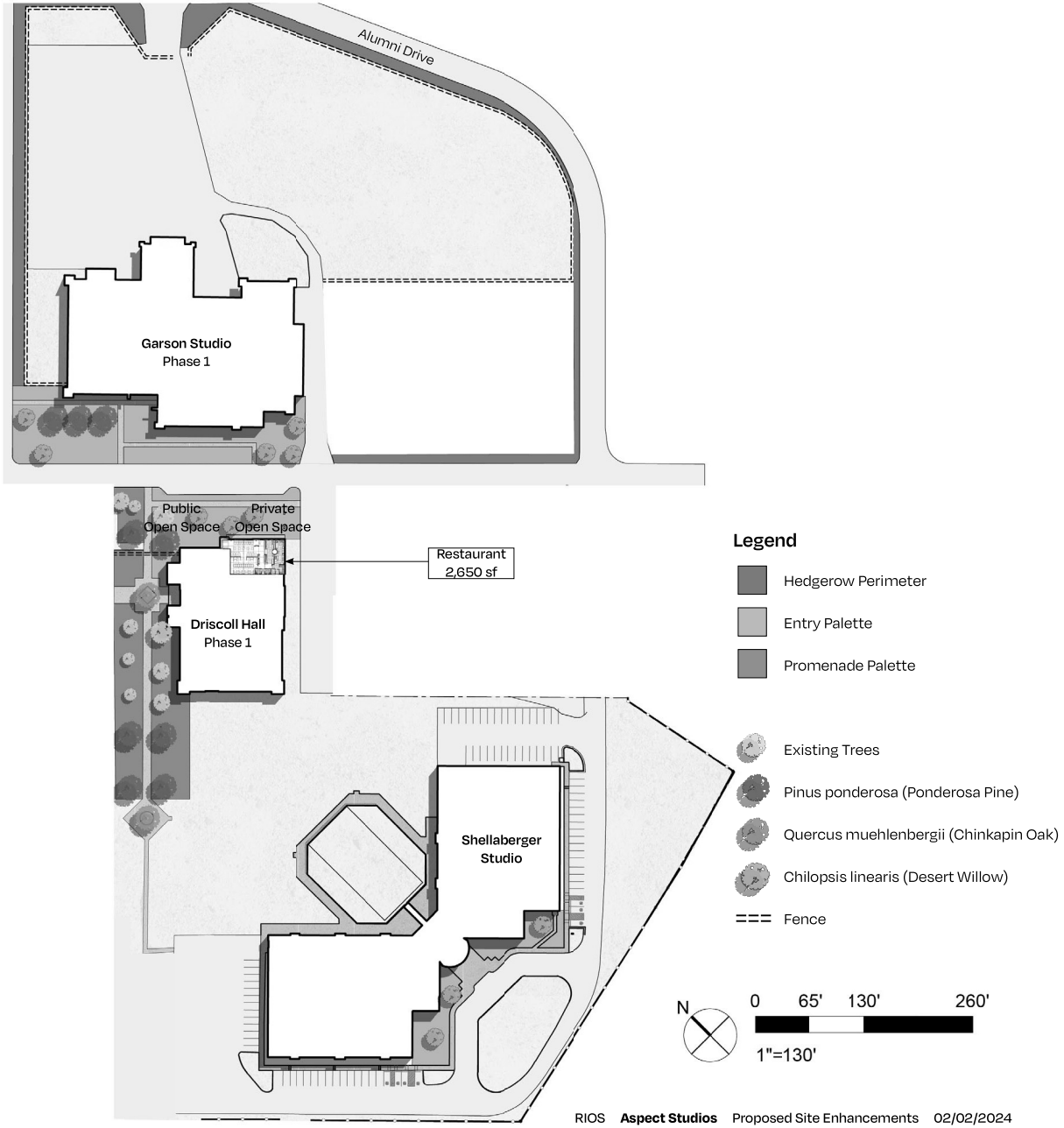


Proposed
Site Enhancements
05.10.2024

RIOS

Landscape Approach:
To utilize native Northern New Mexico trees and plants that survive on little to no supplemental irrigation. The plantings provide ecological benefits like food and shelter to native wildlife. The landscape will require little maintenance while adding natural aesthetic to the studio campus.



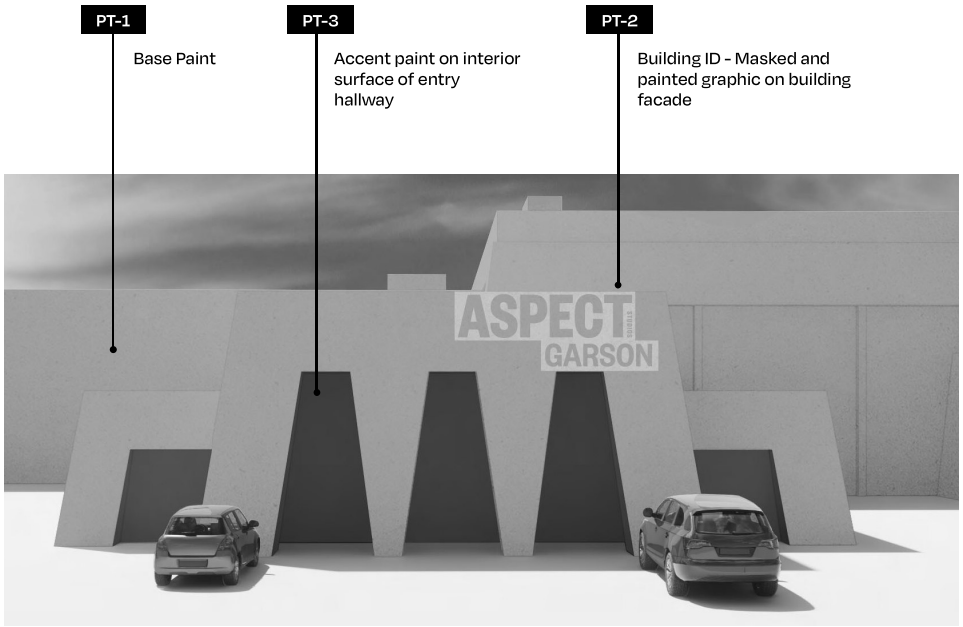


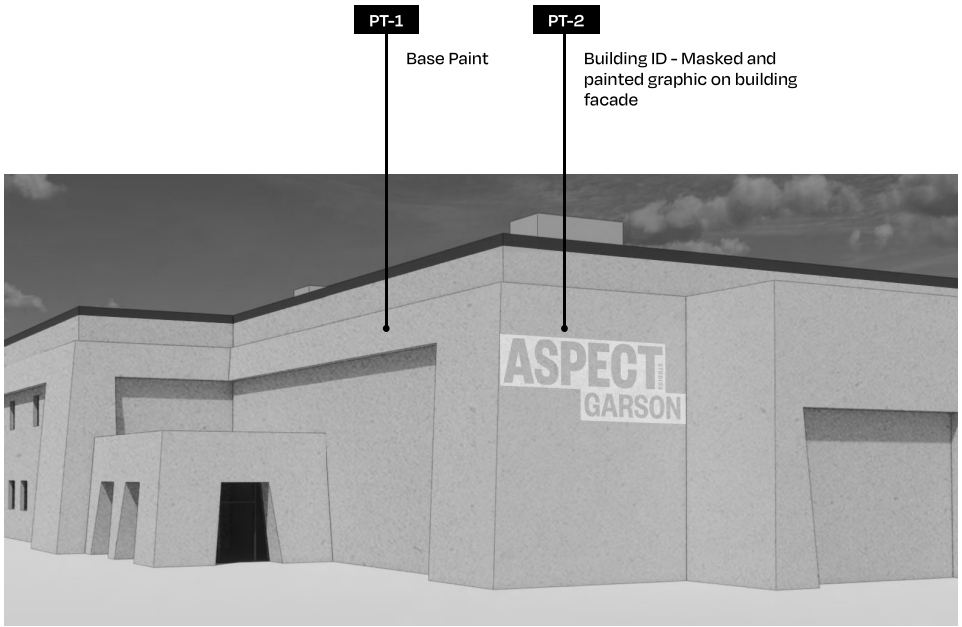
RIOS **Aspect Studios** Proposed Site Enhancements 02/02/2024

Illustrated Landscape Plan

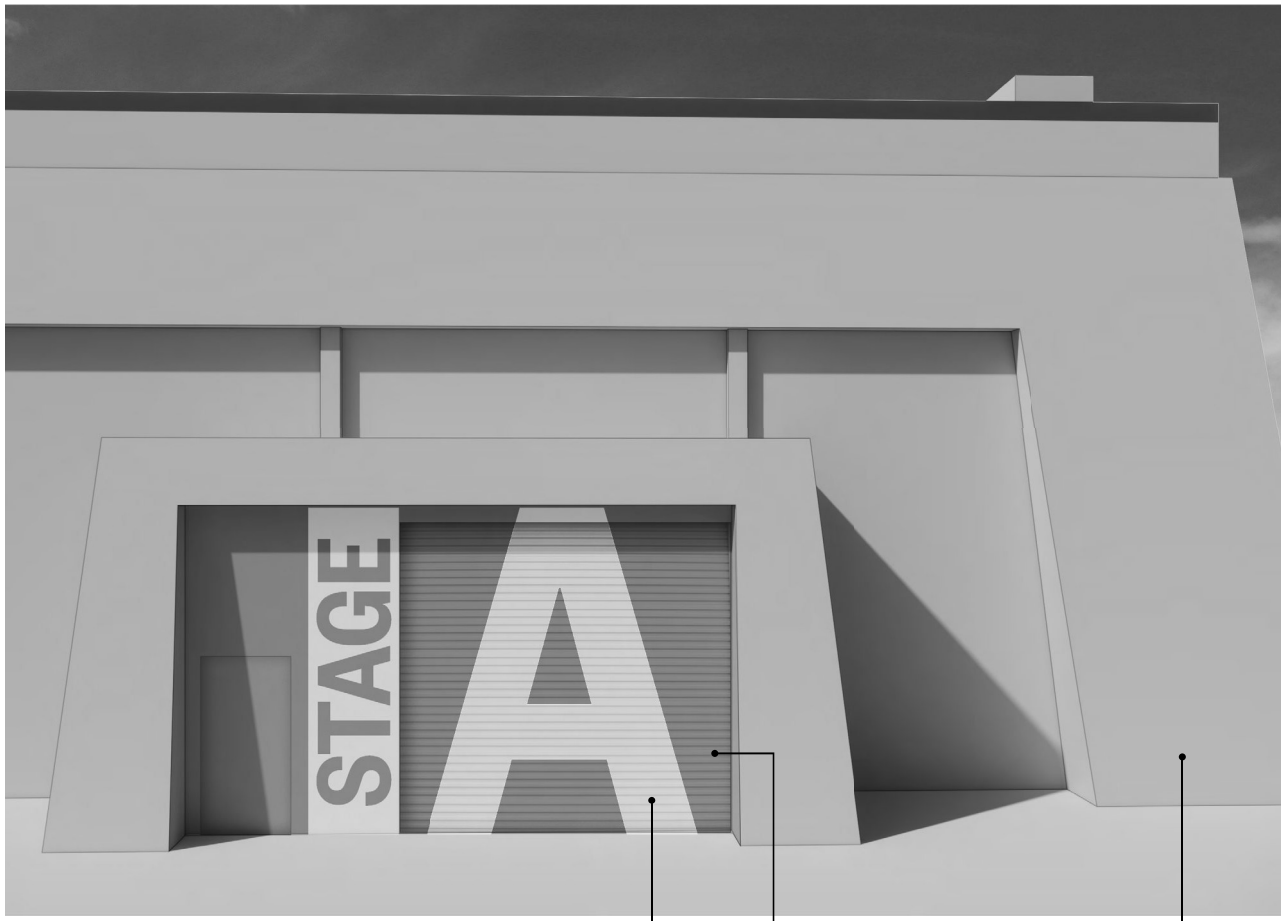


Proposed Exterior Facade Renovation Garson Studio / Phase 1





Proposed Exterior Facade Renovation Garson Studio / Phase 1



Masked and painted graphic on niche wall, roll-up door and single swing door.

Approx. 400 SF

QTY: 3

*Messaging vary by location

PT-1

PT-3

PT-1

Base Paint

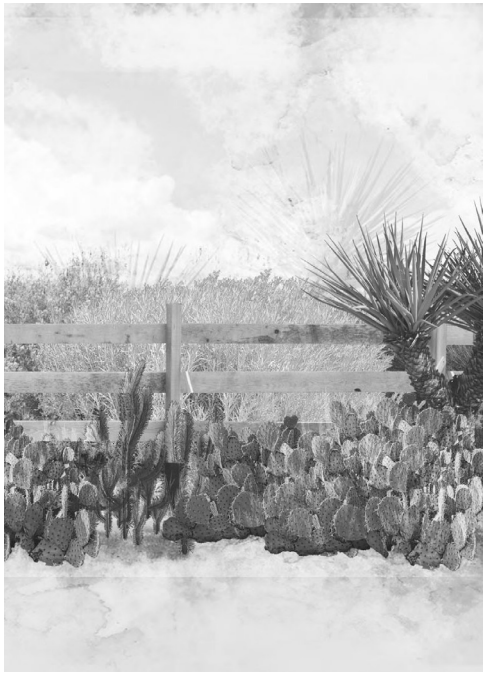


Existing (TYP. condition)

Proposed Exterior Facade Renovation Garson Studio / Phase 1



Proposed Exterior Facade Renovation Driscoll Hall / Phase 1



Perimeter planting inspiration



Entry planting inspiration - option A

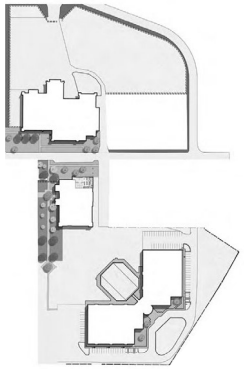


Entry planting inspiration - option B



Promenade planting inspiration

Plant Palette Inspiration



Key Map



Perimeter planting inspiration

Accent



Yucca elata (Soaptree Yucca)



Cylindropuntia imbricata
(Tree Cane Cholla)



Pinus edulis
(Pinyon Pine)



Juniperus monosperma
(Juniper)

Structural



Muhlenbergia capillaris
(Pink Muhly Grass)



Muhlenbergia rigens (Deer Grass)



Opuntia macrorhiza
(Twistpine Pricklypear)



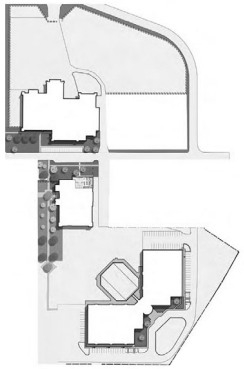
Ericameria nauseosa (Chamisa)

Groundcover



Cylindropuntia x viridiflora
(Santa Fe Cholla)

Plant Palette - Perimeter



Key Map



Entry planting inspiration

Trees



Yucca elata (Soaptree Yucca)



Chilopsis linearis (Desert Willow)



Pinus ponderosa
(Ponderosa Pine), 2-3" cal.

Accent

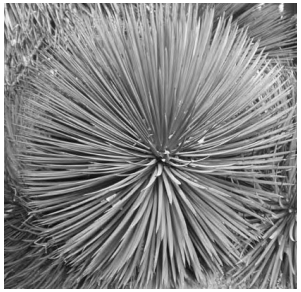


Agave perryi (Parry's Agave)

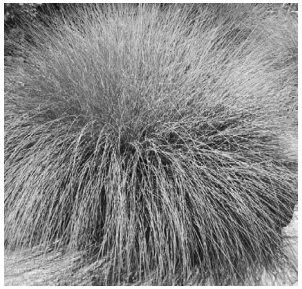
Structural



Artemisia tridentata (Big Sagebrush)

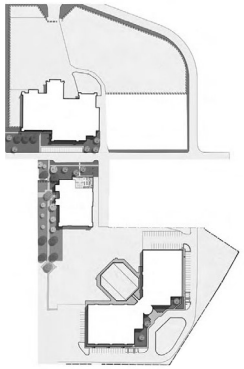


Agave stricta (Hedgehog Agave)



Muhlenbergia rigens (Deer Grass)

Plant Palette - Entry Option A



Key Map



Entry planting inspiration

Trees



Chilopsis linearis (Desert Willow)

Accent



Eriogonum umbellatum
(Sulphurflower Buckwheat)



Muhlenbergia capillaris
(Pink Muhly Grass)



Dalea purpurea (Purple Prarie Clover)

Structural



Artemisia tridentata (Big Sagebrush)



Salvia yangii (Russian Sage)

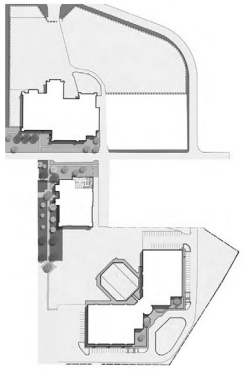


Fendlera rupicola
(Cliff Fendlerbush)



Ribes aureum (Golden Currant)

Plant Palette - Entry Option B



Key Map



Promenade planting inspiration

Trees



Pinus ponderosa
(Ponderosa Pine), 2-3" cal.

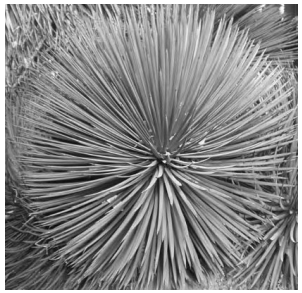


Quercus muehlenbergii
(Chinkapin Oak), 2-3" cal.



Pinus edulis (Pinyon Pine)

Accent



Agave stricta (Hedgehog Agave)

Structural



Artemisia tridentata (Big Sagebrush)



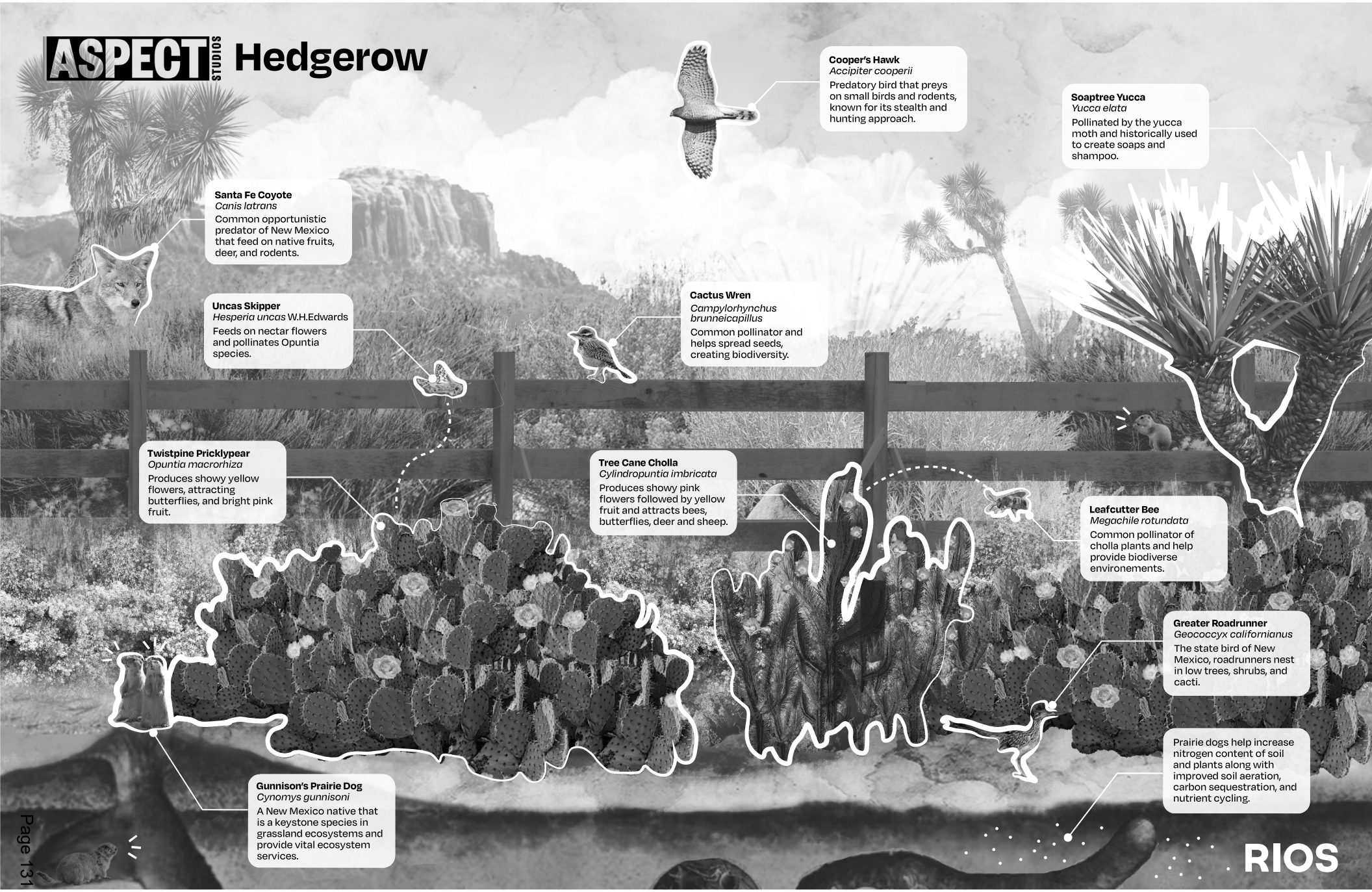
Cercocarpus intricatus
(Littlelead Mountain Mahogany)



Muhlenbergia rigens (Deer Grass)

Plant Palette Inspiration - Promenade

ASPECT STUDIOS Hedgerow



Cooper's Hawk
Accipiter cooperii
Predatory bird that preys on small birds and rodents, known for its stealth and hunting approach.

Soaptree Yucca
Yucca elata
Pollinated by the yucca moth and historically used to create soaps and shampoo.

Santa Fe Coyote
Canis latrans
Common opportunistic predator of New Mexico that feed on native fruits, deer, and rodents.

Uncas Skipper
Hesperia uncas W.H.Edwards
Feeds on nectar flowers and pollinates Opuntia species.

Cactus Wren
Campylorhynchus brunneicapillus
Common pollinator and helps spread seeds, creating biodiversity.

Twistpine Pricklypear
Opuntia macrorhiza
Produces showy yellow flowers, attracting butterflies, and bright pink fruit.

Tree Cane Cholla
Cylindropuntia imbricata
Produces showy pink flowers followed by yellow fruit and attracts bees, butterflies, deer and sheep.

Leafcutter Bee
Megachile rotundata
Common pollinator of cholla plants and help provide biodiverse environements.

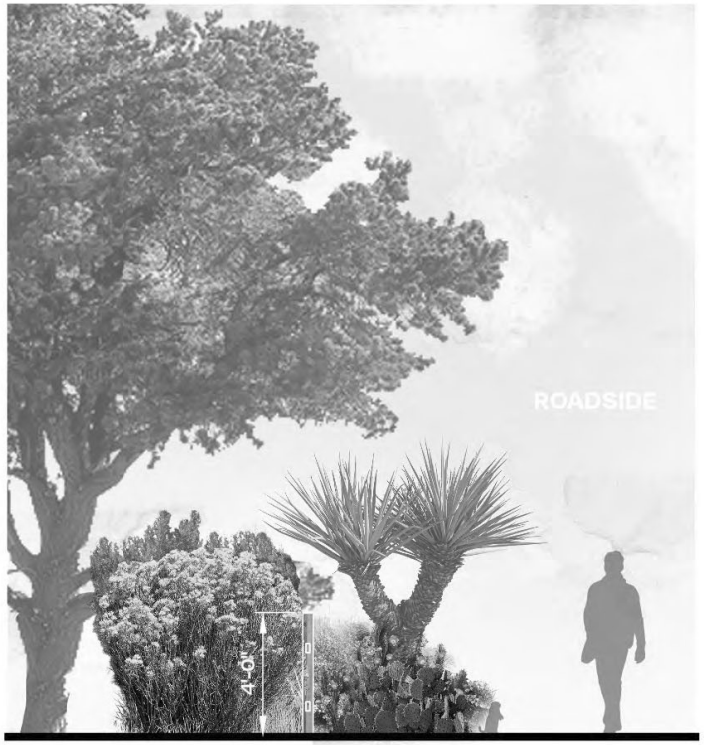
Greater Roadrunner
Geococcyx californianus
The state bird of New Mexico, roadrunners nest in low trees, shrubs, and cacti.

Gunnison's Prairie Dog
Cynomys gunnisoni
A New Mexico native that is a keystone species in grassland ecosystems and provide vital ecosystem services.

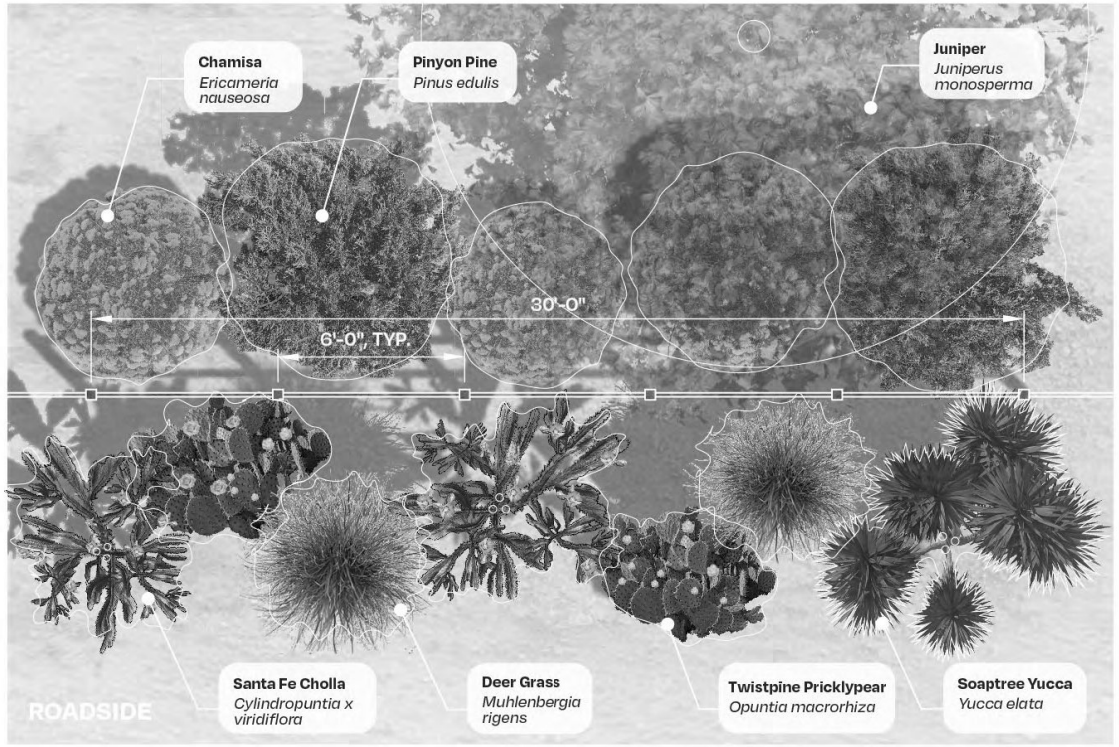
Prairie dogs help increase nitrogen content of soil and plants along with improved soil aeration, carbon sequestration, and nutrient cycling.

RIOS

ASPECT STUDIOS Hedgerow



SECTION



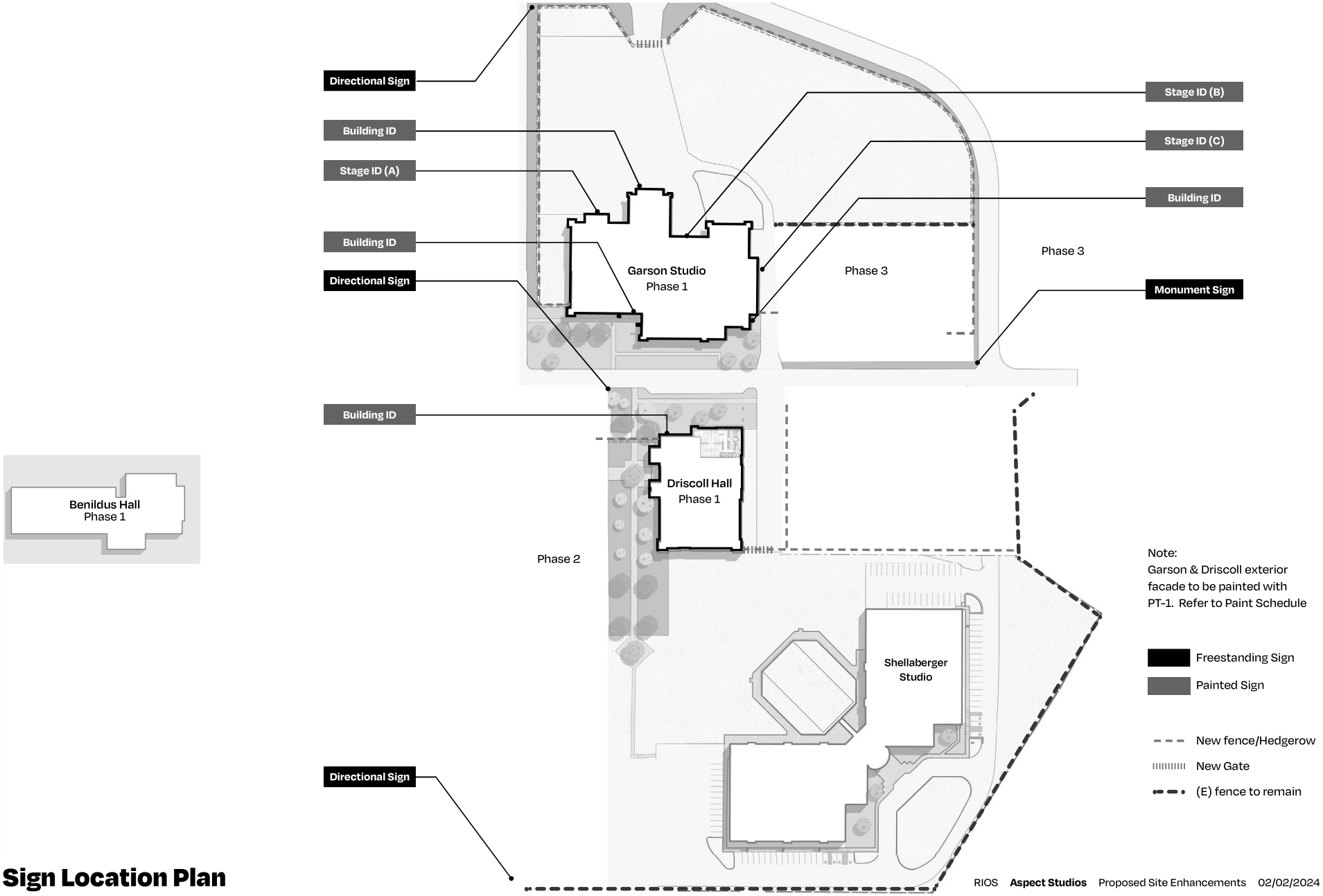
PLAN

Proposed Perimeter Planting



Hedgerows along proposed split rail fence

Proposed Perimeter Fencing

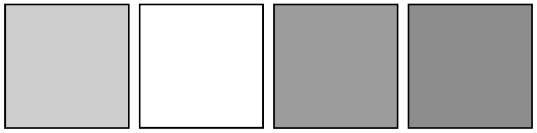


Sign Location Plan

MATERIAL + FINISH SCHEDULE			
MARK	**DESCRIPTION**	**MANUFACTURER**	**FINISH/SHEEN**
M1	1/16" TH. ALUMINUM		
M2	1/8" TH. ALUMINUM		
C1	MP32071 WHITE WONDER	MATTHEWS PAINT	SATIN
C2	MP31846 ONYX	MATTHEWS PAINT	SATIN
C3	MP08091 YELLOW BLAST	MATTHEWS PAINT	SATIN

PAINT SCHEDULE				
MARK	**DESCRIPTION**	**MANUFACTURER**	**COLOR**	**FINISH/SHEEN**
PT-1	BUILDING BASE PAINT, PEWTER	BEN MOORE	FINAL COLOR TBD PER IN-FIELD SWATCH REVIEW	SATIN
PT-2	BUILDING ID PAINT, WHITE	BEN MOORE	FINAL COLOR TBD PER IN-FIELD SWATCH REVIEW	SATIN
PT-3	ACCENT PAINT 1 - AQUA/TEAL	BEN MOORE	FINAL COLOR TBD PER IN-FIELD SWATCH REVIEW	SATIN
PT-4	ACCENT PAINT - PINK/FUCHSIA	BEN MOORE	FINAL COLOR TBD PER IN-FIELD SWATCH REVIEW	SATIN

PAINT SWATCHES



PT-1 PT-2 PT-3 PT-4

Material + Finish Schedule

EXHIBIT F

LEED REQUIREMENTS

[attached]

LEED v4 for Neighborhood Development Plan
Project Checklist

Project Name: MIDTOWN PLANS

Y	Incorporated into Midtown Plans
R	Required in RFP
P	Preference in RFP
HP	High Priority in RFP

Yes	R	P				
			Smart Location & I	Total Points Possible	**28**	
Y			Prereq	Smart Location	Required	
Y			Prereq	Imperiled Species and Ecological Communities	Required	
Y			Prereq	Wetland and Water Body Conservation	Required	
Y			Prereq	Agricultural Land Conservation	Required	
Y			Prereq	Floodplain Avoidance	Required	
Y			Credit	Preferred Locations	10	
Y			Credit	Brownfield Remediation	2	
Y			Credit	Access to Quality Transit	7	
		P	Credit	Bicycle Facilities	2	
Y			Credit	Housing and Jobs Proximity	3	
			Credit	Steep Slope Protection	1	
			Credit	Site Design for Habitat or Wetland and Water Body Conservation	1	
Y			Credit	Restoration of Habitat or Wetlands and Water Bodies	1	
			Credit	Long-Term Conservation Management of Habitat or Wetlands and Water Bodies	1	
			Neighborhood Patt	Total Points Possible	**41**	
Y			Prereq	Walkable Streets	Required	
Y			Prereq	Compact Development	Required	
Y			Prereq	Connected and Open Community	Required	
Y			Credit	Walkable Streets	9	
Y			Credit	Compact Development	6	
Y			Credit	Mixed-Use Neighborhoods	4	
Y			Credit	Housing Types and Affordability	7	
Y		P	Credit	Reduced Parking Footprint	1	
Y			Credit	Connected and Open Community	2	
			Credit	Transit Facilities	1	
		P	Credit	Transportation Demand Management	2	
Y			Credit	Access to Civic & Public Space	1	
Y			Credit	Access to Recreation Facilities	1	
Y	R		Credit	Visitability and Universal Design	1	
Y	R		Credit	Community Outreach and Involvement	2	
Y		P	Credit	Local Food Production	1	
Y			Credit	Tree-Lined and Shaded Streetscapes	2	
Y			Credit	Neighborhood Schools	1	

Y	R	P				
			Green Infrastructure & Buildings	Total Points Possible	**31**	
Y			Prereq	Certified Green Building	Required	
Y	R		Prereq	Minimum Building Energy Performance	Required	
Y	R		Prereq	Indoor Water Use Reduction	Required	
Y	R		Prereq	Construction Activity Pollution Prevention	Required	
		HP	Credit	Certified Green Buildings	5	
		P	Credit	Optimize Building Energy Performance	2	
	R		Credit	Indoor Water Use Reduction	1	
	R		Credit	Outdoor Water Use Reduction	2	
Y			Credit	Building Reuse	1	
			Credit	Historic Resource Preservation and Adaptive Reuse	2	
Y			Credit	Minimized Site Disturbance	1	
Y		HP	Credit	Rainwater Management	4	
		HP	Credit	Heat Island Reduction	1	
			Credit	Solar Orientation	1	
	R		Credit	Renewable Energy Production	3	
			Credit	District Heating and Cooling	2	
Y			Credit	Infrastructure Energy Efficiency	1	
			Credit	Wastewater Management	2	
?			Credit	Recycled and Reused Infrastructure	1	
			Credit	Solid Waste Management	1	
Y		HP	Credit	Light Pollution Reduction	1	
			Innovation & Design Process	Total Points Possible	**6**	
			Credit	Innovation	5	
			Credit	LEED® Accredited Professional	1	
			Regional Priority Credits	Total Points Possible	**4**	
			Credit	Regional Priority Credit: Region Defined	1	
			Credit	Regional Priority Credit: Region Defined	1	
			Credit	Regional Priority Credit: Region Defined	1	
			Credit	Regional Priority Credit: Region Defined	1	
0	0	0	**PROJECT TOTALS (Certification estimates)**		110	

Certified: 40-49 points, **Silver:** 50-59 points, **Gold:** 60-79 points, **Platinum:** 80+ points



LEED v4 for
NEIGHBORHOOD DEVELOPMENT

Updated July 2, 2018

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SMART LOCATION AND LINKAGE (SLL)

SLL PREREQUISITE: SMART LOCATION
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage development within and near *existing* communities and public transit infrastructure. To encourage improvement and redevelopment of existing cities, suburbs, and towns while limiting the expansion of the *development footprint* in the region. To reduce vehicle trips and vehicle distance traveled. To reduce the incidence of obesity, heart disease, and hypertension by encouraging daily physical activity associated with walking and bicycling.

Requirements

ND PLAN, ND

For All Projects
Either (1) locate the *project* on a site served by existing *water and wastewater infrastructure* or (2) locate the project within a legally adopted, publicly owned, planned water and wastewater service area, and provide new water and wastewater infrastructure for the project.

The site should also meet the requirements of one of the following four options.

Option 1. Infill Sites

Locate the project on an *infill site.*

OR

Option 2. Adjacent Sites with Connectivity

Locate the project on an *adjacent site* (i.e., a site that is adjacent to *previously developed* land) where the *connectivity* of the adjacent land is at least 90 intersections per square mile (35 intersections per square kilometer) as measured within a ½-mile (800-meter) distance of a continuous segment of the *project boundary* that constitutes at least 25% of the total project boundary and is adjacent to previous development.

Existing intersections may be counted if they were not constructed or funded by the project *developer* within the past 10 years.

Locate and/or design the project such that a through-connection (of the circulation network) intersects the adjacent portion of the project boundary at least every 600 feet (180 meters) on average and at least every 800 feet (245 meters), connecting it with an existing circulation network outside the project; nonmotorized through-connections of the circulation network may count for no more than 20% of the total. The exemptions listed in NPD Prerequisite Connected and Open Community do not apply to this option.

OR

Option 3. Transit Corridor

Locate the project on a site with existing or planned transit service such that at least 50% of *dwelling units* and nonresidential use entrances (inclusive of existing buildings) are within a ¼-mile (400-meter) *walking distance* of at least one bus, *streetcar,* or *rideshare* stop, or within a ½-mile (800-meter) walking distance of at least one *bus*

rapid transit stop, light or heavy rail station, or commuter ferry terminal. The transit service at the stop(s) in aggregate must meet the minimums listed in Table 1.

Projects must meet the requirements for both weekday and weekend trips and provide service every day.

Table 1. Minimum daily transit service

	Weekday trips	Weekend trips
Projects with multiple transit types (bus, streetcar, rail, or ferry)	60	40
Projects with commuter rail or ferry service only	24	6

If transit service is planned but not yet operational, the project must demonstrate one of the following:

1. The relevant transit agency has a signed full-funding grant agreement with the Federal Transit Administration (or equivalent national agency for project outside the U.S.) that includes a revenue operations date for the start of transit service. The revenue operations date must be no later than the date by which 50% of the project's total building gross floor area will be occupied.
2. For bus, streetcar, bus rapid transit, or ferry service, the transit agency must certify that it has an approved budget that includes specifically allocated funds sufficient to provide the planned service at the levels listed above and that service at these levels will begin no later than the date by which 50% of the project's total building gross floor area will be occupied.
3. For rail service other than streetcars, the transit agency must certify that preliminary engineering for a rail line has begun. In addition, the service must meet either of these two requirements:
   - A state legislature or local subdivision of the state (or a local government for projects outside the U.S.) has authorized the transit agency to expend funds to establish rail transit service that will begin no later than the date by which 50% of the project's total building gross floor area will be occupied.

     Or

   - A local government has dedicated funding or reimbursement commitments from future tax revenue for the development of stations, platforms, or other rail transit infrastructure that will serve the project no later than the date by which 50% of the project's total building gross floor area will be occupied.

OR

Option 4. Sites with Nearby Neighborhood Assets

Include a residential component equaling at least 30% of the project's total building gross floor area (exclusive of portions of parking structures devoted exclusively to parking) and locate the project near existing *uses* (see Appendix 1) such that the project boundary is within a ¼-mile (400-meter) walking distance of at least five uses, or such that the project's geographic center is within a ½-mile (800-meter) walking distance of at least seven uses.
The following restrictions apply.

- A use counts as only one type (e.g., a retail store may be counted only once even if it sells products in several categories).
- No more than two uses in each use type may be counted (e.g., if five restaurants are within the required distance, only two may be counted).
- The uses accessible to the project must represent at least two categories.

SLL PREREQUISITE: IMPERILED SPECIES AND ECOLOGICAL COMMUNITIES CONSERVATION
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To conserve imperiled species and ecological communities.

Requirements

ND PLAN, ND

Consult with the state Natural Heritage Program and state fish and wildlife agencies (or local equivalent for projects outside the U.S.) to determine if any of the following have been or are likely to be found on the project site because of the presence of suitable habitat and nearby occurrences:

- species listed as threatened or endangered under the U.S. Endangered Species Act or the state's endangered species act, or
- species or ecological communities classified by NatureServe as GH (possibly extinct), G1 (critically imperiled), or G2 (imperiled), or
- species listed as threatened or endangered specified under local equivalent standards (in areas outside the U.S.) that are not covered by NatureServe data.

If the consultations are inconclusive and site conditions indicate that imperiled species or ecological communities could be present, perform biological surveys using accepted methodologies during appropriate seasons to determine whether such species or communities occur or are likely to occur on the site. Comply with the appropriate case or option below.

Case 1. Sites without Affected Species or Ecological Community

The prerequisite is satisfied if the consultation and any necessary biological surveys determine that no such imperiled species or ecological communities have been found or have a high likelihood of occurring.

OR

Case 2. Sites with Affected Species or Ecological Community

If the site has any affected species or ecological communities, meet either of the following two options.

Option 1. Habitat Conservation Plan
Comply with an approved habitat conservation plan under the U.S. Endangered Species Act (or local equivalent for projects outside the U.S.) for each identified species or ecological community.

OR

Option 2. Habitat Conservation Plan Equivalent
Work with a qualified biologist or ecologist, a conservation organization, or the appropriate national, state or local agency to create and implement a conservation plan that includes the following actions:

- Identify and map the extent of the habitat and the appropriate buffer, not less than 100 feet (30 meters), according to best available scientific information.
- If on-site protection can be accomplished, analyze threats from development and develop a monitoring and management plan that eliminates or significantly reduces the threats.

- Protect the identified habitat and buffer in perpetuity by donating or selling the land or a conservation easement on the land to an accredited land trust, conservation organization, or relevant government agency.
- If any portion of the identified habitat and buffer cannot be protected in perpetuity, quantify the effects by acres (hectares) or number of plants and/or animals affected, and protect from development in perpetuity habitat of similar or better quality, on-site or off-site, by donating or selling a conservation easement on it to an accredited land trust, conservation organization, or relevant government agency. The donation or easement must cover an amount of land equal to or larger than the area that cannot be protected.

SLL PREREQUISITE: WETLAND AND WATER BODY CONSERVATION
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To preserve water quality, natural hydrology, habitat, and biodiversity through conservation of *wetlands* and *water bodies.*

Requirements

ND PLAN, ND

Limit development effects on wetlands, water bodies, and surrounding buffer land according to the requirements below.

Case 1. Sites without Sensitive Areas

Locate the *project* on a site that includes no *preproject* wetlands, water bodies, land within 50 feet (15 meters) of wetlands, and land within 100 feet (30 meters) of water bodies.

Case 2. Sites with Sensitive Areas

If the site has preproject wetlands, water bodies, land within 50 feet (15 meters) of wetlands, or land within 100 feet (30 meters) of water bodies, select one of the following two options:

Option 1. No Development on Wetlands and Water Bodies
Locate the project such that *preproject* wetlands, water bodies, land within 50 feet (15 meters) of wetlands, and land within 100 feet (30 meters) of water bodies are not affected by new development, unless the development is minor improvements or is on *previously developed* land.

OR

Option 2. Rainwater Management and Protected Buffers
Earn at least 1 point under GIB Credit Rainwater Management, and limit any development beyond minor improvements to less than the percentage of buffer land listed in Table 1.

Table 1. Maximum allowable area of development within buffer zone, by project density

Residential density		*Nonresidential density (FAR)**	*Percentage of buffer land** where development beyond minor improvements is allowed*
*DU/acre**	*DU/hectare**		
> 25	> 62	> 1.75	≤ 20%
> 18 and ≤ 25	> 45 and ≤ 62	> 1.25 to ≤ 1.75	≤ 15%
> 10 and ≤ 18	> 25 and ≤ 45	> .75 to ≤ 1.25	≤ 10%
≤ 10	≤ 25	≤ .75	≤ 5%

DU = dwelling unit; FAR = floor-area ratio.

* For this option, a mixed-use project may use either its residential or its nonresidential *density* to determine the percentage of allowable development, regardless of which is higher.
** Buffer width may vary as long as the total buffer area is equal to the area within 50 feet (15 meters) of wetlands and/or within 100 feet (30 meters) of water bodies, minus excluded features (see list of minor improvements, below). In no case may the buffer width be less than 25 feet (7.5 meters) for wetlands and 50 feet (15 meters) for water bodies, measured from the edge. Inside this minimum buffer, only minor improvements and/or improvements that result in no ecological impairment of the wetland or water body, as determined by a qualified biologist, are allowed.

For All Projects
Comply with all local, state, and national regulations pertaining to wetland and water body conservation.
The following features are not considered wetlands, water bodies, or buffer land that must be protected for the purposes of this prerequisite:

- previously developed land;
- man-made water bodies (such as industrial mining pits, concrete-lined canals, or stormwater retention ponds) that lack natural edges and floors or native ecological communities in the water and along the edge;
- man-made linear wetlands that result from the interruption of natural drainages by *existing* rights-of-way; and
- wetlands that were man-made incidentally and have been rated “poor” for all measured wetland functions, as assessed by a qualified biologist using a method that is accepted by state or regional permitting agencies (or a local equivalent for projects outside the U.S.).

Minor improvements within the buffer may be undertaken to enhance appreciation for the wetland or water body, provided such facilities are open to public access. Only the following improvements are permitted:

- bicycle and pedestrian pathways no more than 12 feet wide (3.5 meters), of which no more than 8 total feet (2.5 meters) may be impervious;
- activities to maintain or restore native natural communities and/or natural hydrology;
- one single-story structure not exceeding 500 square feet (45 square meters) per 300 linear feet (90 linear meters) of buffer, on average;
- grade changes necessary to ensure public access;
- clearings, limited to one per 300 linear feet (90 linear meters) of buffer, on average, not exceeding 500 square feet (45 square meters) each, for tables, benches, and access for nonmotorized recreational watercraft;
- removal of hazardous trees (up to 75% of dead trees), trees smaller than 6 inches (150 millimeters) in diameter at breast height, trees with a condition rating of less than 40%, and up to 20% of trees larger than 6 inches (150 millimeters) in diameter at breast height with a condition rating of 40% or higher, as based on an assessment by an arborist certified by the International Society of Arboriculture (ISA) using ISA standard measures or for projects outside the U.S.an equivalent certified professional utilizing equivalent methodology; and
- *brownfield* remediation activities.

Off-street parking is not considered a minor improvement.

Direct development of wetlands and water bodies is prohibited, except for minimal-impact structures, such as an elevated boardwalk, that allow access to the water for educational and recreational purposes. Structures that protrude into wetlands or water bodies may be replaced, provided the replacement structure has the same or smaller footprint and a similar height.

SLL PREREQUISITE: AGRICULTURAL LAND CONSERVATION
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To preserve irreplaceable agricultural resources by protecting *prime* and *unique farmland* from development.

Requirements

ND PLAN, ND

Locate the *project* on a site that is not within a state or locally designated agricultural preservation district (or local equivalent for projects outside the U.S.), unless any changes made to the site conform to the requirements for development within the district (as used in this requirement, "district" does not equate to land-use zoning).

Meet the requirements of one of the following five options.

Option 1. Infill Sites
Locate the project on an *infill site.*

OR

Option 2. Sites Served by Transit
Comply with SLL Prerequisite Smart Location, Option 3, Transit Corridor.

OR

Option 3. Development Rights Receiving Area
Locate the project within a designated receiving area for development rights under a publicly administered farmland protection program that provides for the transfer of development rights from lands designated for conservation to lands designated for development.

OR

Option 4. Sites without Affected Soils
Locate the project's *development footprint* such that it does not disturb prime farmland, unique farmland, or farmland of statewide or local importance as defined by the U.S. Code of Federal Regulations, Title 7, Volume 6, Parts 400 to 699, Section 657.5 and identified in a state Natural Resources Conservation Service soil survey (or local equivalent for projects outside the U.S.).

OR

Option 5. Sites with Affected Soils
If development footprint affects land with prime farmland, unique farmland, or farmland of statewide or local importance as defined by the U.S. Code of Federal Regulations, Title 7, Volume 6, Parts 400 to 699, Section 657.5 and identified in a state Natural Resources Conservation Service soil survey (or local equivalent for projects outside the U.S.), mitigate the loss through the purchase or donation of easements providing permanent protection from development on land with comparable soils in accordance with the ratios based on densities per acre (per hectare) of *buildable land* listed in Tables 1 and 2.

Table 1. Mitigation ratios for projects in large metropolitan or micropolitan statistical areas (pop. 250,000 or more)

Residential density		*Nonresidential density (FAR of buildable land available for nonresidential use)*	*Mitigation ratio (area of easement : area of project on prime, unique, or significant farmland)*
DU per acre of buildable land available for residential use	*DU per hectare of buildable land available for residential use*		
> 7 and ≤ 8.5	> 17.5 and ≤ 21	> 0.50 and ≤ 0.67	2 to 1
> 8.5 and ≤ 10	> 21 and ≤ 25	> 0.67 and ≤ 0.75	1.5 to 1
> 10 and ≤ 11.5	> 25 and ≤ 28.5	> 0.75 and ≤ 0.87	1 to 1
> 11.5 and ≤ 13	> 28.5 and ≤ 32	> 0.87 and ≤ 1.0	.5 to 1
> 13	> 32	> 1.0	No mitigation

Table 2. Mitigation ratios for projects in small metropolitan or micropolitan statistical areas (pop. less than 250,000)

Residential density		*Nonresidential density (FAR of buildable land available for nonresidential use)*	*Mitigation ratio (area of easement : area of project on prime, unique, or significant farmland)*
DU/acre of buildable land available for residential use	*DU/hectare of buildable land available for residential use*		
> 7 and ≤ 8	> 17.5 and ≤ 20	> 0.50 and ≤ 0.58	2 to 1
> 8 and ≤ 9	> 20 and ≤ 22	> 0.58 and ≤ 0.67	1 to 1
> 9 and ≤ 10	> 22 and ≤ 25	> 0.67 and ≤ 0.75	0.5 to 1
> 10	> 25	> 0.75	No mitigation

DU = dwelling unit; FAR = floor-area ratio.

All off-site mitigation must be located within 100 miles (160 kilometers) of the project.
Up to 15% of the affected farmland area may be subtracted from the mitigation area required of the project in Tables 1 and 2 if it is permanently dedicated for community gardens. Portions of parking structures devoted exclusively to parking must be excluded from the numerator when calculating the *floor-area ratio* (FAR).

The mitigation ratio for a mixed-use project is calculated as follows:
1. Determine the total floor area of all residential and nonresidential uses.
2. Calculate the percentage residential and percentage nonresidential of the total floor area.
3. Determine the density of the residential and nonresidential components as measured in *dwelling units* per acre and FAR, respectively.
4. Referring to Tables 1 and 2, find the appropriate mitigation ratios for the residential and nonresidential components.
5. If the mitigation ratios are different, multiply the mitigation ratio of the residential component by its percentage of the total floor area, and multiply the mitigation ratio of the nonresidential component by its percentage.
6. Add the two numbers produced by step 5. The result is the mitigation ratio.

SLL PREREQUISITE: FLOODPLAIN AVOIDANCE
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To protect life and property, promote open space and habitat conservation, and enhance water quality and natural hydrologic systems.

Requirement

ND PLAN, ND

Case 1. Sites without Flood Hazard Areas

Locate on a site that is entirely outside any flood hazard area shown on a legally adopted flood hazard map or otherwise legally designated by the local jurisdiction or the state. For projects in places without legally adopted flood hazard maps or legal designations, locate on a site that is entirely outside any floodplain subject to a 1% or greater chance of flooding in any given year.

Case 2. Infill or Previously Developed Sites with Flood Hazard Areas

Locate the *project* on an *infill site* or a *previously developed site* and select one of the following two options.

Option 1. American Society of Civil Engineers Standard

For any portion of the site within the flood hazard area, design buildings in accordance with American Society of Civil Engineers Standard 24-05 (ASCE 24).

If the project includes construction of a critical facility that is intended to remain operational in the event of a flood, or whose function is critical for postflood recovery, design the facility to be protected and operable at the floodwater levels specified in ASCE 24, or at the water levels represented by a 0.2% annual chance (500-year) flood, whichever is higher. For the purpose of this requirement, critical facilities include, but are not limited to, hospitals, emergency operations centers, building or portions of buildings designated as emergency shelters, water and sewage treatment facilities, and fire and police stations.

OR

Option 2. National Flood Insurance Program

For any portion of the site within the flood hazard area, design buildings in accordance with National Flood Insurance Program (NFIP) requirements. Project outside the U.S. may use a local equivalent to NFIP if the program is equal to or more stringent than NFIP and is administered at the national level.

> If the project involves a critical facility that is intended to remain operational in the event of a flood, or whose function is critical for postflood recovery, design the facility to be protected and operable at the water levels represented by a 0.2% annual chance (500-year) flood. For the purpose of this requirement, critical facilities include, but are not limited to, hospitals, emergency operations centers, building or portions of buildings designated as emergency shelters, water and sewage treatment facilities, and fire and police stations.

Case 3. All Other Sites with Flood Hazard Areas

Meet the requirements of one of the following two options.

Option 1. American Society of Civil Engineers Standard

Previously developed portions of the site
On portions of the site that are previously developed and in the flood hazard area, design buildings in accordance with American Society of Civil Engineers Standard 24-05 (ASCE 24).

Nonpreviously developed portions of the site
On portions of the site that are not previously developed and in the flood hazard area, do not develop on land that is within either a regulatory floodway or a coastal high hazard area (Zone V), as shown on the flood hazard map.

On all other portions of the site that are not previously developed and in the flood hazard area, design buildings in accordance with ASCE 24.

Critical facilities in the flood hazard area
If the project involves a critical facility that is intended to remain operational in the event of a flood, or whose function is critical for postflood recovery, design the facility to be protected and operable at the floodwater levels specified in ASCE 24 or at the water levels represented by a 0.2% annual chance (500-year) flood, whichever is higher. For the purpose of this requirement, critical facilities include, but are not limited to, hospitals, emergency operations centers, building or portions of buildings designated as emergency shelters, water and sewage treatment facilities, and fire and police stations.

OR

Option 2. National Flood Insurance Program

Previously developed portions of the site
On portions of the site that are previously developed and in the flood hazard area, design buildings in accordance with National Flood Insurance Program (NFIP) requirements. Project outside of the U.S. may use a local equivalent to NFIP if the program is equal to or more stringent than NFIP and is administered at the national level.

Nonpreviously developed portions of the site
On portions of the site that are not previously developed and in the flood hazard area, do not develop on land that is within either a regulatory floodway or a coastal high hazard area (Zone V), as shown on the flood hazard map.

On all other portions of the site that are not previously developed and in the flood hazard area, design buildings in accordance with NFIP.

Critical facilities in the flood hazard area
If the project involves a critical facility that is intended to remain operational in the event of a flood, or whose function is critical for postflood recovery, design the facility to be protected and operable at the water levels represented by a 0.2% annual chance (500-year) flood. For the purpose of this requirement, critical facilities include, but are not limited to, hospitals, emergency operations centers, building or portions of buildings designated as emergency shelters, water and sewage treatment facilities, and fire and police stations.

SLL CREDIT: PREFERRED LOCATIONS

ND
1–10 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage development within *existing* cities, suburbs, and towns to reduce the environmental and public health consequences of sprawl. To reduce development pressure beyond the limits of existing development. To conserve the natural and financial resources required for infrastructure.

Requirements

ND PLAN, ND

Achieve any combination of requirements in the following three options, for a total of up to 10 points.

Option 1. Location Type (1–5 points)

Locate the *project* in one of the following locations:

- a *previously developed site* that is not an *adjacent site* or *infill site* (1 point);
- an *adjacent site* that is also a previously developed site (2 points);
- an infill site that is not a previously developed site (3 points); or
- an infill site that is also a previously developed site (5 points).

AND/OR

Option 2. Connectivity (1-5 points)

Locate the project in an area that has existing *connectivity,* as listed in Table 1. Measure connectivity one of two ways:

- within 1/2 mile (800 meters) of the project boundary; or
- within the project and within ½ mile (800 meters) of the project boundary.

Intersections within the site cannot be counted if they were constructed or funded by the *developer* within the past 10 years.

Table 1. Points for connectivity

Intersections per square mile	Intersections per square kilometer	Points
200–249	320–399	1
250–299	400–479	2
300–349	480–559	3
350–399	560–639	4
> 400	> 640	5

AND/OR

Option 3. Designated High-Priority Locations (3 points)

Earn at least 2 points under NPD Credit Housing Types and Affordability, Option 2, Affordable Housing.

AND

Locate the project in one of the following high-priority redevelopment areas:

- a site listed by the EPA National Priorities List;
- a Federal Empowerment Zone site;
- a Federal Enterprise Community site;
- a Federal Renewal Community site;
- a Department of the Treasury Community Development Financial Institutions Fund Qualified Low-Income Community (a subset of the New Markets Tax Credit Program);
- a site in a U.S. Department of Housing and Urban Development's Qualified Census Tract (QCT) or Difficult Development Area (DDA); or
- a local equivalent program administered at a national level for projects outside the U.S.

SLL CREDIT: BROWNFIELD REMEDIATION

ND
1–2 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To encourage the cleanup of contaminated lands and developing sites that have been identified as contaminated.

Requirements

ND PLAN, ND (SLL)

Option 1. Brownfield Site (1 point)

At a project site identified as a brownfield or where soil or groundwater contamination has been identified, and the local, state, or national authority (whichever has jurisdiction) requires its remediation, perform remediation to the satisfaction of that authority.

OR

Option 2. High-Priority Redevelopment Area (2 points)
Achieve the requirements in Option 1.

AND

Locate the project in one of the following high-priority redevelopment areas:

- EPA National Priorities List
- Federal Empowerment Zone
- Federal Enterprise Community
- Federal Renewal Community
- Department of the Treasury Community Development Financial Institutions Fund Qualified Low-Income Community (a subset of the New Markets Tax Credit Program)
- U.S. Department of Housing and Urban Development's Qualified Census Tract (QCT) or Difficult Development Area (DDA)
- Or a local equivalent program administered at the national level for projects outside the U.S.

LT CREDIT: ACCESS TO QUALITY TRANSIT

ND
1–7 points
This credit applies to

- Neighborhood Development Plan (1–7 points)
- Neighborhood Development (1–7 points)

Intent

To encourage development in locations shown to have multimodal transportation choices or otherwise reduced motor vehicle use, thereby reducing greenhouse gas emissions, air pollution, and other environmental and public health harms associated with motor vehicle use.

Requirements

ND PLAN, ND

Locate the project on a site with existing or planned transit (i.e., service with the funding commitments as specified in SLL Prerequisite Smart Location) service such that at least 50% of *dwelling units* and nonresidential use entrances (inclusive of existing buildings) are within a ¼-mile (400-meter) *walking distance* of at least one bus or *streetcar* stop, or within a ½-mile (800-meter) walking distance of at least one *bus, streetcar, or rideshare stops or within a ½-mile (800-meter) walking distance of bus rapid transit* stop, light or heavy rail station, commuter rail station, or commuter ferry terminal and the transit service at the stop(s) in aggregate meets the minimums listed in Tables 1 and 2.

Projects must meet the requirements for both weekday and weekend trips and provide service every day.

Table 1. Minimum daily transit service for projects with multiple transit types (bus, *streetcar*, rail, or ferry).

Weekday trips	Weekend trips	Points
60	40	1
76	50	2
100	65	3
132	85	4
180	130	5
246	150	6
320	200	7

Table 2. Minimum daily transit service for projects with commuter rail or ferry service only

Weekday trips	Weekend trips	Points
24	6	1
40	8	2
60	12	3

Projects served by two or more transit routes such that no one route provides more than 60% of the prescribed levels may earn an additional point, up to the maximum number of points.

If existing transit service is temporarily rerouted outside the required distances for less than two years, the project may meet the requirements, provided the local transit agency has committed to restoring the routes with service at or above the prior level.

LT CREDIT: BICYCLE FACILITIES

ND
1–2 points
This credit applies to

- Neighborhood Development Plan (1-2 points)
- Neighborhood Development (1-2 points)

Intent

To promote bicycling and transportation efficiency and reduce vehicle distance traveled. To improve public health by encouraging utilitarian and recreational physical activity.

Requirements

ND PLAN, ND
Meet the following requirements in 90% of all new buildings. The buildings that do not have bicycle storage may not exceed 10% of the total project building floor area.

Non-Residential (excluding Retail) Buildings
Provide short-term bicycle storage for at least 2.5% of peak visitors, but no fewer than four storage spaces per building.

Provide long-term bicycle storage for at least 5% of all regular building occupants, but no fewer than four storage spaces per building in addition to the short-term bicycle storage spaces. Provide at least one on-site shower with changing facility for the first 100 regular building occupants and one additional shower for every 150 regular building occupants thereafter.

Multi-unit Residential Buildings
Provide short-term bicycle storage for at least 2.5% of all peak visitors, but no fewer than four storage spaces per building.

Provide long-term bicycle storage for at least 30% of all regular building occupants, but no less than one storage space per residential unit.

Retail Buildings
Provide at least two short-term bicycle storage spaces for every 5,000 square feet (465 square meters), but no fewer than two storage spaces per building.

Provide long-term bicycle storage for at least 5% of regular building occupants, but no fewer than two storage spaces per building in addition to the short-term bicycle storage.

Provide at least one on-site shower with changing facility for the first 100 regular building occupants and one additional shower for every 150 regular building occupants thereafter.

Mixed-Use Buildings
Meet the above requirements for the project's non-residential, multi-unit residential, and retail spaces.

For all projects:

Short-term bicycle storage must be within 100 feet (30 meters) walking distance of any main entrance. *Long-term bicycle storage* must be within 100 feet (30 meters) walking distance of any *functional entry*. It must be easily accessible to all building users.

Shower and changing facility requirements may be met by providing the equivalent of free access to on-site health club shower facilities, if the health club can be accessed without going outside.

Additionally, meet the requirements of at least one of the following two options.

Option 1. Bikable Location (1 point)

Locate the *project* such that the project boundary is within ¼ mile (400 meters) bicycling distance of an existing bicycle network that connects to at least one of the following.

- at least 10 diverse uses (see Appendix 1);
- a school or *employment center,* if the project total floor area is 50% or more residential; or
- *a bus rapid transit* stop, light or heavy rail station, commuter rail station, or ferry terminal.

All destinations must be within a 3-mile (4800-meter) bicycling distance of the project boundary.

AND/OR

Option 2. Bicycle Network (1 point)

Design the *project* such that at least 50% of *dwelling units* and nonresidential use entrances are located on an existing or planned *bicycle network* extending at least 3 continuous miles (4.8 contiguous kilometers). Within those 3 miles (4.8 kilometers), the network must connect to one of the following:

- a school;
- an employment center; or
- at least 10 diverse uses (see Appendix 1).

SLL CREDIT: HOUSING AND JOBS PROXIMITY

ND
3 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage balanced communities with a proximate housing and employment opportunities.

Requirements

ND PLAN, ND

Option 1. Project with Affordable Residential Component (3 points)

Include a residential component equaling at least 30% of the *project*'s total building floor area (exclusive of parking structures), and locate or design the project such that its geographic center (or boundary if the project exceeds 500 acres [200 hectares]) is within a ½-mile (800-meter) *walking distance* of *existing* full-time equivalent jobs whose number equals or exceeds the number of *dwelling units* in the project. Satisfy the requirements necessary to earn at least 1 point under NPD Credit Housing Types and Affordability, Option 2, Affordable Housing.

Option 2. Project with Residential Component (2 points)

Include a residential component equaling at least 30% of the project's total building floor area (exclusive of parking structures) and locate or design the project such that its geographic center (or boundary if the project exceeds 500 acres [200 hectares]) is within a ½-mile (800-meter) walking distance of existing full-time equivalent jobs whose number equals or exceeds the number of dwelling units in the project.

Option 3. Infill Project with Nonresidential Component (1 point)

Include a nonresidential component equaling at least 30% of the project's total building floor area (exclusive of parking structures) and locate on an *infill site* whose geographic center (or boundary if the project exceeds 500 acres [200 hectares]) is within a ½-mile (800-meter) walking distance of an existing rail transit, ferry, or tram stop and within a ½-mile (800-meter) walking distance of existing dwelling units whose number equals or exceeds 50% of the number of new full-time equivalent jobs located in the project.

SLL CREDIT: STEEP SLOPE PROTECTION

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To minimize erosion, protect habitat, and reduce stress on natural water systems by preserving steep slopes in a natural, vegetated state.

Requirements

ND PLAN, ND

The following requirements apply to projects sites that have slopes greater than 15%.

Ensure that the share of the development footprint on existing slopes less than 15% is greater than the share of the project site with existing slopes greater than 15%.

On any existing, previously developed slopes steeper than 15%, restore the slope area with *native plants* or noninvasive *adapted plants,* according to Table 1. In addition, on any existing, undeveloped slopes steeper than 15%, limit the development area according to Table 1.

Table 1. Required restoration and protection areas of slope

Slope	Previously developed slopes: % of area to be restored	Undeveloped slopes: % of area permitted for development
> 40%	100%	No development permitted
26% to 40%	60%	40%
>15% to 25%	40%	60%

For undeveloped slopes steeper than 40%, do not disturb portions of the project site within 50 feet (15 meters) horizontally of the top of the slope and 75 feet (23 meters) horizontally from the toe of the slope.

Develop *covenants, conditions, and restrictions* (CC&Rs), development agreements, or other binding documents that will protect all steep slopes in perpetuity.

SLL CREDIT: SITE DESIGN FOR HABITAT OR WETLAND AND WATER BODY CONSERVATION

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To conserve native plants, wildlife habitat, wetlands, and water bodies.

Requirements

ND PLAN, ND (SLL)

Case 1. Sites without Significant Habitat or Wetlands and Water Bodies (1 point)
Locate the project on a site that does not have significant habitat, as defined in Case 2 of this credit, and is not within 100 feet (30 meters) of such habitat. Fulfill the requirements of Case 1 or Case 2, Option 1 (with no minor improvements within buffer areas) under SLL Prerequisite Wetland and Water Body Conservation.

Case 2. Sites with Habitat or Wetlands or Water Bodies (1 point)

Meet the requirements of Option 1 or Option 2.

Option 1. Sites with Significant Habitat
Work with both the state's Natural Heritage Program and the state fish and wildlife agency (or local equivalent agency for projects outside the U.S.) to delineate identified significant habitat on the site. Do not disturb significant habitat or portions of the site within an appropriate buffer around the habitat. The geographic extent of the habitat and buffer must be identified by a qualified biologist, a nongovernmental conservation organization, or the appropriate state, regional, or local agency. Protect significant habitat and its identified buffers from development by donating or selling the land, or a conservation easement on the land, to an accredited land trust, conservation organization, or relevant government agency (a deed covenant is not sufficient to meet this requirement) for the purpose of long-term conservation.

Identify and commit to ongoing management activities, along with parties responsible for management and funding available, such that habitat is maintained in preproject condition or better for a minimum of three years after the project is built out. The requirement for identifying ongoing management activities may also be met by earning SLL Credit Long-Term Conservation Management of Habitat or Wetlands and Water Bodies.

Significant habitat for this credit is as follows:

- *Endangered species acts.* Habitat for species that are listed or are candidates for listing under state or national endangered species acts, habitat for species of special concern in the state, and habitat for species or ecological communities classified as GH, G1, G2, G3, S1, or S2 by NatureServe (local equivalent standards for threatened and endangered species may be used in countries outside the U.S. that do not have access to NatureServe data);
- *Locally or regionally significant habitat.* Locally or regionally significant habitat of any size, or patches of predominantly native vegetation at least 150 acres (60 hectares) (even if part of the area lies outside the project boundary); and
- *Habitat flagged for conservation.* Habitat flagged for conservation under a regional or state conservation or green infrastructure plan.

OR

Option 2. Sites with Wetlands and Water Bodies (1 point)
Design the project to conserve 100% of all water bodies, wetlands, land within 100 feet (30 meters) of water bodies, and land within 50 feet (15 meters) of wetlands on the site. Using a qualified biologist, conduct an assessment, or compile existing assessments, showing the extent to which those water bodies or wetlands provide (1) water quality maintenance; (2) wildlife habitat; and (3) hydrologic function maintenance, including flood protection. Assign appropriate buffers, measuring not less than 100 feet (30 meters) for water bodies and 50 feet (15 meters) for wetlands, based on the functions provided, contiguous soils and slopes, and contiguous land uses. Do not disturb wetlands, water bodies, or their buffers, and protect them from development by donating or selling the land, or a conservation easement on the land, to an accredited land trust, conservation organization, or relevant government agency (a deed covenant is not sufficient to meet this requirement) for the purpose of long-term conservation.

Identify and commit to ongoing management activities, along with parties responsible for management and funding available, such that habitat is maintained in preproject condition or better for a minimum of three years after the project is built out. The requirement for identifying ongoing management activities may also be met by earning SLL Credit Long-Term Conservation Management of Habitat or Wetlands and Water Bodies. The project does not meet the requirements if it degrades habitat for species identified in endangered species acts or habitat flagged for conservation in Option 1.

For All Projects
The following features are not considered wetlands, water bodies, or buffer land that must be protected:

a. previously developed land;
b. man-made water bodies (such as industrial mining pits, concrete-lined canals, or rainwater retention ponds) that lack natural edges and floors or native ecological communities in the water and along the edge;
c. man-made linear wetlands that result from the interruption of natural drainages by existing rights-of-way; and
d. wetlands that were created incidentally by human activity and have been rated “poor” for all measured wetland functions, as assessed by a qualified biologist using a method that is accepted by state or regional permitting agencies (or a local equivalent method for projects outside the U.S.).

SLL CREDIT: RESTORATION OF HABITAT OR WETLANDS AND WATER BODIES

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To restore native plants, wildlife habitat, wetlands, and water bodies harmed by previous human activities.

Requirements

ND PLAN, ND (SLL)

Using only native plants, restore *predevelopment* native ecological communities, *water bodies*, or *wetlands* on the *project* site in an area equal to or greater than 10% of the *development footprint*.

Work with a qualified biologist to ensure that restored areas will have the native species assemblages, hydrology, and other habitat characteristics that likely occurred in predevelopment conditions. Protect such areas from development by donating or selling the land, or a conservation easement on the land, to an accredited land trust, conservation organization or relevant government agency (a deed covenant is not sufficient to meet this requirement) for the purpose of long-term conservation.

Identify and commit to ongoing management activities, along with parties responsible for management and funding available, so that restored areas are maintained for a minimum of three years after the project is built out or the restoration is completed, whichever is later. The requirement for identifying ongoing management activities may also be met by earning SLL Credit Long-Term Conservation Management of Habitat or Wetlands and Water Bodies.

The project does not meet the requirements if it has negative effects on habitat for species identified in endangered species acts or habitat flagged for conservation in Option 1 of SLL Credit Site Design for Habitat or Wetland and Water Body Conservation.

SLL CREDIT: LONG-TERM CONSERVATION MANAGEMENT OF HABITAT OR WETLANDS AND WATER BODIES

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To conserve native plants, wildlife habitat, wetlands, and water bodies.

Requirements

ND PLAN, ND (SLL)

Create and commit to implementing a long-term (at least 10-year) management plan for existing or recently restored on-site native habitats, water bodies, or wetlands and their buffers, and create a guaranteed funding source for management.

Involve a qualified biologist or a professional from a natural resources agency or natural resources consulting firm in writing the management plan and conducting or evaluating the ongoing management.

The plan must include biological objectives consistent with habitat or water resource conservation, and it must identify the following:

- procedures and personnel for maintaining the conservation areas;
- estimated implementation costs and funding sources; and
- any threats that the project poses for habitat or water resources within conservation areas (e.g., introduction of exotic species, intrusion of residents in habitat areas) and measures to substantially reduce those threats.

The project does not meet the requirements if it has negative effects on habitat for species identified in endangered species acts or habitat flagged for conservation in Option 1 of SLL Credit Site Design for Habitat or Wetland and Water Body Conservation.

NEIGHBORHOOD PATTERN AND DESIGN (NPD)

NPD PREREQUISITE: WALKABLE STREETS
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To promote transportation efficiency and reduce vehicle distance traveled. To improve public health by providing safe, appealing, and comfortable street environments that encourage daily physical activity and avoid pedestrian injuries.

Requirements

ND PLAN, ND

Design and build the *project* to achieve all of the following:

a. 90% of new buildings have a *functional entry* onto the circulation network or other public space, such as a *park* or *plaza,* but not a parking lot. Whether opening to the circulation network or other public space, the functional entry must be connected to a sidewalk or equivalent provision for walking. If the public space is a square, park, or plaza, it must be at least 50 feet (15 meters) deep, measured at a point perpendicular to each entry.

b. At least 15% of the *block length* of the *existing* and new circulation networks within and bordering the project has a minimum building-height-to-street-centerline ratio of 1:1.5 (i.e., a minimum of 1 foot [300 millimeters] of building height for every 1.5 feet [450 millimeters] of width from street centerline to building façade). Alleys may be omitted from the calculations.

   - Projects that border a part of the circulation network must meet only their proportional share of the height-to-width ratio (i.e., only on the project side of the circulation network).

   - Building height is measured to eaves or, for a flat-roof structure, to the rooftop. For buildings with multiple heights or widths, use average heights or widths weighted by each portion's share of the total height or width.

c. Continuous sidewalks or equivalent *all-weather routes* for walking are provided along both sides of 90% of the circulation network block length within the project, including the project side of circulation network bordering the project. Bicycle- and pedestrian-only paths meet this requirement. New sidewalks must be at least 8 feet (2.5 meters) wide on retail or mixed-use blocks and at least 4 feet (1.2 meters) wide on all other blocks.

d. No more than 20% of the block length of the circulation network within the project is faced directly by garage and service bay openings. Alleys may be omitted from the calculations.

Portions of projects containing *historic buildings* or contributing buildings in a designated *historic district* subject to review by a local historic preservation entity are exempt from (b), (c), and (d) if approval for compliance is not granted.

Portions of projects containing historic buildings or contributing buildings in historic districts listed in or eligible for listing in a state provincial, or regional register, or the National Register of Historic Places that are subject to review by a state historic preservation office or the National Park Service (or local equivalent for projects outside the U.S.) are exempt from (b), (c), and (d) if approval for compliance is not granted.

NPD PREREQUISITE: COMPACT DEVELOPMENT
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To conserve land. To promote livability, walkability, and transportation efficiency and reduce vehicle distance traveled. To leverage and support transit investments. To improve public health by encouraging daily physical activity.

Requirements

ND PLAN, ND

Design and build the project to meet the densities specified below. Minimum densities must be met for both (1) the entire project at full build-out and (2) the portion of the project that will be built within five years of the date that the first new building of any type is occupied.

Case 1. Projects with Access to Quality Transit
For *projects* with *existing* or planned transit service (i.e., service with the funding commitments as specified in SLL Prerequisite Smart Location) that meets or exceeds the 2-point threshold in SLL Credit Access to Quality Transit, build at the following densities, based on the *walking distances* to the transit service specified in that SLL credit:

- for residential components located within the walking distances: 12 or more *dwelling units* per acre (30 DU per hectare) of buildable land available for residential uses;
- for residential components falling outside the walking distances: 7 or more dwelling units per acre (17.5 DU per hectare) of buildable land available for residential uses;
- for nonresidential components located within the walking distances: 0.80 or higher *floor-area ratio* (FAR) for the buildable land available for nonresidential uses; and
- for nonresidential components falling outside the walking distances: 0.50 or higher FAR for the buildable land available for nonresidential uses.

If the project location is served by a transit agency whose guidelines for minimum service densities are greater than the densities required by this prerequisite, the project must achieve those service densities instead.

Case 2. All Other Projects
Build any residential components of the project at a *density* of 7 or more dwelling units per acre (17.5 DU per hectare) of *buildable land* available for residential uses.

Build any nonresidential components of the project at a density of 0.50 or higher FAR for the buildable land available for nonresidential uses.

For All Projects Density calculations include all planned and existing buildings within the *project boundary,* excluding those portions of parking structures devoted exclusively to parking.

If the residential component of the project meets the minimum density requirement but the nonresidential component does not, or vice versa, include only the qualifying density. Use that component's dwelling units or nonresidential floor area in the numerator and the total buildable land area in the denominator. If the resulting density meets the minimum requirement, the prerequisite is achieved.

NPD PREREQUISITE: CONNECTED AND OPEN COMMUNITY
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To promote *projects* that have high levels of internal connectivity and are well connected to the community. To encourage development within *existing* communities that promote transportation efficiency through multimodal transportation. To improve public health by encouraging daily physical activity.

Requirements

ND PLAN, ND

Meet the requirements of Case 1 if the project has no circulation network intersections within the project boundary and is five acres or less in size. All other projects must meet Case 2.

Case 1. Surrounding Connectivity
Locate the project such that the connectivity within ¼ mile (400 meters) of the project boundary is at least 90 intersections per square mile (35 intersections per square kilometer). Any part of the circulation network that is counted toward the connectivity requirement must be available for general public use and not gated. Gated areas are not considered available for public use, with the exception of education and health care campuses and military bases where gates are used for security purposes.

Additionally, any circulation network within the project must be available for general public use and not gated.

Case 2. Internal Connectivity
Design and build the project such that its internal *connectivity* is at least 140 intersections per square mile (54 intersections per square kilometer).

Any part of the circulation network counted toward the connectivity requirement must be available for general public use at all times and not gated. Additionally, no more than 10% of the project area may be accessed via circulation network that is gated. Education campuses, health care campuses, and military bases where gates are used for security purposes are exempt from the 10% limit, and intersections within those projects may be counted toward the connectivity requirement.

Design and build the project with at least one through-connection (of the circulation network) intersecting or terminating at the *project boundary* at least every 800 feet (245 meters), or at existing abutting intervals and intersections of the circulation network, whichever is the shorter distance. These requirements do not apply to portions of the boundary where connections cannot be made because of physical obstacles, such as prior platting of property, construction of existing buildings or other barriers, slopes steeper than 15%, *wetlands* and *water bodies,* railroad and utility rights-of-way, existing limited-access motor vehicle rights-of-way, and parks and dedicated open space.

NPD CREDIT: WALKABLE STREETS

ND
1–9 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To promote transportation efficiency and reduce *vehicle distance traveled.* To improve public health by providing safe, appealing, and comfortable *street* environments that encourage daily physical activity and avoid pedestrian injuries.

Requirements

ND PLAN, ND

A *project* may earn a maximum of 9 points, awarded according to Table 1.

Table 1. Points for walkable street features

Items achieved	*Points*
2–3	1
4–5	2
6–7	3
8–9	4
10–11	5
12	6
13	7
14	8
15–16	9

Façades and Entries

a. At least 80% of the total linear distance of building façades facing the circulation network in the project is no more than 25 feet (7.5 meters) from the property line.

b. At least 50% of the total linear distance of building façades facing the circulation network in the project is no more than 18 feet (5.5 meters) from the property line.

c. At least 50% of the total linear distance of mixed-use and nonresidential building façades facing the circulation network in the project is within 1 foot (300 millimeters) of a sidewalk or equivalent walking route.

d. *Functional entries* to the building occur at an average of 75 feet (23 meters) or less along nonresidential or mixed-use buildings or *blocks.*

e. Functional entries to the building occur at an average of 30 feet (9 meters) or less along nonresidential or mixed-use buildings or blocks

Items (d) and (e) are cumulative.

Ground-Level Use and Parking

f. All ground-level retail, service, and trade uses that face a public space have clear glass on at least 60% of their façades between 3 and 8 feet (900 and 2500 millimeters) above grade.

g. If a façade extends along a sidewalk, no more than 40% of its length or 50 feet (15 meters), whichever is less, is blank (without doors or windows).

h. Any ground-level retail, service, or trade windows facing the circulation network must be kept visible (unshuttered) at night; this must be stipulated in *covenants, conditions, and restrictions* (CC&Rs) or other binding documents.

i. On-street parking is provided on at least 70% of both sides of the block length of all new and *existing* motorized portions of the circulation network, including the project side of bordering circulation network. The percentage of on-street parking is calculated by dividing the length of street designated for parking by the total length of the curb along each street, including curb cuts, driveways, and intersection radii. Space within the parking lane that is occupied by corner bulb-outs (within 24 feet [7 meters] of an intersection), transit stops, and motorcycle or bicycle parking may be counted as designated for parking in this calculation. Alleys may be exempted.

j. Continuous sidewalks or equivalent provisions for walking are available along both sides of the entire circulation network within the project, including the project side of the circulation network bordering the project. Bicycle- and pedestrian-only paths meet this requirement. New sidewalks must be at least 10 feet (3 meters) wide on retail or mixed-use blocks and at least 5 feet (1.5 meters) wide on all other blocks. Note that these requirements specify wider sidewalks than required by NPD Prerequisite Walkable Streets. Alleys may be exempted.

k. If the project has ground-floor *dwelling units,* the principal level of at least 50% of those units has an elevated finished floor at least 24 inches (60 centimeters) above the sidewalk grade. Below-grade basement spaces and/or *accessory dwelling units* are exempt from this requirement.

l. In nonresidential or mixed-use projects, 50% or more of the total number of office buildings includes ground-floor retail along 60% of the length of the street-level façade; 100% of mixed-use buildings include ground-floor retail, live-work spaces, or ground-floor dwelling units along at least 60% of the street-level façade; and all businesses or community services on the ground floor are accessible directly from sidewalks along the circulation network or other public space, such as a square, park, or plaza, but not a parking lot.

m. At least 40% of the block length of the circulation network within the project has a minimum building-height-to-street-centerline ratio of 1:1.5 (i.e., at least 1 foot (30 centimeters) of building height for every 1.5 feet (45 centimeters) of width from *circulation network* centerline to building façade). Alleys may be exempted.

Projects that border a part of the circulation network must meet only their proportional share of the height-to-centerline ratio (i.e., only on the project side of the circulation network).

Building height is measured to eaves or, for a flat-roof structure, to the rooftop, and width is measured façade to centerline. For buildings with multiple heights or widths, use average heights or widths weighted by each portion's share of the total height or width.

Design Speeds for Safe Pedestrian and Bicycle Travel

n. 75% of the length of new residential-only motorized parts of the circulation network within the project is designed for a target speed of no more than 20 mph (30 km/h).

o. 70% of the length of new nonresidential or mixed-use motorized parts of the circulation network within the project is designed for a target speed of no more than 25 mph (40km/h). A multiway boulevard, with travel lanes separated from access lanes by medians, may apply this requirement to its outer access lanes only (through-lanes are exempt), provided pedestrian crosswalks are installed across the boulevard at intervals no greater than 800 feet (245 meters).

Sidewalk Intrusions

p. At-grade crossings with driveways account for no more than 10% of the length of sidewalks within the project.

NPD CREDIT: COMPACT DEVELOPMENT

ND
1–6 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To conserve land and protect farmland and wildlife habitat by encouraging development in areas with existing infrastructure. To promote livability, walkability, and transportation efficiency, and reduce vehicle distance traveled. To improve public health by encouraging daily physical activity.

Requirements

ND PLAN, ND

Design and build the *project* such that residential and nonresidential components achieve the *densities* per acre (per hectare) of *buildable land* listed in Table 1 at build-out or within five years of the date that the first new building of any type is occupied (excluding those portions of parking structures devoted to parking), whichever is lower.

Table 1. Points for density per acre (hectare) of buildable land

Residential density		Nonresidential density (FAR)	Points
DU/acre	DU/hectare		
> 10 and ≤ 13	> 25 and ≤ 32	> 0.75 and ≤ 1.0	1
> 13 and ≤ 18	> 32 and ≤ 45	> 1.0 and ≤ 1.25	2
> 18 and ≤ 25	> 45 and ≤ 62	> 1.25 and ≤ 1.75	3
> 25 and ≤ 38	> 62 and ≤ 94	> 1.75 and ≤ 2.25	4
> 38 and ≤ 63	> 94 and ≤ 156	> 2.25 and ≤ 3.0	5
> 63	> 156	> 3.0	6

DU = dwelling unit; FAR = floor-area ratio.

The scoring of a mixed-use project is calculated with a weighted average, according to the following steps.

1. Determine the total floor area of all residential and nonresidential uses.
2. Calculate the percentage residential and percentage nonresidential of the total floor area.
3. Determine the density of each component as measured in *dwelling units* per acre or hectare and *floor-area ratio,* respectively.
4. Referring to Table 1, find the appropriate points for the densities of the residential and nonresidential components.
5. If the points are different, multiply the point value of the residential component by its percentage of the total floor area and multiply the point value of the nonresidential component by its percentage.
6. Add the two scores.

NPD CREDIT: MIXED-USE NEIGHBORHOODS

ND
1–4 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To reduce vehicle distance traveled and automobile dependence, encourage daily walking, biking, and transit use, and support car-free living by providing access to diverse land uses.

Requirements

ND PLAN, ND

Locate or design the *project* such that 50% of its *dwelling units* are within a 1/4-mile (400-meter) *walking distance* of the number of uses (see Appendix 1) listed in Table 1. For projects with no dwelling units, 50% of dwelling units within a 1/4-mile (400-meter) walking distance of the *project boundary* must be within a 1/4-mile (400-meter) walking distance of the number of uses within the project specified in Table 1.

The specified number of uses must be in place by the time of 50% occupancy of total building floor area (exclusive of portions of parking structures devoted to parking).

Table 1. Points for uses within 1/4-mile (400-meter) walking distance, by percentage of occupancy

Diverse uses		*Points*
4–7		1
8–11		2
12–19		3
≥ 20		4

The following restrictions apply.

- A use may be counted as only one use type (e.g., a retail store may be counted only once even if it sells products in several categories).
- No more than two uses in each use type may be counted (e.g., if five restaurants are within the required distance, only two may be counted).
- The uses accessible to each counted dwelling unit must represent at least two categories.

For projects with regional-serving retail of 150,000 or more square feet (13 935 square meters) only

Additionally, a project that has at least one large retail *use (*defined as a use totaling 75,000 or more square feet [7 000 or more square meters]), must also meet at least the 2-point threshold for transit service under SLL Credit Access to Quality Transit. In this case, planned transit service can be counted. Each large retail use must be served by at least one transit stop providing trips that qualify under that SLL Credit.

If transit service is planned but not yet operational, the project must demonstrate one of the following:

1. The relevant transit agency has a signed full-funding grant agreement with the Federal Transit Administration (or equivalent national agency for projects outside the U.S.) that includes a revenue operations date for the start of transit service. The revenue operations date must be no later than the day by which 50% of the project's total building floor area will be occupied.
2. For bus, *streetcar*, *bus rapid transit,* or ferry service, the transit agency must certify that it has an approved budget that includes specifically allocated funds sufficient to provide the planned service at

the levels listed above and that service at these levels will begin no later than the day by which 50% of the project's total building floor area will be occupied.

3. For rail service other than *streetcars*, the transit agency must certify that preliminary engineering for a rail line has begun. In addition, the service must meet either of these two requirements:

- A state legislature or local subdivision of the state (or local government for projects outside the U.S.) has authorized the transit agency to expend funds to establish rail transit service that will begin no later than the date by which 50% of the project's total building floor area will be occupied.

  OR

- A local government has dedicated funding or reimbursement commitments from future tax revenue for the development of stations, platforms, or other rail transit infrastructure that will serve the project no later than the date by which 50% of the project's total building floor area will be occupied.

NPD CREDIT: HOUSING TYPES AND AFFORDABILITY

ND
1–7 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To promote socially equitable and engaging neighborhoods by enabling residents from a wide range of economic levels, household sizes, and age groups to live in a community.

Requirements

ND PLAN, ND

Meet the requirements of one or more of the following options.

Option 1. Diversity of Housing Types (1–3 points)

Include a sufficient variety of housing sizes and types in the *project* such that the total variety of planned and *existing* housing within the project achieves a Simpson Diversity Index score greater than 0.5, using the housing categories below. Projects of less than 125 acres (50.5 hectares) may calculate the Simpson Diversity Index for the area within ¼ mile (400 meters) of the project's geographic center. The Simpson Diversity Index calculates the probability that any two randomly selected *dwelling units* in a project will be of a different type.

Score = $1 - \sum (n/N)^2$

Where
n = the total number of dwelling units in a single category, and
N = the total number of dwelling units in all categories.

Table 1. Points for housing diversity

Simpson Diversity Index score	*Points*
> 0.5 to < 0.6	1
≥ 0.6 to < 0.7	2
≥ 0.7	3

Housing categories are defined by the dwelling unit's net floor area, exclusive of any garage, as listed in Table 2.

Table 2. Housing categories

Type	Square feet	Square meters
Detached residential, large	> 1,250	> 116
Detached residential, small	≤ 1,250	≤ 116
Duplex or townhouse, large	> 1,250	> 116
Duplex or townhouse, small	≤ 1,250	≤ 116
Dwelling unit in multiunit building with no elevator, large	> 1,250	> 116
Dwelling unit in multiunit building with no elevator, medium	> 750 to ≤ 1,250	> 70 to ≤ 116
Dwelling unit in multiunit building with no elevator, small	≤ 750	≤ 70
Dwelling unit in multiunit building with elevator, 4 stories or fewer, large	> 1,250	> 116
Dwelling unit in multiunit building with elevator, 4 stories or fewer, medium	> 750 to ≤ 1,250	> 70 to ≤ 116

Dwelling unit in multiunit building with elevator, 4 stories or fewer, small	≤ 750	≤ 70
Dwelling unit in multiunit building with elevator, 5 to 8 stories, large	> 1,250	> 116
Dwelling unit in multiunit building with elevator, 5 to 8 stories, medium	> 750 to ≤ 1,250	> 70 to ≤ 116
Dwelling unit in multiunit building with elevator, 5 to 8 stories, small	≤ 750	≤ 70
Dwelling unit in multiunit building with elevator, 9 stories or more, large	> 1,250	> 116
Dwelling unit in multiunit building with elevator, 9 stories or more, medium	> 750 to ≤ 1,250	> 70 to ≤ 116
Dwelling unit in multiunit building with elevator, 9 stories or more, small	≤ 750	≤ 70
Live-work space, large	> 1,250	> 116
Live-work space, small	≤ 1,250	≤ 116
Accessory dwelling unit, large	> 1,250	> 116
Accessory dwelling unit, small	≤ 1,250	≤ 116

For the purposes of this credit, townhouse and live-work units may have individual ground-level entrances or be within a multiunit or mixed-use building. Double counting is prohibited; each dwelling may be classified in only one category. The number of stories in a building is inclusive of the ground floor regardless of its use.

AND/OR

Option 2. Affordable Housing (1–3 points)

Include a proportion of new rental and/or for-sale dwelling units priced for households earning less than the *area median income* (AMI). Rental units must be maintained at affordable levels for a minimum of 15 years. Existing dwelling units are exempt from requirement calculations. Meet any combination of thresholds in Table 3, up to a maximum of 3 points.

Table 3. Points for affordable housing

Rental dwelling units				*For-sale dwelling units*			
Priced up to 60% AMI		*Priced up to 80% AMI*		*Priced up to 100% AMI*		*Priced up to 120% AMI*	
Percentage of total rental units	*Points*	*Percentage of total rental units*	*Points*	*Percentage of total for-sale units*	*Points*	*Percentage of total for-sale units*	*Points*
5	1	10	1	5	1	8	1
10	2	15	2	10	2	12	2
15	3	25	3	15	3	—	—

AMI = area median income.

AND/OR

Option 3. Housing Types and Affordable Housing (1 point)

A project may earn an additional point by earning at least 2 points in Option 1 and at least 2 points in Option 2 (at least one of which must be for providing housing at or below 100% AMI).

LT CREDIT: REDUCED PARKING FOOTPRINT

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To minimize the environmental harms associated with parking facilities, including automobile dependence, land consumption, and rainwater runoff.

Requirements

ND PLAN, ND

For new nonresidential buildings and *multiunit residential* buildings, either do not build new off-street parking lots, or locate all new off-street surface parking lots at the side or rear, leaving building frontages facing the circulation network free of surface parking lots (alleys may be exempted).

Use no more than 20% of the total *development footprint* area for all new off-street surface parking facilities, with no individual surface parking lot larger than 2 acres (0.8 hectare). For the purposes of this credit, surface parking facilities include ground-level garages unless they are under *habitable building* space. Underground or multistory parking facilities can be used to provide additional spaces. On-street parking spaces are exempt from this limitation.

Provide preferred parking for carpool or shared-use vehicle parking spaces equivalent to at least 10% of the total off-street parking spaces for each nonresidential and mixed-use building on the site. Such parking spaces must be marked and within 200 feet (60 meters) walking distance of entrances to the building served.

NPD CREDIT: CONNECTED AND OPEN COMMUNITY

ND
1–2 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To conserve land and promote multimodal transportation by encouraging development within existing communities that have high levels of internal connectivity and are well connected to the larger community. To improve public health by encouraging daily physical activity and reducing motor vehicle emissions.

Requirements

ND PLAN, ND
Locate or design the project such that its internal *connectivity* falls within one of the ranges listed in Table 1. If the project has no internal circulation network, the connectivity within a ¼-mile (400-meter) distance of the project boundary must be used.

Table 1. Points for connectivity

Intersections per square mile	Intersections per square kilometer	Points
300–400	116–154	1
> 400	> 154	2

All parts of the circulation network that are counted toward the connectivity requirement must be available for general public use at all times and not gated. No more than 10% of the project area may be accessed via circulation network that is gated. Education campuses, health care campuses, and military bases where gates are used for security purposes are exempt from the 10% limit, and intersections within those projects may be counted toward the connectivity requirement.

AND

Design or locate the project such that a through-connection (of the circulation network) intersects or terminates at the *project boundary* at least every 400 feet (122 meters) or at existing abutting intervals and intersections of the circulation network, whichever is the shorter distance. Include a pedestrian or bicycle through-connection in at least 90% of any new *culs-de-sac.* These requirements do not apply to portions of the boundary where connections cannot be made because of physical obstacles, such as prior platting of property, construction of existing buildings or other barriers, slopes steeper than 15%, *wetlands* and *water bodies,* railroad and utility rights-of-way, existing limited-access motor vehicle rights-of-way, and parks and dedicated open space.

NPD CREDIT: TRANSIT FACILITIES

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage transit use and reduce vehicle distance traveled by providing safe, convenient, and comfortable transit waiting areas.

Requirements

ND PLAN, ND

Work with the transit agency or agencies serving the *project* to inventory existing transit stops and new transit stops within the project boundary that will be warranted within two years of project completion (because of either increased ridership on existing service or planned transit).

At those locations,

1. Confirm that transit facilities will be funded by either the transit agency or the project developer.

2. Install transit agency-approved shelters and any other required improvements at existing stops. Reserve space for transit facilities or install transit facilities at new stops.

Shelters must be covered, be at least partially enclosed to buffer wind and rain, have seating and illumination, and have signage that display transit schedules and route information.

NPD CREDIT: TRANSPORTATION DEMAND MANAGEMENT

ND
2 points
This credit applies to

- Neighborhood Development Plan (1-2 points)
- Neighborhood Development (1-2 points)

Intent

To reduce energy consumption, pollution, and harm to human health from motor vehicles by encouraging multimodal travel.

Requirements

ND PLAN, ND

Achieve at least two of the following options.

Earn 1 point for every two options, for a maximum of 2 points. For the purposes of this credit, *existing* buildings and their occupants are exempt from the requirements.

Option 1. Transit Passes

Provide transit passes valid for at least one year, subsidized to 100% of regular price, to each resident and employee locating within the project during the first three years of project occupancy (or longer). Publicize the availability of subsidized transit passes to project occupants.

AND/OR

Option 2. Developer-Sponsored Transit

Provide year-round, *developer*-sponsored transit service (vans, shuttles, buses) from at least one central point in the project to other major transit facilities or to other destinations, such as a retail or *employment center,* with service no less frequent than 45 daily weekday trips and 30 daily weekend trips. The service must begin by the time the project's total floor area is 20% occupied and must be guaranteed for at least three years beyond project build-out. The occupancy requirement is met when residents are living in 20% of the *dwelling units* and/or employees are working in 20% of the total nonresidential floor area.

Provide transit stop shelters and bicycle racks adequate to meet projected demand but no less than one shelter and one bicycle rack at each transit stop. Shelters must be covered, be at least partially enclosed to buffer wind and rain, and have seating and illumination. Bicycle racks must have a two-point support system for locking the frame and wheels and must be securely affixed to the ground or a building.

AND/OR

Option 3. Vehicle Sharing

Locate the project such that 50% of the dwelling units and nonresidential use entrances are within a ¼-mile (400-meter) *walking distance* of at least one vehicle in a vehicle-sharing program, as specified below, depending on project size.

- If the project has fewer than 100 dwelling units and/or employees, provide one vehicle.
- If the project has more than 100 dwelling units and/or employees and has a minimum transit service of 60 daily weekday trips and 40 daily weekend trips, provide at least one additional vehicle and parking space for every 100 dwelling units and/or employees.

- If the project has more than 100 dwelling units and/or employees but does not have transit service at the frequencies specified above, provide at least one additional vehicle and parking space for every 200 dwelling units and/or employees.

For each vehicle, dedicate one parking space accessible to vehicle-sharing members. Publicize to project occupants the availability and benefits of the vehicle-sharing program. Commit to providing vehicles to the locations for at least two years. If a new vehicle-sharing location is planned, the vehicle-sharing program must begin by the time the project's total floor area is 20% occupied. The occupancy requirement is met when residents are living in 20% of the dwelling units and/or employees are working in 20% of the total nonresidential floor area.

AND/OR

Option 4. Unbundling of Parking and Parking Fees

For 90% of multiunit residential units and/or nonresidential floor area, the associated parking spaces must be sold or rented separately from the dwelling units or nonresidential floor area.

Set parking fees within the project boundary for all off-street parking equal to or greater than the cost of monthly usage for public transit. Off-street parking in this instance does not include parking devoted to individual, detached residential units.

AND/OR

Option 5. Guaranteed Ride Home Program

Major employers within the project must commit to providing a guaranteed ride home program for employees. A major employer accounts for more than 25% of the workers on the project site. The program must provide free rides to employees who have carpooled, taken transit, walked, or cycled to work but must leave because of an unexpected personal emergency. Rides may be on taxis, company cars, or rental cars.

AND/OR

Option 6. Flexible Work Arrangements

Major employers within the project must commit to promoting and supporting flexible work arrangements with the goal of reducing vehicle trips during peak commuting hours. A major employer accounts for more than 25% of the workers on the project site. The employer must develop internal policies that outline the terms under which employees can engage in telework, flextime, compressed work weeks, staggered shifts, or other arrangements. These policies must also describe how the program will be promoted to employees.

NPD CREDIT: ACCESS TO CIVIC AND PUBLIC SPACE

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To provide open space close to work and home that enhances community participation and improves public health.

Requirements

ND PLAN, ND

Locate 90% of planned and *existing dwelling units* and nonresidential use entrances within a ¼ mile (400 meters) walk of at least one civic and passive use space. The spaces must be at least 1/6 acre (0.067 hectare) in area. Spaces less than 1 acre (0.4 hectare) must have a proportion no narrower than 1 unit of width to 4 units of length.

Projects larger than 10 acres (4 hectares) must have a median space size of at least 1 acre (0.4 hectare). Spaces over ½ acre (0.2 hectare) that are used to meet the 90% threshold are included in the median calculation.

NPD CREDIT: ACCESS TO RECREATION FACILITIES

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To enhance community participation and improve public health by providing recreational facilities close to work and home that facilitate physical activity and social networking.

Requirements

ND PLAN, ND

Locate or design the *project* so that a publicly accessible outdoor recreation facility at least 1 acre (0.4 hectares) in area, or a publicly accessible indoor recreational facility of at least 25,000 square feet (2325 square meters), lies within a ½-mile (800-meter) *walking distance* of 90% of new and *existing dwelling units* and nonresidential use entrances. Outdoor recreation facilities must consist of physical improvements and may include “tot lots,” swimming pools, and sports fields, such as baseball diamonds.

NPD CREDIT: VISITABILITY AND UNIVERSAL DESIGN

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To increase the proportion of areas usable by a wide spectrum of people, regardless of age or ability.

Requirements

ND PLAN, ND

Case 1. Projects with New Dwelling Units (1 point)

Design a minimum of 20% of the new dwelling units (but not less than one dwelling unit per type) in accordance with ICC A117.1, Type C, Visitable Unit, for each of the following residential building types:

- detached single-dwelling-unit buildings;
- attached single-dwelling-unit buildings; and
- buildings with two or three dwelling units.

Each unit must also have a kitchen, living area, bedroom, and full bath on an accessible level.

For multiunit buildings with four or more dwelling units, design a minimum of 20% of the units (but not less than one) to meet the requirements of one of the following options. This category includes mixed-use buildings with dwelling units.

Option 1. Universal Design Features Throughout the Home (1 point)
Throughout the home, include at least five of the following universal design features:

- easy-to-grip lever door handles;
- easy-to-grip cabinet and drawer loop handles;
- easy-to-grip locking mechanisms on doors and windows;
- easy-to-grip single-lever faucet handles;
- easy-touch rocker or hands-free switches;
- motion-detector lighting at entrance, in hallways and stairwells, and in closets, and motion-detector light switches in garages, utility spaces, and basements;
- large, high-contrast print for controls, signals, and the house or unit numbers;
- a built-in shelf, bench, or table with knee space below, located outside the entry door with weather protection overhead, such as porch or stoop with roof, awning, or other overhead covering;
- a minimum 32-inch (80-centimeter) clear door opening width for all doorways;
- tread at the entrance, on stairs, and other areas where slipping is common, with color contrast difference between stair treads and risers; and
- interior floor surfaces (e.g., low-pile carpets, hard-surface flooring) that provide easy passage for a wheelchair or walker, with color contrast between floor surfaces and trim; no carpet is permitted in a kitchen, bathroom, or other wet areas of the dwelling unit.

OR

Option 2. Kitchen Features (1 point)
On the main floor of the home (or on another floor, if an elevator or stair lift is provided), provide a kitchen with hard-surface flooring, plumbing with single-lever controls, a 5-foot (1.5-meter) turning radius, and at least four of the following universal design features:

- variable-height (28- to 42-inch [70- to 110-centimeter]) or adjustable work surfaces, such as countertops, sinks, and cooktops;
- clear knee space under sink and cooktops (this requirement can be met by installing removable base cabinets or fold-back or self-storing doors), cooktops and ranges with front or side-mounted controls, and wall-mounted ovens at a height to accommodate a seated adult;
- a toe kick area at the base of lower cabinets with a minimum height of 9 inches (23 centimeters), and full-extension drawers and shelves in at least half (by volume) of the cabinets;
- contrasting color treatment between countertops, front edges, and floor;
- adjustable-height shelves in wall cabinets; and
- glare-free task lighting.

OR

Option 3. Bedroom and Bathroom Features (1 point)
On the main floor of the building (or on another floor, if an elevator or stair lift is provided), include all of the following:

In at least one accessible bedroom,

- Size the room to accommodate a twin bed with a 5-foot (1.5-meter) turning radius around the bed.
- Install a clothes closet with a 32-inch (80-centimeter) clear opening with adjustable-height closet rods and shelves.

In at least one full bathroom on the same floor as the bedroom,

- Provide adequate maneuvering space with a 30-by-48-inch (75-by-120 centimeter) clear floor space at each fixture.
- Center the toilet 18 inches (45 centimeters) from any side wall, cabinet, or tub, and allow a 3-foot (90-centimeter) clear space in front.
- Install broad blocking in walls around toilet, tub, and/or shower for future placement and relocation of grab bars.
- Provide knee space under the lavatory (this requirement may be met by installing removable base cabinets or fold-back or self-storing doors).
- Install a long mirror whose bottom is no more than 36 inches (90 centimeters) above the finished floor and whose top is at least 72 inches (180 centimeters) high.

In addition, all bathrooms must have hard-surface flooring, all plumbing fixtures must have single-lever controls, and tubs or showers must have hand-held showerheads.

Case 2. Projects With Noncompliant Routes and No New Dwelling Units (1 point)
This case applies to projects that have no new residential units and are either (1) retrofitting existing public rights-of-way or publicly accessible travel routes that are not in compliance with the Americans with Disabilities Act (ADA, for private sector and local and state government facilities) or the Architectural Barriers Act (ABA, for federally funded facilities), or (2) building new publicly accessible travel routes that are not legally required to meet ADA-ABA accessibility guidelines.

Design, construct, or retrofit 90% of the rights-of-way and travel routes in accordance with the ADA-ABA accessibility guidelines, as applicable, or local equivalent for projects outside the U.S., whichever is more stringent.

NPD CREDIT: COMMUNITY OUTREACH AND INVOLVEMENT

ND
1–2 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage responsiveness to community needs by involving the people who live or work in the community in *project* design and planning and in decisions about how the project should be improved or changed over time.

Requirements

ND PLAN, ND

Option 1. Community Outreach (1 point)

Engage the community in the following ways. Each activity must be led by the development team and be directly related to the LEED ND project.

Predesign
Meet with adjacent property owners, residents, business owners, and workers; local planning and community development officials; and any current residents or workers at the project site to solicit and document their input on the proposed project before beginning design.

Preliminary design
Advertise and host at least one open community meeting other than an official public hearing or recurring citizen advisory meeting, to generate comments on the preliminary project design concept. Work directly with community associations and/or the local government to advertise the meeting(s). Collect and summarize comments generated at the meeting(s).

Modify the project's preliminary design as a direct result of community input, or if modifications are not made, explain why community input did not generate design modifications.

Ongoing communication
Establish ongoing means for communication between the *developer* and the community throughout the design and construction phases and, in cases where the developer maintains any control, after construction.

OR

Option 2. Charrette (2 points)

Comply with Option 1 and conduct a design charrette or interactive workshop of at least two days that is open to the public and includes, at a minimum, participation by a representative group of nearby property owners, residents, business owners, and workers in the preparation of conceptual project plans and drawings.

OR

Option 3. Endorsement Program (2 points)

Comply with Option 1 and obtain an endorsement from an ongoing local or regional nongovernmental program that systematically reviews and endorses smart growth development projects under a rating or jury system.

NPD CREDIT: LOCAL FOOD PRODUCTION

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To promote the environmental and economic benefits of community-based food production and improve nutrition through better access to fresh produce.

Requirements

ND PLAN, ND

Establish *covenants, conditions, and restrictions* (CC&R) or other forms of deed restrictions stating that the growing of produce is not prohibited in *project* areas, including greenhouses, any portion of residential front, rear, or side yards; or balconies, patios, or rooftops. Greenhouses but not gardens may be prohibited in front yards that face the *circulation network.*

Meet the requirements of one of the following three options.

Option 1. Neighborhood Gardens (1 point)

Dedicate permanent and viable growing space or related facilities (such as greenhouses) within the project as specified in Table 1 (exclusive of *existing* dwellings). Ensure solar access and provide fencing, watering systems, garden bed enhancements (such as raised beds), secure storage space for tools, and pedestrian access for these spaces. Ensure that the spaces are owned and managed by an entity that includes occupants of the project in its decision making, such as a community group, homeowners association, or public body.

Table 1. Minimum garden space, by project density

Imperial units		*Metric units*	
Project density (DU/acre)	*Growing space (sf/DU)*	*Project density (DU/hectare)*	*Growing space (sq. meters/DU)*
> 7 and ≤14	200	> 17.5 and ≤ 35	18.5
> 14 and ≤ 22	100	> 35 and ≤ 55	9
> 22 and ≤ 28	80	> 55 and ≤ 69	7.5
> 28 and ≤ 35	70	> 69 and ≤ 87	6.5
> 35	60	> 87	5.5

DU = dwelling unit; sf = square feet; sq. meters = square meters.

An established community garden outside the *project boundary* but within a ½-mile (800-meter) *walking distance* of the project's geographic center can satisfy this option if the garden otherwise meets all the requirements.

OR

Option 2. Community-Supported Agriculture (1 point)

Purchase shares in a *community-supported agriculture* program located within 150 miles (240 kilometers) of the project site for at least 80% of *dwelling units* within the project (exclusive of existing dwelling units). Each counted dwelling unit must receive CSA service for at least two years, beginning when it is occupied. Shares must be delivered to a point within 1/2 mile (800 meters) of the project's geographic center on a regular schedule not less than twice per month at least four months of the year.

OR

Option 3. Proximity to Farmers Market (1 point)

Locate the project's geographic center within a 1/2-mile (800-meter) walking distance of an existing or planned farmers market that is open or will operate at least once weekly for at least five months annually. Farmers market vendors may sell only items grown within 150 miles (240 kilometers) of the project site. A planned farmers market must have firm commitments from farmers and vendors that the market will meet all the above requirements and be in full operation by the time 50% of the project's total floor area is occupied.

NPD CREDIT: TREE-LINED AND SHADED STREETSCAPES

ND
1–2 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage walking and bicycling and discourage speeding. To reduce urban heat island effects, improve air quality, increase evapotranspiration, and reduce cooling loads in buildings.

Requirements

ND PLAN, ND

Option 1. Tree-Lined Blocks (1 point)

Provide trees at intervals of no more than 50 feet (12 meters) (exempting driveways) along at least 60% of the total existing and planned block length within the project, and on the project side of blocks bordering the project, between the vehicle travel way (if there is one) and walkway. Alleys may be exempted from the block length calculations.

AND/OR

Option 2. Shaded Sidewalks (1 point)

Provide shade from trees or permanent structures over at least 40% of the total length of existing and planned sidewalks within or bordering the project (alleys may be exempted). Trees must provide shade within 10 years of landscape installation. Use the estimated crown diameter to calculate the length of sidewalk shaded.

AND

For All Projects with Street Tree Plantings

From a registered landscape architect (or local equivalent for projects outside the U.S.), obtain a determination that planting details are appropriate to growing healthy trees, taking into account tree species, root medium, and width and soil volume of planter strips or wells, and that the selected tree species are not considered *invasive* in the project context according to USDA or the state agricultural extension service (or local equivalent for projects outside the U.S.).

NPD CREDIT: NEIGHBORHOOD SCHOOLS

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To promote community interaction and engagement by integrating *schools* into the neighborhood. To improve students' health by encouraging walking and bicycling to school.

Requirements

ND PLAN, ND

Include in the *project* a residential component that constitutes at least 30% of the project's total building floor area, and locate or design the project such that at least 50% of the *dwelling units* are within a ½-mile (800-meter) *walking distance* of the functional building entry of an *existing* or new elementary or middle school or within a 1-mile (1600-meter) walking distance of the functional building entry of an existing or new high school. If the school combines an elementary or middle school with a high school, 50% of the dwelling units must be a ½ mile (800 meter) walking distance of the functional building entry.

For any new school, the school authority must commit that the school will be open by the time 50% of the project dwelling units are occupied. A legally binding warrant committing to open the school by this time must be provided at the time of first building occupancy.

Portions of the circulation network within or bordering the *project boundary* that lead from dwelling units to the school site must have (1) a complete network of sidewalks on both sides and (2) either continuous bicycle lanes or a combination of traffic control and calming measures (alleys may be exempted). If the school is planned as part of the project, it must be designed such that pedestrians and cyclists can easily reach building entrances without crossing bus zones, parking entrances, and student drop-off areas.

New school campuses within the project boundary must not exceed the following limits:

- high school (students 15-18 years old), 15 acres (6 hectares);
- middle school (students 11-14 years old), 10 acres (4 hectares); and
- elementary school (students 6-10 years old), 5 acres (2 hectares).

Schools combining grade levels from more than one category may use the grade level with the higher allowable limits.

Facilities on the school site (e.g., athletic fields, playgrounds, multipurpose interior spaces) for which there is a formal joint-use agreement with another entity may be deducted from the total site area of the school.

GREEN INFRASTRUCTURE AND BUILDINGS (GIB)

GIB PREREQUISITE: CERTIFIED GREEN BUILDING
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To encourage the design, construction, and retrofit of buildings using green building practices.

Requirements

ND PLAN, ND (GIB)

Design, construct, or retrofit one whole building within the project to be certified through a LEED rating system (if LEED for Commercial Interiors, 75% of the total building floor area must be certified), or through a green building rating system requiring review by independent, impartial, third-party certifying bodies that have been accredited by an IAF-accredited body to ISO/IEC Guide 65 or, when available, ISO/IEC 17065.

GIB PREREQUISITE: MINIMUM BUILDING ENERGY PERFORMANCE Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage the design and construction of energy-efficient buildings that reduce air, water, and land pollution and environmental damage from energy production and consumption.

Requirements

ND PLAN, ND

The requirements apply to 90% of the total building floor area (rounded up to the next whole building) of all nonresidential buildings, mixed-use buildings, and multiunit residential buildings four stories or more constructed as part of the project or undergoing major renovations as part of the project. Each counted building must comply with one of the following options.

Option 1. Whole-Building Energy Simulation

Demonstrate an average improvement of 5% for new buildings, 3% for major building renovations, or 2% for core and shell buildings over ANSI/ASHRAE/IESNA Standard 90.1–2010, with errata (or a USGBC-approved equivalent standard for projects outside the U.S.) across all buildings pursuing Option 1. Multiple buildings may be grouped into a single energy model, provided (1) the building type (new construction, major renovation, or core and shell) is consistent for all buildings included in the energy model, or (2) an average 5% improvement is demonstrated for the entire energy model. Calculate the baseline building performance according to ANSI/ASHRAE/IESNA Standard 90.1–2010, Appendix G, with errata, using a simulation model.

Buildings must meet the minimum percentage savings before taking credit for renewable energy systems.

Each building's proposed design must meet the following criteria:

- compliance with the mandatory provisions of ANSI/ASHRAE/IESNA Standard 90.1–2010, with errata (or a USGBC-approved equivalent standard for projects outside the U.S.);
- inclusion of all energy consumption and costs within and associated with the building project; and
- comparison against a baseline building that complies with Standard 90.1–2010, Appendix G, with errata (or a USGBC-approved equivalent standard for projects outside the U.S.).

Document the energy modeling input assumptions for unregulated loads. Unregulated loads should be modeled accurately to reflect the actual expected energy consumption of the building.

If unregulated loads are not identical for both the baseline and the proposed building performance rating, and the simulation program cannot accurately model the savings, follow the exceptional calculation method (ANSI/ASHRAE/IESNA Standard 90.1–2010, G2.5). Alternatively, use the COMNET modeling guidelines and procedures to document measures that reduce unregulated loads.

OR

Option 2. Prescriptive Compliance: ASHRAE 50% Advanced Energy Design Guide

Comply with the mandatory and prescriptive provisions of ANSI/ASHRAE/IESNA Standard 90.1–2010, with errata (or a USGBC-approved equivalent standard for projects outside the U.S.).

Comply with HVAC and service water heating requirements applicable to the each building, including equipment efficiency, economizers, ventilation, and ducts and dampers, for the appropriate ASHRAE 50% Advanced Energy Design Guide and climate zone:

- ASHRAE 50% Advanced Energy Design Guide for Small to Medium Office Buildings, for office buildings smaller than 100,000 square feet (9 290 square meters);
- ASHRAE 50% Advanced Energy Design Guide for Medium to Large Box Retail Buildings, for retail buildings with 20,000 to 100,000 square feet (1 860 to 9 290 square meters);
- ASHRAE 50% Advanced Energy Design Guide for K–12 School Buildings; or
- ASHRAE 50% Advanced Energy Design Guide for Large Hospitals.
    - Over 100,000 square feet (9 290 square meters)

For projects outside the U.S., consult ASHRAE/ASHRAE/IESNA Standard 90.1–2010, Appendixes B and D, to determine the appropriate climate zone.

Option 3. Prescriptive Compliance: Advanced Buildings Core Performance Guide

Comply with the mandatory and prescriptive provisions of ANSI/ASHRAE/IESNA Standard 90.1–2010, with errata (or USGBC approved equivalent standard for projects outside the U.S.).

Comply with Section 1: Design Process Strategies, Section 2: Core Performance Requirements, and the following three strategies from Section 3: Enhanced Performance Strategies, as applicable. Where standards conflict, follow the more stringent of the two. For projects outside the U.S., consult ASHRAE/ASHRAE/IESNA Standard 90.1-2010, Appendixes B and D, to determine the appropriate climate zone.

3.5 Supply Air Temperature Reset (VAV)
3.9 Premium Economizer Performance
3.10 Variable Speed Control

To be eligible for Option 3, the project must be less than 100,000 square feet (9 290 square meters).

Note: Healthcare, Warehouse or Laboratory projects are ineligible for Option 3.

AND

For new *single-family residential* buildings and new lowrise multifamily buildings, 90% of the buildings must meet the requirements of LEED for Homes v4 EA Prerequisite: Minimum Energy Performance.

GIB PREREQUISITE: INDOOR WATER USE REDUCTION
Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To reduce indoor water consumption.

Requirements

ND PLAN, ND

Nonresidential Buildings, Mixed-Use Buildings, and Multifamily Residential Buildings Four Stories or More

For new buildings and buildings undergoing major renovations as part of the *project*, reduce indoor water usage by an average of 20% from a baseline. All newly installed toilets, urinals, private lavatory faucets, and showerheads that are eligible for labeling must be WaterSense labeled (or a local equivalent for projects outside the U.S.).

For the fixtures and fittings listed in Table 1, as applicable to the project scope, reduce water consumption by 20% from the baseline. Base calculations on the volumes and flow rates shown in Table 1.

The design case is calculated as a weighted average of water usage for the buildings constructed as part of the project based on their floor area.

Table 1. Baseline water consumption of fixtures and fittings

Fixture or fitting	*Baseline (IP units)*	*Baseline (SI units)*
Toilet (water closet)*	1.6 gpf	6 lpf
Urinal*	1.0 gpf	3.8 lpf
Public lavatory (restroom) faucet	0.5 gpm at 60 psi** all others except private applications	1.9 lpm at 415 kPa, all others except private applications
Private lavatory faucet*	2.2 gpm at 60 psi	8.3 lpm at 415 kPa
Kitchen faucet (excluding faucets used exclusively for filling operations)	2.2 gpm at 60 psi	8.3 lpm at 415 kPa
Showerhead*	2.5 gpm at 80 psi per shower stall	9.5 lpm at 550 kPa per shower stall

* WaterSense label available for this product type
gpf = gallons per flush
gpm = gallons per minute
psi = pounds per square inch
lpf = liters per flush
lpm = liters per minute
kPa = kilopascals

New Single-Family Residential Buildings and New Multiunit Residential Buildings Three Stories or Fewer

90% of residential buildings must use a combination of fixtures and fittings that would earn 2 points under LEED for Homes v4 WE Credit Indoor Water Use.

GIB PREREQUISITE: CONSTRUCTION ACTIVITY POLLUTION PREVENTION Required

ND
This prerequisite applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To reduce pollution from construction activities by controlling soil erosion, waterway sedimentation, and airborne dust.

Requirements

ND PLAN, ND

Create and implement an erosion and sedimentation control plan for all new construction activities associated with the project. The plan must incorporate best management practices (BMPs) to control erosion and sedimentation in runoff from the entire project site during construction. The BMPs must be selected from EPA's BMPs for construction and post-construction site runoff control.

The erosion and sedimentation control plan must list the BMPs employed and describe how the project team will do the following:

- preserve vegetation and mark clearing limits;
- establish and delineate construction access;
- control flow rates;
- install sediment controls;
- stabilize soils;
- prevent soil loss during construction;
- stockpile topsoil for reuse;
- protect slopes;
- protect drain inlets, all rainwater conveyance systems, and receiving water bodies;
- stabilize channels and outlets;
- control pollutants including dust and particulate matter;
- control dewatering;
- maintain the BMPs; and
- manage the erosion and sedimentation control plan.

GIB CREDIT: CERTIFIED GREEN BUILDINGS

ND
1–5 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To encourage the design, construction, and retrofit of buildings using green building practices.

Requirements

ND PLAN, ND

Option 1. Projects with 10 or Fewer Habitable Buildings (1–5 points)
Design, construct, or retrofit one building as part of the project, beyond the prerequisite requirement, to be certified under a LEED green building rating systems (for LEED for Commercial Interiors, 75% of the total building floor area must be certified), or through a green building rating system requiring review by independent, impartial, third-party certifying bodies that have been accredited by an IAF-accredited body to ISO/IEC Guide 65 or, when available, ISO/IEC 17065. Up to five points may be earned for each additional certified building that is part of the project.

OR

Option 2. Projects of All Sizes (1–5 points)
Design, construct, or retrofit a percentage of the total project building floor area, beyond the prerequisite requirement, to be certified under a LEED green building rating systems or through a green building rating system requiring review by independent, impartial, third-party certifying bodies that have been accredited by an IAF-accredited body to ISO/IEC Guide 65 or, when available, ISO/IEC 17065.

Table 1. Points for green building certification

Percentage of total floor area certified	Points
≥ 10% and < 20%	1
≥ 20% and < 30%	2
≥ 30% and < 40%	3
≥ 40% and < 50%	4
≥ 50%	5

For All Projects Detached accessory dwelling units must be counted as separate buildings. Accessory dwellings attached to a main building are not counted separately.

GIB CREDIT: OPTIMIZE BUILDING ENERGY PERFORMANCE

ND
1–2 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage the design and construction of energy-efficient buildings that reduce air, water, and land pollution and adverse environmental effects from energy production and consumption.

Requirements

ND PLAN, ND

The requirements apply to 90% of the total building floor area (rounded up to the next whole building) of all nonresidential buildings, mixed-use buildings, and *multiunit residential* buildings four stories or more constructed as part of the *project* or undergoing major renovations as part of the project.
Each counted building must comply with one of the following efficiency options.

Option 1. Whole-Building Energy Simulation (1–2 points)

New buildings must demonstrate an average percentage improvement of 12% (1 point) or 20% (2 points) over ANSI/ASHRAE/IESNA Standard 90.1–2010, with errata. Buildings undergoing major renovations as part of the project must demonstrate an average percentage improvement of 10% (1 point) or 18% (2 points). Core and shell buildings must demonstrate an average percentage improvement of 11% (1 point) or 15% (2 points). To determine percentage improvement, follow the method outlined in GIB Prerequisite Minimum Building Energy Performance.

OR

Option 2. Prescriptive Compliance: ASHRAE 50% Advanced Energy Design Guide (2 points)

To be eligible for Option 2, project must comply with all of requirements of Option 2 in GIB Prerequisite Minimum Building Energy Performance.

AND

Comply with the applicable recommendations and standards in Chapter 4, Design Strategies and Recommendations by Climate Zone, for the appropriate ASHRAE 50% Advanced Energy Design Guide and climate zone. For projects outside the U.S., consult ASHRAE/ASHRAE/IESNA Standard 90.1–2010, Appendixes B and D, to determine the appropriate climate zone.

ASHRAE 50% Advanced Energy Design Guide for Small to Medium Office Buildings

- *Building envelope, opaque:* roofs, walls, floors, slabs, doors, and continuous air barriers
- *Building envelope, glazing:* vertical fenestration
- *Interior lighting,* including daylighting and interior finishes
- *Exterior lighting*
- *Plug loads,* including equipment and controls

ASHRAE 50% Advanced Energy Design Guide for Medium to Large Box Retail Buildings

- *Building envelope, opaque:* roofs, walls, floors, slabs, doors, and vestibules
- *Building envelope, glazing:* fenestration - all orientations
- *Interior lighting,* excluding lighting power density for sales floor

- *Additional interior lighting* for sales floor
- *Exterior lighting*
- *Plug loads,* including equipment choices and controls

ASHRAE 50% Advanced Energy Design Guide for K–12 School Buildings

- *Building envelope, opaque:* roofs, walls, floors, slabs, and doors
- *Building envelope, glazing:* vertical fenestration
- *Interior lighting,* including daylighting and interior finishes
- *Exterior lighting*
- *Plug loads,* including equipment choices, controls, and kitchen equipment

ASHRAE 50% Advanced Design Guide for Large Hospitals

- *Building envelope, opaque:* roofs, walls, floors, slabs, doors, vestibules, and continuous air barriers
- *Building envelope, glazing:* vertical fenestration
- *Interior lighting,* including daylighting (form or nonform driven) and interior finishes
- *Exterior lighting*
- *Plug loads,* including equipment choices, controls, and kitchen equipment

For new *single-family residential* buildings and new multiunit residential buildings three stories or fewer, 90% of the buildings must reduce absolute estimated annual energy usage by 20% compared with the LEED Energy Budget for each building. Follow the method outlined in LEED v4 for Homes, EA Credit Annual Energy Use.

GIB CREDIT: INDOOR WATER USE REDUCTION

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To reduce indoor water consumption.

Requirements

ND PLAN, ND

Nonresidential Buildings, Mixed-Use Buildings, and Multifamily Residential Buildings Four Stories or More

For new buildings and buildings undergoing major renovations as part of the *project*, reduce indoor water usage by an average of 40% from a baseline.

All newly installed toilets, urinals, private lavatory faucets, and showerheads that are eligible for labeling must be WaterSense labeled (or local equivalent for projects outside the U.S.).

For fixtures and fittings listed in Table 1, as applicable to the project scope, calculate the baseline water consumption using estimated occupant usage.

The design case is calculated as a weighted average of water usage for the buildings constructed as part of the project, based on their floor area.

Table 1. Baseline water consumption of fixtures and fittings

Fixture or fitting	*Baseline (IP units)*	*Baseline (SI units)*
Toilet (water closet)*	1.6 gpf	6 lpf
Urinal*	1.0 gpf	3.8 lpf
Public lavatory (restroom) faucet	0.5 gpm at 60 psi** all others except private applications	1.9 lpm at 415 kPa, all others except private applications
Private lavatory faucet*	2.2 gpm at 60 psi	8.3 lpm at 415 kPa
Kitchen faucet (excluding faucets used exclusively for filling operations)	2.2 gpm at 60 psi	8.3 lpm at 415 kPa
Showerhead*	2.5 gpm at 80 psi per shower stall	9.5 lpm at 550 kPa per shower stall

* WaterSense label available for this product type
gpf = gallons per flush
gpm = gallons per minute
psi = pounds per square inch
lpf = liters per flush
lpm = liters per minute
kPa = kilopascals

New Single-Family Residential Buildings and New Multiunit Residential Buildings Three Stories or Fewer

90% of buildings must use a combination of fixtures and fittings that would earn 4 points under LEED v4 for Building Design and Construction: Homes and Multifamily Lowrise v4 WE Credit Indoor Water Use.

GIB CREDIT: OUTDOOR WATER USE REDUCTION

ND
1–2 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To reduce outdoor water consumption.

Requirements

ND PLAN, ND

Reduce outdoor water use through one of the following options. Nonvegetated surfaces, such as permeable or impermeable pavement, should be excluded from landscape area calculations. Athletic fields and playgrounds (if vegetated) and food gardens may be included or excluded at the project team's discretion.

Option 1. No Irrigation Required (2 points)

Show that the landscape does not require a permanent irrigation system beyond a maximum two-year establishment period.

OR

Option 2. Reduced Irrigation (1–2 points)

Reduce the project's landscape water requirement (LWR) by at least 30% from the calculated baseline for the site's peak watering month. Reductions must first be achieved through plant species selection and irrigation system efficiency as calculated in the Environmental Protection Agency (EPA) WaterSense Water Budget Tool.

Additional reductions beyond 30% may be achieved using any combination of efficiency, alternative water sources, and smart scheduling technologies.

Table 1. Points for reducing irrigation water

Percentage reduction from baseline	*Points*
30%	1
50%	2

GIB CREDIT: BUILDING REUSE

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To extend the life cycle of buildings and conserve resources, reduce waste, and reduce environmental harm from materials manufacturing and transport for new buildings.

Requirements

ND PLAN, ND (GIB)

Case 1. Five Buildings or Fewer

For projects with five or fewer buildings undergoing major renovations, reuse 50% of one such building, based on surface area. Calculations must include structural elements (e.g., floors, roof decking) and enclosure materials (e.g., skin, framing). Exclude from the calculations window assemblies, nonstructural roofing material, and any hazardous materials that are remediated as part of the project.

Case 2. More Than Five Buildings

For projects with more than five buildings undergoing major renovations, reuse 20% of the total surface area of such buildings (including structure and enclosure materials, as defined in Case 1).

For All Projects Do not demolish any *historic buildings* or contributing buildings in a *historic district*, or portions thereof, or alter any *cultural landscapes* as part of the project.

An exception is granted only with approval from an appropriate review body. For buildings or landscapes listed locally, approval must be granted by the local historic preservation review board, or equivalent. For buildings or landscapes listed in a state register or in the National Register of Historic Places (or equivalent for projects outside the U.S.), approval must appear in a programmatic agreement with the state historic preservation office or National Park Service (or local equivalent for projects outside the U.S.).

GIB CREDIT: HISTORIC RESOURCE PRESERVATION AND ADAPTIVE REUSE

ND
2 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To respect local and national landmarks and conserve material and cultural resources by encouraging the preservation and adaptive reuse of historic buildings and cultural landscapes.

Requirements

ND PLAN, ND (GIB)

This credit is available to projects with at least one historic building, contributing building in a historic district, or cultural landscape on the *project* site.

Do not demolish any historic buildings or contributing buildings in a historic district, or portions thereof, or alter any cultural landscapes as part of the project.

An exception is granted only with approval from an appropriate review body. For buildings or landscapes listed locally, approval must be granted by the local historic preservation review board, or equivalent. For buildings or landscapes listed in a state register or in the National Register of Historic Places (or equivalent for projects outside the U.S.), approval must appear in a programmatic agreement with the state historic preservation office or National Park Service (or local equivalent for projects outside the U.S.).

If any historic building or a contributing building in a historic district in the project site is to be altered (rehabilitated, preserved, or restored), use one of the following approaches for each building, as applicable.

- *Building subject to local review.* Obtain approval, in the form of a certificate of appropriateness, from a local historic preservation commission or architectural review board for any exterior alterations or additions.

- *Building subject to state or federal review.* If the building is subject to review by a state historic preservation office or the National Park Service (or equivalent body for projects outside the U.S.), the alteration must meet the Secretary of the Interior's Standards for the Treatment of Historic Properties (or equivalent for projects outside the U.S.).

- *Listed or eligible building not subject to review.* If a building is listed or determined eligible but alteration is not subject to local, state, or federal review, include on the project team a preservation professional who meets the U.S. federal qualifications for historic architects or architectural historians (or a local equivalent for projects outside the U.S.). The preservation professional must confirm adherence to the Secretary of the Interior's Standards for the Treatment of Historic Properties, or a local equivalent for projects outside the U.S.

If a cultural landscape is to be rehabilitated, restored, or preserved, do so in accordance with the Guidelines for the Treatment of Cultural Landscapes or local equivalent for projects outside the U.S. whichever is more stringent.

GIB CREDIT: MINIMIZED SITE DISTURBANCE

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To preserve existing noninvasive trees, native plants, and pervious surfaces.

Requirements

ND PLAN, ND (GIB)

Option 1. Development Footprint on Previously Developed Land (1 point)
Locate 100% of the development footprint and the construction impact zone on previously developed land.

OR

Option 2. Undeveloped Portion of Project Left Undisturbed (1 point)
Depending on the density of the project, do not develop or disturb a portion of the site that has not been previously developed, exclusive of (1) any land preserved by codified law, (2) a prerequisite of LEED for Neighborhood Development or (3) exempt areas designated as nonbuildable in comprehensive land-use plans. Stipulate in covenants, conditions, and restrictions (CC&R) or other binding documents that the undisturbed area will be protected from development by a private or governmental agency for the purpose of long-term conservation. When determining the minimum area to be left undeveloped, mixed-use projects must use the lowest applicable density from Table 1 or use the weighted average methodology in NPD Credit Compact Development. Densities and minimum percentages are as follows:

Table 1. Minimum undeveloped area, by project density

Residential density (DU/acre)	Residential density (DU/hectare)	Nonresidential density (FAR)	Minimum area left undisturbed
< 13	<32	< 0.5	20%
> 13 and ≤ 18	> 32 and ≤ 45	≥ 0.5 and ≤1	15%
> 18	> 45	> 1	10%

DU = dwelling unit; FAR = floor-area ratio.

For portions of the site that are not previously developed, identify construction impact zones that limit disturbance to the following:

- 40 feet (12 meters) beyond the building perimeter;
- 10 feet (3 meters) beyond surface walkways, patios, surface parking, and utilities less than 12 inches (30 centimeters) in diameter;
- 15 feet (4.5 meters) beyond street curbs and main utility branch trenches; and
- 25 feet (7.5 meters) beyond constructed areas with permeable surfaces (such as pervious paving areas, stormwater retention facilities, and playing fields) that require additional staging areas to limit compaction in the constructed zone.

For All Projects

Survey the site to identify the following:

- trees in good or excellent condition, as determined by an arborist certified by the International Society of Arboriculture (ISA) or local equivalent professional for projects outside the U.S.;
- any heritage or champion trees of special importance to the community because of their age, size, type, historical association, or horticultural value, as defined by a government forester;

- all trees larger than 6 inches (15 centimeters) in diameter at breast height (dbh, 4 feet 6 inches [1.4 meters] above ground); and
- any invasive plant species that affect trees present on the site, and whether those plants threaten the health of other trees to be preserved on the site, as determined by an ISA-certified arborist or local equivalent professional.

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Preserve the following trees that are also identified as in good or excellent condition:

- all heritage or champion trees and trees whose dbh exceeds 50% of the state champion dbh for the species;
- a minimum of 75% of all noninvasive trees (including the above) larger than 18 inches (45 centimeters) dbh; and
- a minimum of 25% of all noninvasive trees (including the above) larger than 12 inches (30 centimeters) dbh if deciduous and 6 inches (15 centimeters) dbh if coniferous.

Tree condition ratings must be determined by an ISA-certified arborist using ISA-approved assessment measures or by a local equivalent professional utilizing an equivalent methodology.

Develop a plan, in consultation with and approved by an ISA-certified arborist or equivalent, for the health of the trees, including fertilization and pruning, and for their protection during construction.

If an ISA-certified arborist or local equivalent professional has determined that any trees to be preserved are threatened by invasive vegetation, develop a plan to reduce the invasive vegetation. Stipulate in codes, covenants, and restrictions or other binding documents that the undisturbed area of the preserved trees will be protected from development by a private or governmental agency for the purpose of long-term conservation.

GIB CREDIT: RAINWATER MANAGEMENT

ND
1–4 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To reduce runoff volume and improve water quality by replicating the natural hydrology and water balance of the site, based on historical conditions and undeveloped ecosystems in the region.

Requirements

ND PLAN, ND

In a manner best replicating *natural site hydrology* processes, *manage on site* the runoff from the developed site for the percentile of regional or local rainfall events listed in Table 1, using *low-impact development (LID)* and *green infrastructure*.

Use daily rainfall data and the methodology in the U.S. Environmental Protection Agency (EPA) Technical Guidance on Implementing the Stormwater Runoff Requirements for Federal Projects under Section 438 of the Energy Independence and Security Act to determine the percentile amounts listed in Table 1. The percentile rainfall event indicates the total volume to be retained on site.

Table 1. Points for retaining rainwater on site

Percentile rainfall event	Points
80th	1
85th	2
90th	3
95th	4

Projects that earn at least 2 points under this credit may earn an additional point if the site meets one of the following criteria.

- The project is located on a previously developed site.
- The project achieves 1 point in SLL Credit Brownfield Remediation.
- The project is designed to be transit ready by achieving at least 2 points each under NPD Credit Walkable Streets, NPD Credit Compact Development, and NPD Credit Mixed-Use Neighborhoods.

GIB CREDIT: HEAT ISLAND REDUCTION

ND
1 point
This credit applies to

- Neighborhood Development Plan (1 point)
- Neighborhood Development (1 point)

Intent
To minimize effects on microclimates and human and wildlife habitats by reducing heat islands.

Requirements

ND PLAN, ND

Option 1. Nonroof (1 point)
Use any combination of the following strategies for 50% of the nonroof site paving (including roads, sidewalks, courtyards, parking lots, parking structures, and driveways).

- Use the existing plant material or install plants that provide shade over the paving areas on the site within 10 years of plant material installation.
- Install and plant planters, either at grade or raised. Plant material cannot include artificial turf.
- Provide shade with structures covered by energy generation systems, such as solar thermal collectors, photovoltaics, and wind turbines, that produce energy used to offset some nonrenewable resource use.
- Provide shade with architectural devices or structures that have a three-year aged *solar reflectance (SR)* value of at least 0.28. If three-year aged value information is not available, use materials with an initial SR of at least 0.33 at installation,
- Provide shade with vegetated structures.
- Use paving materials with a three-year aged *solar reflectance (SR)* value of at least 0.28. If three-year aged value information is not available, use materials with an initial SR of at least 0.33 at installation.
- Use an *open-grid pavement system* (at least 50% unbound).

OR

Option 2. High-Reflectance and Vegetated Roofs (1 point)
Use roofing materials that have an SRI equal to or greater than the values in Table 1. Meet the three-year aged SRI value (if three-year aged value information is not available, use materials that meet the initial SRI value) for a minimum of 75% of the roof area of all new buildings within the project, or install a vegetated ("green") roof for at least 75% of the roof area of all new buildings within the project. Combinations of SRI-compliant and vegetated roofs can be used, provided they satisfy the equation in Option 3.

Table 1. Minimum solar reflectance index value, by roof slope

	Initial SRI	3-year aged SRI
Low (≤ 2:12)	82	64
Steep (> 2:12)	39	32

OR

Option 3. Mixed Nonroof and Roof Measures (1 point)
Use any of the strategies listed under Options 1 and 2 that in combination meet the following criterion:

Area of Area of High- Area of Total Site Total Roof Area

$$\frac{\text{Nonroof Measures}}{0.5} + \frac{\text{Reflectance Roof}}{0.75} + \frac{\text{Vegetated Roof}}{0.75} \geq \text{Paving Area} +$$

Alternatively, an SRI and SR weighted average approach may be used to calculate compliance:

GIB CREDIT: SOLAR ORIENTATION

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage energy efficiency by creating optimum conditions for the use of passive and active solar strategies.

Requirements

ND PLAN, ND

Option 1. Block Orientation (1 point)

This option is for projects that earn at least 2 points under NPD Credit Compact Development.

Design and orient the project or locate the project on existing blocks such that one axis of 75% or more of the blocks is within ±15 degrees of geographical east-west, and the east-west lengths of those blocks are at least as long as the north-south lengths.

OR

Option 2. Building Orientation (1 point)

Design and orient 75% or more of the project's total building floor area (excluding existing buildings) such that one axis of each qualifying building is at least 1.5 times longer than the other, and the longer axis is within 15 degrees of geographical east-west. The length-to-width ratio applies only to walls enclosing conditioned spaces; walls enclosing unconditioned spaces, such as garages, arcades, or porches, cannot contribute to credit achievement. The surface area of equator-facing vertical surfaces and slopes of roofs of buildings counting toward credit achievement must not be more than 25% shaded at the time of initial occupancy, measured at noon on the winter solstice.

GIB CREDIT: RENEWABLE ENERGY PRODUCTION

ND
1–3 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To reduce the environmental and economic harms associated with fossil fuel energy by increasing self-supply of renewable energy.

Requirements

ND PLAN, ND

Incorporate on-site nonpolluting renewable energy generation, such as solar, wind, geothermal, small-scale or micro-hydroelectric, or biomass, with production capacity of at least 5% of the project's annual electrical and thermal energy cost (exclusive of *existing* buildings).

Points are awarded according to Table 1.

Table 1. Points for renewable energy production

Percentage of annual electrical and thermal energy cost	*Points*
5%	1
12.5%	2
20%	3

GIB CREDIT: DISTRICT HEATING AND COOLING

ND
2 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage the development of energy-efficient neighborhoods by employing district heating and cooling strategies that reduce energy use and energy-related environmental harms.

Requirements

ND PLAN, ND

Incorporate a district heating and/or cooling system for space conditioning and/or water heating of new buildings (at least two buildings total) such that at least 80% of the *project's* annual heating and/or cooling consumption is provided by the district plant. *Single-family residential* buildings and *existing* buildings of any type may be excluded from the calculation.

Each system component that is addressed by ANSI/ASHRAE/IESNA Standard 90.1–2010 must have an overall efficiency performance at least 10% better than that specified by the standard's prescriptive requirements. Additionally, annual district pumping energy consumption that exceeds 2.5% of the annual thermal energy output of the heating and cooling plant must be offset by increases in the component's efficiency beyond the 10% improvement. If a combined heat and power (CHP) system is used to comply with the credit requirements, show equivalence by demonstrating that energy consumption savings from the CHP plant at least equal the energy savings that would result from using a conventional district energy system with components that are 10% better than ANSI/ASHRAE/IESNA Standard 90.1–2010. When determining equivalency, take into account the pumping energy as described above.

GIB CREDIT: INFRASTRUCTURE ENERGY EFFICIENCY

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To reduce the environmental harms from energy used for operating public infrastructure.

Requirements

ND PLAN, ND

Design, purchase, or work with the municipality to install all new infrastructure (e.g., traffic lights, *street* lights, water and wastewater pumps) to achieve a 15% annual energy reduction below an estimated baseline energy use for this infrastructure. When determining the baseline, assume the use of lowest first-cost infrastructure items.

GIB CREDIT: WASTEWATER MANAGEMENT

ND
1–2 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To reduce pollution from wastewater and encourage water reuse. .

Requirements

ND PLAN, ND (GIB)

Design and construct the project to retain on-site at least 25% of the average annual wastewater generated by the project (excluding any existing buildings), and reuse that wastewater to replace potable water. Provide on-site treatment to a quality required by state and local regulations for the proposed reuse, whichever is more stringent. Calculate the percentage of wastewater diverted and reused by determining the total wastewater flow, using the design case from GIB Prerequisite Indoor Water Use Reduction and adding wastewater flow from residential buildings, then determining how much of that volume is reused on site.

Table 1. Points for reusing wastewater

Percentage of wastewater reused	*Points*
25%	1
50%	2

GIB CREDIT: RECYCLED AND REUSED INFRASTRUCTURE

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To avoid the environmental consequences of extracting and processing virgin materials by using recycled and reclaimed materials.

Requirements

ND PLAN, ND (GIB)

Use materials for new infrastructure such that the sum of the *postconsumer* recycled content, on-site reused materials, and one-half of the *preconsumer* recycled content constitutes at least 50% of the total mass of infrastructure materials.

Count materials in all of the following infrastructure items, as applicable:

- roadways, parking lots, sidewalks, unit paving, and curbs;
- water retention tanks and vaults;
- base and sub-base materials for the above; and
- rainwater, sanitary sewer, steam energy distribution, and water piping.

Recycled content is defined in accordance with ISO/IEC 14021, Environmental Labels and Declaration, Self-Declared Environmental Claims (Type II environmental labeling).

GIB CREDIT: SOLID WASTE MANAGEMENT

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To reduce the volume of waste deposited in landfills and promote the proper disposal of hazardous waste.

Requirements

ND PLAN, ND (GIB)

Meet at least four of the following five requirements and publicize their availability and benefits.

a. Include as part of the *project* at least one recycling or reuse station, available to all project occupants, dedicated to the separation, collection, and storage of materials for recycling; or locate the project in a local government jurisdiction that provides recycling services. The recycling must cover at least paper, corrugated cardboard, glass, plastics, and metals.

b. Include as part of the project at least one drop-off point, available to all project occupants, for potentially hazardous office or household wastes and establish a plan for postcollection disposal or use; or locate the project in a local government jurisdiction that provides collection services. Examples of potentially hazardous wastes include paints, solvents, oil, mercury-containing lamps, electronic waste, and batteries.

c. Include as part of the project at least one compost station or location, available to all project occupants, dedicated to the collection and composting of food and yard wastes, and establish a plan for postcollection use; or locate the project in a local government jurisdiction that provides composting services. .

d. On every mixed-use or nonresidential *block* or at least every 800 feet (245 meters), whichever is shorter, include recycling containers either adjacent to or integrated into the design of other receptacles.

e. Recycle, reuse, or salvage at least 50% of nonhazardous construction, demolition, and renovation debris. Calculations can be done by weight or volume but must be consistent throughout. Develop and implement a construction waste management plan that identifies the materials to be diverted from disposal and specifies whether the materials will be stored on site or commingled. Reused or recycled asphalt, brick, and concrete (ABC) can account for no more than 75% of the diverted waste total. Exclude excavated soil, land-clearing debris, and materials contributing toward GIB Credit Building Reuse from calculations. Include materials destined for alternative daily cover (ADC) in the calculations as waste (not diversion).

GIB CREDIT: LIGHT POLLUTION REDUCTION

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent
To increase night sky access, improve nighttime visibility, and reduce the consequences of development for wildlife and people.

Requirements

ND PLAN, ND

Meet the Light Pollution Reduction requirements for the following:
1. One option in Exterior Lighting for Residential Areas
2. Exterior Lighting for Circulation Network
3. Uplight and light trespass requirements in Exterior Lighting for All Other Areas
4. Covenants, Conditions, and Restrictions.

Divide the project into model lighting ordinance (MLO) lighting zones LZ0 to LZ4 based on site-specific characteristics using the definitions of lighting zones provided in the Illuminating Engineering Society and International Dark Sky Association (IES/IDA) MLO User Guide.

Meet the requirements below for each lighting zone within the project.

Exterior Lighting for Residential Areas
Meet either Option 1 or Option 2 for all exterior lighting in new residential construction and residential buildings undergoing major renovations. Existing residential construction is exempt. Projects may use different options for uplight and light trespass.

Option 1. BUG Rating Method
Each fixture must have a backlight-uplight-glare (BUG) rating (as defined in IES TM-15-11, Addendum A) of no more than B2-U2-G2.

OR

Option 2. Calculation Method
Meet the requirements of Option 2 in Exterior Lighting for All Other Areas, below.

Exterior Lighting for Circulation Network
For any portions of the circulation network not governed by national, state, or other superseding regulations, do not install street lighting unless conditions warrant the need for street lighting.

New and existing street lighting luminaires must not emit any light above 90 degrees (horizontal), based on the photometric characteristics of each luminaire when mounted in the same orientation and tilt as specified in the project design or as currently installed.

Exception for ornamental luminaires: Using the lowest MLO lighting zone for immediately adjacent properties, meet the requirements of the IES/IDA MLO, Table H.

AND

Exterior Lighting for All Other Areas

Use either the BUG method (Option 1) or the calculation method (Option 2) to meet uplight and light trespass

requirements. Projects may use different options for uplight and light trespass.

Uplight

Option 1. BUG Rating Method
Do not exceed the following luminaire uplight ratings, based on the specific light source installed in the luminaire as defined in IES TM-15-11, Addendum A.

Table 1. Maximum uplight ratings for luminaires, by lighting zone

MLO lighting zone	Luminaire uplight rating
LZ0	U0
LZ1	U1
LZ2	U2
LZ3	U3
LZ4	U4

Option 2. Calculation Method
Do not exceed the following maximum percentages of total lumens emitted above horizontal.

Table 2. Maximum percentage of lumens above horizontal

MLO lighting zone	Maximum allowed percentage of total luminaire lumens emitted above horizontal
LZ0	0%
LZ1	0%
LZ2	1.5%
LZ3	3%
LZ4	6%

Light Trespass

Option 1. BUG Rating Method
Do not exceed the following luminaire backlight and glare ratings (based on the specific light source installed in the luminaire) as defined in IES TM-15-11, Addendum A, based on the mounting location and distance from the *lighting boundary*.

Table 3. Maximum backlight and glare ratings, by lighting zone

	MLO lighting zone				
Luminaire mounting	LZ0	LZ1	LZ2	LZ3	LZ4
	Allowed backlight ratings				
> 2 mounting heights from lighting boundary	B1	B3	B4	B5	B5
1 to 2 mounting heights from lighting boundary and properly oriented	B1	B2	B3	B4	B4
0.5 to 1 mounting height to lighting boundary and properly oriented	B0	B1	B2	B3	B3

< 0.5 mounting height to lighting boundary and properly oriented	B0	B0	B0	B1	B2
	Allowed glare ratings				
Building-mounted > 2 mounting heights from any lighting boundary	G0	G1	G2	G3	G4
Building-mounted 1–2 mounting heights from any lighting boundary	G0	G0	G1	G1	G2
Building-mounted 0.5 to 1 mounting heights from any lighting boundary	G0	G0	G0	G1	G1
Building-mounted < 0.5 mounting heights from any lighting boundary	G0	G0	G0	G0	G1
All other luminaires	G0	G1	G2	G3	G4

A lighting boundary (or boundaries) is defined as the perimeter of each lighting zone within the project boundary. A lighting boundary can be modified under the following conditions:

- When the property line is adjacent to a public area that is a walkway, bikeway, plaza, or parking lot, the lighting boundary may be moved to 5 feet (1.5 meters) beyond the property line;
- When the property line is adjacent to a public street, alley, or transit corridor, the lighting boundary may be moved to the center line of that street, alley, or corridor;
- When there are additional properties owned by the same entity that are contiguous to the property, or properties, that the LEED project is within and have the same or higher MLO lighting zone designation as the LEED project, the lighting boundary may be expanded to include those properties.

Orient all luminaires less than two mounting heights from the lighting boundary such that the backlight points toward the nearest lighting boundary line. Building-mounted luminaires with the backlight oriented toward the building are exempt from the backlight rating requirement.

Option 2. Calculation Method

Do not exceed the following vertical illuminances at the lighting boundary of each lighting zone in the project (use the definition of lighting boundary in Option 1). Calculation points may be no more than 5 feet (1.5 meters) apart. Vertical illuminances must be calculated on vertical planes running parallel to the lighting boundary, with the normal to each plane oriented toward the property and perpendicular to the lighting boundary, extending from grade level to 33 feet (10 meters) above the height of the highest luminaire.

Table 4. Maximum vertical illuminance at lighting boundary, by lighting zone

MLO lighting zone	Vertical illuminance
LZ0	0.05 fc (0.5 lux)
LZ1	0.05 fc (0.5 lux)
LZ2	0.10 fc (1 lux)
LZ3	0.20 fc (2 lux)
LZ4	0.60 fc (6 lux)

FC = footcandle

Exemptions from Uplight and Light Trespass Requirements

The following exterior lighting is exempt from the requirements, provided it is controlled separately from the nonexempt lighting:

- specialized signal, directional, and marker lighting for transportation;
- internally illuminated signage;
- lighting that is used solely for façade and landscape lighting in MLO lighting zones 3 and 4 and is automatically turned off from midnight until 6 a.m.;
- lighting that is integral to other equipment or instrumentation that has been installed by the equipment or instrumentation manufacturer;
- lighting for theatrical purposes for stage, film, and video performances;
- street lighting;
- hospital emergency departments, including associated helipads; and
- lighting for the national flag in MLO lighting zones 2, 3, or 4.

Covenants, Conditions, and Restrictions

Establish *covenants, conditions, and restrictions* (CC&R) or other binding documents that require continued adherence to the above requirements.

INNOVATION (IN)

IN CREDIT: INNOVATION

ND
1–5 points
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage projects to achieve exceptional or innovative performance.

Requirements

ND PLAN, ND

To achieve all five innovation points, a project team must achieve at least one pilot credit, at least one innovation credit and no more than two exemplary performance credits.
Option 1. Innovation (1 point)
Achieve significant, measurable environmental performance using a strategy not addressed in the LEED green building rating system.

Identify the following:

- the intent of the proposed innovation credit;
- proposed requirements for compliance;
- proposed submittals to demonstrate compliance; and
- the design approach or strategies used to meet the requirements.

AND/OR

Option 2. Pilot (1 point)
Achieve one pilot credit from USGBC's LEED Pilot Credit Library.

AND/OR

Option 3. Additional Strategies

- **Innovation (1-3 points)**
  Defined in Option 1 above.
- **Pilot (1-3 points)**
  Meet the requirements of Option 2.
- **Exemplary Performance (1–2 points)**
  Achieve exemplary performance in an existing LEED v4 prerequisite or credit that allows exemplary performance, as specified in the LEED Reference Guide, v4 edition. An exemplary performance point is typically earned for achieving double the credit requirements or the next incremental percentage threshold.

IN CREDIT: LEED ACCREDITED PROFESSIONAL

ND
1 point
This credit applies to

- Neighborhood Development Plan
- Neighborhood Development

Intent

To encourage the team integration required by a LEED project and to streamline the application and certification process.

Requirements

ND PLAN, ND

At least one principal participant of the project team must be a LEED Accredited Professional (AP) with a specialty appropriate for the project.

REGIONAL PRIORITY (RP)

RP CREDIT: REGIONAL PRIORITY

ND
4 points
This credit applies to

- Neighborhood Development Plan (1-4 points)
- Neighborhood Development (1-4 points)

Intent

To provide an incentive for the achievement of credits that address geographically specific environmental, social equity, and public health priorities.

Requirements

ND PLAN, ND

Earn up to four of the six Regional Priority credits. These credits have been identified by the USGBC regional councils and chapters as having additional regional importance for the project's region. A database of Regional Priority credits and their geographic applicability is available on the USGBC website, http://www.usgbc.org.

One point is awarded for each Regional Priority credit achieved, up to a maximum of four.

APPENDICES

APPENDIX 1. USE TYPES AND CATEGORIES

Table 1. Use Types and Categories

Category	Use type
Food retail	Supermarket
	Grocery with produce section
Community-serving retail	Convenience store
	Farmers market
	Hardware store
	Pharmacy
	Other retail
Services	Bank
	Family entertainment venue (e.g., theater, sports)
	Gym, health club, exercise studio
	Hair care
	Laundry, dry cleaner
	Restaurant, café, diner (excluding those with only drive-thru service)
Civic and community facilities	Adult or senior care (licensed)
	Child care (licensed)
	Community or recreation center
	Cultural arts facility (museum, performing arts)
	Education facility (e.g., K—12 school, university, adult education center, vocational school, community college)
	Government office that serves public on-site
	Medical clinic or office that treats patients
	Place of worship
	Police or fire station
	Post office
	Public library
	Public park
	Social services center
Community anchor uses (BD&C and ID&C only)	Commercial office (100 or more full-time equivalent jobs)
	Housing (100 or more dwelling units)

Adapted from Criterion Planners, INDEX neighborhood completeness indicator, 2005.

APPENDIX 2. DEFAULT OCCUPANCY COUNTS

Use Table 1 to calculate default occupancy counts. Only use the occupancy estimates if occupancy is unknown.

For the calculation, use gross floor area, not net or leasable floor area. Gross floor area is defined as the sum of all areas on all floors of a building included within the outside faces of the exterior wall, including common areas, mechanical spaces, circulation areas, and all floor penetrations that connect one floor to another. To determine gross floor area, multiply the building footprint (in square feet or square meters) by the number of floors in the building. Exclude underground or structured parking from the calculation.

Table 1. Default Occupancy Numbers

	Gross square feet per occupant		Gross square meters per occupant	
	Employees	Transients	Employees	Transients
General office	250	0	23	0
Retail, general	550	130	51	12
Retail or service (e.g., financial, auto)	600	130	56	12
Restaurant	435	95	40	9
Grocery store	550	115	51	11
Medical office	225	330	21	31
R&D or laboratory	400	0	37	0
Warehouse, distribution	2,500	0	232	0
Warehouse, storage	20,000	0	1860	0
Hotel	1,500	700	139	65
Educational, daycare	630	105	59	10
Educational, K–12	1,300	140	121	13
Educational, postsecondary	2,100	150	195	14

Sources:
ANSI/ASHRAE/IESNA Standard 90.1–2004 (Atlanta, GA, 2004).
2001 Uniform Plumbing Code (Los Angeles, CA)
California Public Utilities Commission, 2004–2005 Database for Energy Efficiency Resources (DEER) Update Study (2008).
California State University, Capital Planning, Design and Construction Section VI, Standards for Campus Development Programs (Long Beach, CA, 2002).
City of Boulder Planning Department, Projecting Future Employment—How Much Space per Person (Boulder, 2002).
Metro, 1999 Employment Density Study (Portland, OR 1999).
American Hotel and Lodging Association, Lodging Industry Profile Washington, DC, 2008.
LEED for Core & Shell Core Committee, personal communication (2003 - 2006).
LEED for Retail Core Committee, personal communication (2007)
OWP/P, Medical Office Building Project Averages (Chicago, 2008).
OWP/P, University Master Plan Projects (Chicago, 2008).
U.S. General Services Administration, Childcare Center Design Guide (Washington, DC, 2003).

APPENDIX 3. RETAIL PROCESS LOAD BASELINES

Table 1a. Commercial kitchen appliance prescriptive measures and baseline for energy cost budget (IP units)

	Baseline energy usage for energy modeling path				Levels for prescriptive path	
Appliance type	Fuel	Function	Baseline efficiency	Baseline idle rate	Prescriptive efficiency	Prescriptive idle rate
Broiler, underfired	Gas	Cooking	30%	16,000 Btu/h/ft^2 peak input	35%	12,000 Btu/h/ft^2 peak input
Combination ovens, steam mode (P = pan capacity)	Elec	Cooking	40% steam mode	0.37P+4.5 kW	50% steam mode	0.133P+0.6400 kW
Combination ovens, steam mode	Gas	Cooking	20% steam mode	1,210P+35,810 Btu/h	38% steam mode	200P+6,511 Btu/h
Combination ovens, convection mode	Elec	Cooking	65% convection mode	0.1P+1.5 kW	70% convection mode	0.080P+0.4989 kW
Combination ovens, convection mode	Gas	Cooking	35% convection mode	322P+13,563 Btu/h	44% convection mode	150P+5,425 Btu/h
Convection oven, full-size	Elec	Cooking	65%	2.0 kW	71%	1.6 kW
Convection oven, full-size	Gas	Cooking	30%	18,000 Btu/h	46%	12,000 Btu/h
Convection oven, half-size	Elec	Cooking	65%	1.5 kW	71%	1.0 kW
Conveyor oven, > 25-inch belt	Gas	Cooking	20%	70,000 Btu/h	42%	57,000 Btu/h
Conveyor oven, ≤ 25-inch belt	Gas	Cooking	20%	45,000 Btu/h	42%	29,000 Btu/h
Fryer	Elec	Cooking	75%	1.05 kW	80%	1.0 kW
Fryer	Gas	Cooking	35%	14,000 Btu/h	50%	9,000 Btu/h
Griddle (based on 3 ft model)	Elec	Cooking	60%	400 W/ft^2	70%	320 W/ft^2
Griddle (based on 3 ft model)	Gas	Cooking	30%	3,500 Btu/h/ft^2	38%	2,650 Btu/h/ft^2
Hot food holding cabinets (excluding	Elec	Cooking	na	40 W/ft^3	na	21.5V Watts

drawer warmers and heated display), 0 < V < 13 ft³ (V = volume)						
Hot food holding cabinets (excluding drawer warmers and heated display), 13 ≤ V < 28 ft³	Elec	Cooking	na	40 W/ft³	na	2.0V + 254 Watts
Hot food holding cabinets (excluding drawer warmers and heated display), 28 ft³ ≤ V	Elec	Cooking	na	40 W/ft³	na	3.8V + 203.5 Watts
Large vat fryer	Elec	Cooking	75%	1.35 kW	80%	1.1 kW
Large vat fryer	Gas	Cooking	35%	20,000 Btu/h	50%	12,000 Btu/h
Rack oven, double	Gas	Cooking	30%	65,000 Btu/h	50%	35,000 Btu/h
Rack oven, single	Gas	Cooking	30%	43,000 Btu/h	50%	29,000 Btu/h
Range	Elec	Cooking	70%		80%	
Range	Gas	Cooking	35%	na	40% and no standing pilots	na
Steam cooker, batch cooking	Elec	Cooking	26%	200 W/pan	50%	135 W/pan
Steam cooker, batch cooking	Gas	Cooking	15%	2,500 Btu/h/pan	38%	2,100 Btu/h/pan
Steam cooker, high production or cook to order	Elec	Cooking	26%	330 W/pan	50%	275 W/pan
Steam cooker, high production or cook to order	Gas	Cooking	15%	5,000 Btu/h/pan	38%	4,300 Btu/h/pan
Toaster	Elec	Cooking	—	1.8 kW average operating	na	1.2 kW average operating energy

				energy rate		rate
Ice machine, IMH (ice-making head, H = ice harvest), H ≥ 450 lb/day	Elec	Ice	6.89 - 0.0011H kWh/100 lb ice	na	$37.72*H^{-0.298}$ kWh/100 lb ice	na
Ice machine, IMH (ice-making head), H ≤ 450 lb/day	Elec	Ice	10.26 – 0.0086H kWh/100 lb ice	na	$37.72*H^{-0.298}$ kWh/100 lb ice	na
Ice machine, RCU (remote condensing unit, w/o remote compressor, H < 1,000 lb/day	Elec	Ice	8.85 - 0.0038H kWh/100lb ice	na	$22.95*H^{-0.258}$ + 1.00 kWh/100 lb ice	na
Ice machine, RCU (remote condensing unit), 1600 > H ≥ 1000 lb/day	Elec	ice	5.10 kWh/100 lb ice	na	$22.95*H^{-0.258}$ + 1.00 kWh/100 lb ice	na
Ice machine, RCU (remote condensing unit), H ≥ 1600 lb/day	Elec	Ice	5.10 kWh/100lb ice	na	-0.00011*H + 4.60 kWh/100 lb ice	na
Ice machine, SCU (self-contained unit), H < 175 lb/day	Elec	Ice	18.0 - 0.0469H kWh/100lb ice	na	$48.66*H^{-0.326}$ + 0.08 kWh/100 lb ice	na
Ice machine self-contained unit, H ≥ 175 lb/day	Elec	Ice	9.80 kWh/100 lb ice	na	$48.66*H^{-0.326}$ + 0.08 kWh/100 lb ice	na
Ice machine, water-cooled ice-making	Elec	Ice	4.0 kWh/100 lb ice	na	3.68 kWh/100 lb ice	na

head, H ≥ 1436 lb/day (must be on chilled loop)						
Ice machine, water-cooled ice-making head, 500 lb/day < H < 1436 (must be on chilled loop)	Elec	Ice	5.58 – 0.0011H kWh/100 lb ice	na	5.13 - 0.001H kWh/100 lb ice	na
Ice machine, water-cooled ice-making head, H < 500 lb/day (must be on chilled loop)	Elec	Ice	7.80 – 0.0055H kWh/100 lb ice	na	7.02 - 0.0049H kWh/100 lb ice	na
Ice machine, water-cooled once-through (open loop)	Elec	Ice	Banned	Banned	Banned	Banned
Ice machine, water-cooled SCU (self-contained unit), H < 200 lb/day (must be on chilled loop)	Elec	Ice	11.4 – 0.0190H kWh/100 lb ice	na	10.6 - 0.177H kWh/100 lb ice	na
Ice machine, water-cooled self-contained unit, H ≥ 200 lb/day (must be on chilled loop)	Elec	Ice	7.6 kWh/100 lb ice	na	7.07 kWh/100 lb ice	na
Chest freezer, solid or glass door	Elec	Refrig	0.45V + 0.943 kWh/day	na	≤ 0.270V + 0.130 kWh/day	na
Chest refrigerator, solid or glass door	Elec	Refrig	0.1V + 2.04 kWh/day	na	≤ 0.125V + 0.475 kWh/day	na
Glass-door	Elec	Refrig	0.75V +	na	≤ 0.607V +	na

reach-in freezer, 0 < V < 15 ft³			4.10 kWh/day		0.893 kWh/day	
Glass-door reach-in freezer, 15 ≤ V < 30 ft³	Elec	Refrig	.75V + 4.10 kWh/day	na	≤ 0.733V – 1.00 kWh/day	na
Glass-door reach-in freezer, 30 ≤ V < 50 ft³	Elec	Refrig	.75V + 4.10 kWh/day	na	≤ 0.250V + 13.50 kWh/day	na
Glass-door reach-in freezer, 50 ≤ V ft³	Elec	Refrig	0.75V + 4.10 kWh/day	na	≤ 0.450V + 3.50 kWh/day	na
Glass-door reach-in refrigerator, 0 < V < 15 ft³	Elec	Refrig	0.12V + 3.34 kWh/day	na	≤ 0.118V + 1.382 kWh/day	na
Glass-door reach-in refrigerator, 15 ≤ V < 30 ft³	Elec	Refrig	0.12V + 3.34 kWh/day	na	≤ 0.140V + 1.050 kWh/day	na
Glass-door reach-in refrigerator, 30 ≤ V < 50 ft³	Elec	Refrig	0.12V + 3.34 kWh/day	na	≤ 0.088V + 2.625 kWh/day	na
Glass-door reach-in refrigerator, 50 ≤ V ft³	Elec	Refrig	0.12V + 3.34 kWh/day	na	≤ 0.110V + 1.500 kWh/day	na
Solid-door reach-in freezer, 0 < V < 15 ft³	Elec	Refrig	0.4V + 1.38 kWh/day	na	≤ 0.250V + 1.25 kWh/day	na
Solid-door reach-in freezer, 15 ≤ V < 30 ft³	Elec	Refrig	0.4V + 1.38 kWh/day	na	≤ 0.400V – 1.000 kWh/day	na
Solid-door reach-in freezer, 30 ≤ V < 50 ft³	Elec	Refrig	0.4V + 1.38 kWh/day	na	≤ 0.163V + 6.125 kWh/day	na
Solid-door reach-in freezer, 50 ≤ V ft³	Elec	Refrig	0.4V + 1.38 kWh/day	na	≤ 0.158V + 6.333 kWh/day	na
Solid-door reach-in refrigerator, 0 < V < 15 ft³	Elec	Refrig	0.1V + 2.04 kWh/day	na	≤ 0.089V + 1.411 kWh/day	na

Solid-door reach-in refrigerator, 15 ≤ V < 30 ft³	Elec	Refrig	0.1V + 2.04 kWh/day	na	≤ 0.037V + 2.200 kWh/day	na
Solid-door reach-in refrigerator, 30 ≤ V < 50 ft³	Elec	Refrig	0.1V + 2.04 kWh/day	na	≤ 0.056V + 1.635 kWh/day	na
Solid-door reach-in refrigerator, 50 ≤ V ft³	Elec	Refrig	0.1V + 2.04 kWh/day	na	≤ 0.060V + 1.416 kWh/day	na
Clothes washer	Gas	Sanitation	1.72 MEF	na	2.00 MEF	na
Door-type dish machine, high temp	Elec	Sanitation	na	1.0 kW	na	0.70 kW
Door-type dish machine, low temp	Elec	Sanitation	na	0.6 kW	na	0.6 kW
Multitank rack conveyor dish machine, high temp	Elec	Sanitation	na	2.6 kW	na	2.25 kW
Multitank rack conveyor dish machine, low temp	Elec	Sanitation	na	2.0 kW	na	2.0 kW
Single-tank rack conveyor dish machine, high temp	Elec	Sanitation	na	2.0 kW	na	1.5 kW
Single-tank rack conveyor dish machine, low temp	Elec	Sanitation	na	1.6 kW	na	1.5 kW
Undercounter dish machine, high temp	Elec	Sanitation	na	0.9 kW	na	0.5 kW
Undercounter dish machine, low temp	Elec	Sanitation	na	0.5 kW	na	0.5 kW
The energy efficiency, idle energy rates, and water use requirements, where applicable, are based on the following test methods:						

ASTM F1275 Standard Test Method for Performance of Griddles
ASTM F1361 Standard Test Method for Performance of Open Deep Fat Fryers
ASTM F1484 Standard Test Methods for Performance of Steam Cookers
ASTM F1496 Standard Test Method for Performance of Convection Ovens
ASTM F1521 Standard Test Methods for Performance of Range Tops
ASTM F1605 Standard Test Method for Performance of Double-Sided Griddles
ASTM F1639 Standard Test Method for Performance of Combination Ovens
ASTM F1695 Standard Test Method for Performance of Underfired Broilers
ASTM F1696 Standard Test Method for Energy Performance of Single-Rack Hot Water Sanitizing, ASTM Door-Type Commercial Dishwashing Machines
ASTM F1704 Standard Test Method for Capture and Containment Performance of Commercial Kitchen Exhaust Ventilation Systems
ASTM F1817 Standard Test Method for Performance of Conveyor Ovens
ASTM F1920 Standard Test Method for Energy Performance of Rack Conveyor, Hot Water Sanitizing, Commercial Dishwashing Machines
ASTM F2093 Standard Test Method for Performance of Rack Ovens
ASTM F2140 Standard Test Method for Performance of Hot Food Holding Cabinets
ASTM F2144 Standard Test Method for Performance of Large Open Vat Fryers
ASTM F2324 Standard Test Method for Prerinse Spray Valves
ASTM F2380 Standard Test Method for Performance of Conveyor Toasters
ARI 810-2007: Performance Rating of Automatic Commercial Ice Makers
ANSI/ASHRAE Standard 72–2005: Method of Testing Commercial Refrigerators and Freezers with temperature setpoints at 38°F for medium-temp refrigerators, 0°F for low-temp freezers, and -15°F for ice cream freezers

Table 1b. Commercial Kitchen Appliance Prescriptive Measures and Baseline for Energy Cost Budget (SI units)

	Baseline energy usage for energy modeling path				**Levels for prescriptive path**	
Appliance type	Fuel	Function	Baseline efficiency	Baseline idle rate	Prescriptive efficiency	Prescriptive idle rate
Broiler, underfired	Gas	Cooking	30%	50.5 kW/m^2	35%	37.9 kW/m^2
Combination oven, steam mode (P = pan capacity)	Elec	Cooking	40% steam mode	0.37P+4.5 kW	50% steam mode	0.133P+0.6400 kW
Combination oven, steam mode	Gas	Cooking	20% steam mode	(1 210P+ 35 810)/3 412 kW	38% steam mode	(200P+6 511)/ 3 412 kW
Combination oven, convection mode	Elec	Cooking	65% convection mode	0.1P+1.5 kW	70% convection mode	0.080P+0.4989 kW
Combination oven, convection mode	Gas	Cooking	35% convection mode	(322P+ 13 563)/ 3412 kW	44% convection mode	(150P+5 425)/ 3412 kW
Convection oven, full-size	Elec	Cooking	65%	2.0 kW	71%	1.6 kW
Convection	Gas	Cooking	30%	5.3 kW	46%	3.5 kW

oven, full-size						
Convection oven, half-size	Elec	Cooking	65%	1.5 kW	71%	1.0 kW
Conveyor oven, > 63.5 cm belt	Gas	Cooking	20%	20.5 kW	42%	16.7 kW
Conveyor oven, < 63.5 cm belt	Gas	Cooking	20%	13.2 kW	42%	8.5 kW
Fryer	Elec	Cooking	75%	1,05 kW	80%	1.0 kW
Fryer	Gas	Cooking	35%	4.1 kW	50%	2.64 kW
Griddle (based on 90-cm model)	Elec	Cooking	60%	4.3 kW/m^2	70%	3 .45 kW/m^2
Griddle (based on 90-cm model)	Gas	Cooking	30%	11 kW/m^2	33%	8.35 kW/m^2
Hot food holding cabinets (excluding drawer warmers and heated display) 0 < V < 0.368 m^3 (V = volume)	Elec	Cooking	na	1.4 kW/m^3	na	(21.5*V)/0.0283 kW/m^3
Hot food holding cabinets (excluding drawer warmers and heated display), 0.368 ≤ V < 0.793 m^3	Elec	Cooking	na	1.4 kW/m^3	na	(2.0*V + 254)/0.0283 kW/m^3
Hot food holding cabinets (excluding drawer warmers and heated display), 0.793 m^3 ≤ V	Elec	Cooking	na	1.4 kW/m^3	na	(3.8*V + 203.5)/0.0283 kW/m^3
Large vat fryer	Elec	Cooking	75%	1.35 kW	80%	1.1 kW
Large vat fryer	Gas	Cooking	35%	5.86 kW	50%	3.5 kW
Rack oven, double	Gas	Cooking	30%	19 kW	50%	10.25 kW
Rack oven, single	Gas	Cooking	30%	12.6 kW	50%	8.5 kW
Range	Elec	Cooking	70%	na	80%	na

Range	Gas	Cooking	35%	na	40% and no standing pilots	**na**
Steam cooker, batch cooking	Elec	Cooking	26%	200 W/pan	50%	135 W/pan
Steam cooker, batch cooking	Gas	Cooking	15%	733 W/pan	38%	615 W/pan
Steam cooker, high production or cook to order	Elec	Cooking	26%	330 W/pan	50%	275 W/pan
Steam cooker, high production or cook to order	Gas	Cooking	15%	1.47 kW/pan	38%	1.26 kW/pan
Toaster	Elec	Cooking	**na**	1.8 kW average operating energy rate	**na**	1.2 kW average operating energy rate
Ice machine, IMH (ice making head, H = ice harvest) H ≥ 204 kg/day	Elec	Ice	0.0015 - $5.3464E^{-07}$ kWh/kg ice	na	≤ $13.52*H^{-0.298}$ kWh/100 kg ice	na
Ice machine, IMH (ice making head), H < 204 kg/day	Elec	Ice	0.2262 - $4.18E^{-04}$ kWh/kg ice	na	≤ $13.52*H^{-0.298}$ kWh/100 kg ice	na
Ice machine, RCU (remote condensing unit, w/o remote compressor) H < 454 kg/day	Elec	Ice	0.1951 - $1.85E^{-04}$ kWh/kg ice	na	≤ $111.5835H^{-0.258}$) + 2.205 kWh/100 kg ice	na
Ice machine, RCU (remote condensing unit) 726 > H ≥ 454 kg/day	Elec	Ice	0.1124 kWh/kg ice	na	≤ $111.5835H^{-0.258}$) + 2.205 kWh/100 kg ice	na
Ice machine, RCU (remote condensing unit), H ≥ 726kg/day	Elec	Ice	0.1124 kWh/kg ice	na	≤ -0.00024H + 4.60 kWh/100 kg ice	na
Ice machine, SCU (self contained unit), H < 79 kg/day	Elec	Ice	0.3968 - $2.28E^{-03}$ kWh/kg ice	na	$236.59H^{-0.326}$ +0.176 kWh/100 kg ice	na
Ice machine, SCU (self contained	Elec	Ice	0.2161 kWh/kg ice	na	$236.59H^{-0.326}$ +0.176 kWh/100 kg	na

unit), H ≥ 79 kg/day					ice	
Ice machine, water-cooled ice-making head, H ≥ 651 kg/day(must be on a chilled loop)	Elec	Ice	0.0882 kWh/kg ice	na	≤ 8.11 kWh/100 kg ice	na
Ice machine, water-cooled ice-making head, 227 ≤ H < 651 kg/day (must be on a chilled loop)	Elec	Ice	0.1230 - 5.35E^{-05} kWh/kg ice	na	≤ 11.31 - 0.065H kWh/100 kg ice	na
Ice machine, water-cooled ice-making head, H < 227 kg/day(must be on a chilled loop)	Elec	Ice	0.1720 - 2.67E^{-04} kWh/kg ice	na	≤ 15.48 - 0.0238H kWh/100 kg ice	na
Ice machine, water-cooled once-through (open loop)	Elec	Ice	Banned	Banned	Banned	Banned
Ice machine, water cooled SCU (self-contained unit) H < 91 kg/day (must be on a chilled loop)	Elec	Ice	0.2513 - 9.23E^{-04} kWh/kg ice	na	≤ 23.37- 0.086H kWh/100 kg ice	na
Ice machine, water cooled SCU (self-contained unit) H ≥ 91 kg/day (must be on a chilled loop)	Elec	Ice	0.1676 kWh/kg ice	na	15.57 kWh/100 kg ice	na
Chest freezer, solid or glass door	Elec	Refrig	15.90V + 0.943 kWh/day	na	9.541V + 0.130 kWh/day	na
Chest refrigerator, solid or glass door	Elec	Refrig	3.53V + 2.04 kWh/day	na	≤ 4.417 V + 0.475 kWh/day	na
Glass-door reach-in freezer, 0 < V < 0.42 m^3	Elec	Refrig	26.50V + 4.1 kWh/day	na	≤ 21.449V + 0.893 kWh/day	na
Glass-door reach-in	Elec	Refrig	26.50V + 4.1	na	≤ 25.901V – 1.00	na

freezer, 0.42 ≤ V < 0.85 m^3			kWh/day		kWh/day	
Glass-door reach-in freezer, 0.85 ≤ V < 1.42 m^3	Elec	Refrig	26.50V + 4.1 kWh/day	na	≤ 8.834V + 13.50 kWh/day	na
Glass-door reach-in freezer, 1.42 ≤ V m^3	Elec	Refrig	26.50V + 4.1 kWh/day	na	≤ 15.90V + 3.50 kWh/day	na
Glass-door reach-in refrigerator, 0 < V < 0.42m^3	Elec	Refrig	4.24V + 3.34 kWh/day	na	≤ 4.169V + 1.382 kWh/day	na
Glass-door reach-in refrigerator, 0.42 ≤ V < 0.85 m^3	Elec	Refrig	4.24V + 3.34 kWh/day	na	≤ 4.947V + 1.050 kWh/day	na
Glass-door reach-in refrigerator, 0.85 ≤ V < 1.42 m^3	Elec	Refrig	4.24V + 3.34 kWh/day	na	≤ 3.109V + 2.625 kWh/day	na
Glass-door reach-in refrigerator, 1.42 ≤ V m^3	Elec	Refrig	4.24V + 3.34 kWh/day	na	≤ 3.887V + 1.500 kWh/day	na
Solid-door reach-in freezer, 0 < V < 0.42 m^3	Elec	Refrig	14.13V + 1.38 kWh/day	na	≤ 8.834V + 1.25 kWh/day	na
Solid-door reach-in freezer, 0.42 ≤ V < 0.85 m^3	Elec	Refrig	14.13V + 1.38 kWh/day	na	≤ 4.819V – 1.000 kWh/day	na
Solid-door reach-in freezer, 0.85 ≤ V < 1.42 m^3	Elec	Refrig	14.13V + 1.38 kWh/day	na	≤ 5.760V + 6.125 kWh/day	na
Solid-door reach-in freezer, 1.42 ≤ V m^3	Elec	Refrig	14.13V + 1.38 kWh/day	na	≤ 5.583V + 6.333 kWh/day	na
Solid-door reach-in refrigerator, 0 < V < 0.42m^3	Elec	Refrig	3.53V + 2.04 kWh/day	na	≤ 3.145V + 1.411 kWh/day	na
Solid-door reach-in refrigerator, 0.42 ≤ V < 0.85 m^3	Elec	Refrig	3.53V + 2.04 kWh/day	na	≤ 1.307V + 2.200 kWh/day	na
Solid-door reach-in refrigerator, 0.85 ≤ V < 1.42 m^3	Elec	Refrig	3.53V + 2.04 kWh/day	na	≤ 1.979V + 1.635 kWh/day	na

Solid-door reach-in refrigerator, 1.42 ≤ V m^3	Elec	Refrig	3.53V + 2.04 kWh/day	na	≤ 2.120V + 1.416 kWh/day	na
Clothes washer	Gas	Sanitation	1.72 MEF		2.00 MEF	
Door-type dish machine, high temp	Elec	Sanitation	na	1.0 kW	na	0.70 kW
Door-type dish machine, low temp	Elec	Sanitation	na	0.6 kW	na	0.6 kW
Multitank rack conveyor dish machine, high temp	Elec	Sanitation	na	2.6 kW	na	2.25 kW
Multitank rack conveyor dish machine, low temp	Elec	Sanitation	na	2.0 kW	na	2.0 kW
Single-tank rack conveyor dish machine, high temp	Elec	Sanitation	**na**	2.0 kW	na	1.5 kW
Single-tank rack conveyor dish machine, low temp	Elec	Sanitation	na	1.6 kW	na	1.5 kW
Undercounter dish machine, high temp	Elec	Sanitation	na	0.9 kW	na	0.5 kW
Undercounter dish machine, low temp	Elec	Sanitation	na	0.5 kW	na	0.5 kW
The energy efficiency, idle energy rates, and water use requirements, where applicable, are based on the following test methods: ASTM F1275 Standard Test Method for Performance of Griddles ASTM F1361 Standard Test Method for Performance of Open Deep Fat Fryers ASTM F1484 Standard Test Methods for Performance of Steam Cookers ASTM F1496 Standard Test Method for Performance of Convection Ovens ASTM F1521 Standard Test Methods for Performance of Range Tops ASTM F1605 Standard Test Method for Performance of Double-Sided Griddles ASTM F1639 Standard Test Method for Performance of Combination Ovens ASTM F1695 Standard Test Method for Performance of Underfired Broilers ASTM F1696 Standard Test Method for Energy Performance of Single-Rack Hot Water Sanitizing, ASTM Door-Type Commercial Dishwashing Machines						

ASTM F1704 Standard Test Method for Capture and Containment Performance of Commercial Kitchen Exhaust Ventilation Systems
ASTM F1817 Standard Test Method for Performance of Conveyor Ovens
ASTM F1920 Standard Test Method for Energy Performance of Rack Conveyor, Hot Water Sanitizing, Commercial Dishwashing Machines
ASTM F2093 Standard Test Method for Performance of Rack Ovens
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ASTM F2144 Standard Test Method for Performance of Large Open Vat Fryers
ASTM F2324 Standard Test Method for Prerinse Spray Valves
ASTM F2380 Standard Test Method for Performance of Conveyor Toasters
ARI 810-2007: Performance Rating of Automatic Commercial Ice Makers
ANSI/ASHRAE Standard 72–2005: Method of Testing Commercial Refrigerators and Freezers with temperature setpoints at 38°F (3°C) for mediumtemp refrigerators, -18°C for low-temp freezers, and -26°C for ice cream freezers.

Table 2. Supermarket refrigeration prescriptive measures and baseline for energy cost budget

Item	Attribute	Prescriptive measure	Baseline for energy modeling path
Commercial Refrigerator and Freezers	Energy Use Limits	ASHRAE 90.1-2010 Addendum g. Table 6.8.1L	ASHRAE 90.1-2010 Addendum g. Table 6.8.1L
Commercial Refrigeration Equipment	Energy Use Limits	ASHRAE 90.1-2010 Addendum g. Table 6.8.1M	ASHRAE 90.1-2010 Addendum g. Table 6.8.1M

Table 3. Walk-in coolers and freezers prescriptive measures and baseline for energy cost budget

Item	Attribute	Prescriptive measure	Baseline for energy modeling path
Envelope	Freezer insulation	R-46	R-36
	Cooler insulation	R-36	R-20
	Automatic closer doors	Yes	No
	High-efficiency low- or no-heat reach-in doors	40W/ft (130W/m) of door frame (low temperature), 17W/ft (55W/m) of door frame (medium temperature)	40W/ft (130W/m) of door frame (low temperature), 17W/ft (55W/m) of door frame (medium temperature)
Evaporator	Evaporator fan motor and control	Shaded pole and split phase motors prohibited; use PSC or EMC motors	Constant-speed fan
	Hot gas defrost	No electric defrosting.	Electric defrosting
Condenser	Air-cooled condenser fan motor and control	Shaded pole and split phase motors prohibited; use PSC or EMC motors; add condenser fan controllers	Cycling one-speed fan
	Air Cooled condenser design approach	Floating head pressure controls or ambient subcooling	10°F (-12°C) to 15°F (-9°C) dependent on suction temperature
Lighting	Lighting power density (W/sq.ft.)	0.6 W/sq.ft. (6.5 W/sq. meter)	0.6 W/sq.ft. (6.5 W/sq. meter)

Commercial Refrigerator and Freezers	Energy Use Limits	N/A	Use an Exceptional Calculation Method if attempting to take savings
Commercial Refrigerator and Freezers	Energy Use Limits	N/A	Use an Exceptional Calculation Method if attempting to take savings

Table 4. Commercial kitchen ventilation prescriptive measures and baseline for energy cost budget

Strategies	Prescriptive measure	Baseline
Kitchen hood control	ASHRAE 90.1-2010 Section 6.5.7.1, except that Section 6.5.7.1.3 and Section 6.5.7.1.4 shall apply if the total kitchen exhaust airflow rate exceeds 2,000 cfm (960 L/s) (as opposed to 5,000 cfm (2,400 L/s) noted in the ASHRAE 90.1-2010 requirements)	ASHRAE 90.1-2010 Section 6.5.7.1 and Section G3.1.1 Exception (d) where applicable

EXHIBIT G-1

FORM OF GUARANTY

PAYMENT AND PERFORMANCE GUARANTY

This Payment and Performance Guaranty (this "**Guaranty**") is given this ___ day of ____, 202__, by Phillip Geuse, [a married/an unmarried] individual ("**Guarantor**"), for the benefit of the City of Santa Fe, a municipal corporation and political subdivision of the State of New Mexico (the "**City**").

RECITALS

A. The City owns the real property and improvements consisting of approximately 60 acres generally located within the block defined by Cerrillos Road, St. Michaels Drive, Llano Street, Siringo Road, and Camino Carlos Rey in the City of Santa Fe, County of Santa Fe, State of New Mexico, as generally depicted on Exhibit A attached hereto (the "**Midtown Site**").

B. ASPECT QOZB, LLC, a Delaware limited liability company ("**Developer**"), and the City entered into the Development and Disposition Agreement, dated of even date herewith (the "**DDA**"), pursuant to which Developer has agreed to, among other things, at Developer's sole cost and expense, to (i) redevelop the Property and (ii) pay the City the Purchase Price. Capitalized terms used but not defined herein shall have the meanings given to such terms in the DDA.

C. The City will lease the Property to Developer pursuant to the terms and conditions of the Lease to be entered into by Developer and the City as set forth in the DDA, for Developer to perform its obligations set forth in the DDA.

D. As a material inducement for the City to enter into the DDA and the Lease with Developer, Guarantor has agreed to guaranty to the City the prompt payment and performance of all the obligations of Developer under the DDA and the Lease.

E. Guarantor is [the sole member of] Developer, and as such, will receive direct, material and tangible benefits from Developer's development and lease of the Property and from the City entering into the DDA and Lease with Developer.

AGREEMENT

NOW, THEREFORE, intending to be legally bound, Guarantor, in consideration of the matters described in the foregoing Recitals and for other good and valuable consideration the receipt and sufficiency of which are acknowledged, hereby covenant and agree for the benefit of the City and its successors and assigns as follows:

1. Recitals. The recitals set forth above are incorporated herein by reference as if fully set forth in the body of this Guaranty.

2. Guaranteed Obligations. Guarantor hereby unconditionally and irrevocably guarantees to the City the full and complete performance of Developer's payment and performance obligations

under the DDA and the Lease in connection with Phase 1 and Developer's indemnification obligations pursuant to Section 14.3 with respect to all Phases, and agrees to indemnify and hold the City harmless from and against any and all costs or expenses, including litigation costs and reasonable attorneys' fees, arising from the City's enforcement of this Guaranty, whether incurred before or after judgment (collectively, the "**Guaranteed Obligations**").

3. Financial Covenants. Guarantor shall maintain (a) a minimum Net Worth of $5,000,000, as determined by the City based upon Guarantor's financial statements, and (b) minimum liquidity, in the form of unencumbered cash, cash-equivalents, and marketable securities of at least of $5,000,000 (each a "**Financial Requirement**"). "**Net Worth**" shall mean, as of a given date, (x) the total assets of Guarantor (excluding intangibles, such as goodwill) as of such date less (y) such Guarantor's total liabilities as of such date, determined in accordance with generally accepted accounting principles, consistently applied. Guarantor's failure to comply with any Financial Requirement for more than 30 consecutive days shall constitute a default hereunder (the "**Financial Default**"). Within 15 business days following a Financial Default, Guarantor shall provide a substitute guarantor acceptable to the City in its sole discretion. If Guarantor provides a substitute guarantor, the substitute guarantor shall meet each Financial Requirement, and if approved by the City, shall execute a performance and completion guaranty in the same form as this Guaranty. No later than 30 days after the end of each calendar quarter, Guarantor shall furnish to the MRA Director annual financial statements of Guarantor, which shall include a balance sheet, a statement of income, and contingent obligations of Guarantor, and shall be prepared in accordance with generally accepted accounting principles, consistently applied, and shall be certified as true and correct by Guarantor and reviewed by a certified public accountant who is not an employee or principal of Developer or its Affiliates. No later than sixty 30 days after filing, Guarantor shall furnish to the MRA Director signed copies of Guarantor's federal tax returns and including all extensions and all supporting schedules.

4. Guarantor Representations and Warranties. Guarantor represents to the City and acknowledges that Guarantor is an [married/unmarried] individual. Guarantor represents and warrants that Guarantor is fully informed of the terms of the DDA and the Lease and the remedies the City may pursue thereunder in the event the Guaranteed Obligations arise. Guarantor further represents and warrants to the City that the execution, delivery, and performance of this Guaranty by Guarantor does not violate the provisions of any applicable law or any agreement binding upon Guarantor, and that this Guaranty has been duly executed and delivered by Guarantor and constitutes a legally enforceable document.

5. Extent of Obligations; Waivers.

(a) In the event Developer fails to perform any of its obligations under the DDA or the Lease, the City may commence suit against Guarantor to enforce the provisions of this Guaranty, without first commencing any suit or otherwise proceeding against Developer or exhausting its remedies against Developer. Guarantor's liability under this Guaranty is primary. The City's rights shall not be exhausted by its exercise of any rights or remedies available to it at law and/or in equity or by any number of successive suits until and unless all obligations hereby guaranteed have been fully paid and performed. No circumstance that operates to discharge or to bar, suspend, or delay the City's right to enforce against Developer any obligation of Developer to the City (including but not limited to the effect of the pendency or conclusion of any proceeding under the federal Bankruptcy Code or any similar present or future federal or state law) shall have any effect upon the enforceability of Guarantor's obligations to the City hereunder. This Guaranty shall continue to be effective or be

reinstated (as the case may be) if at any time payment of all or any part of any sum is required to be returned by the City upon the insolvency, bankruptcy, dissolution, liquidation, or reorganization of Developer or Guarantor.

(b) The obligations of Guarantor hereunder shall remain in full force and effect without regard to, and shall not be affected or impaired by, (i) any modification or amendment to the DDA or Lease, whether or not Guarantor shall have received any notice of or consented to any such modification or amendment, (ii) the acceptance of partial payment of any Guaranteed Obligations (except to the extent that Guarantor's obligation hereunder shall be reduced accordingly); (iii) the granting of forbearances, compromises or adjustments with respect to any covenant or agreement under the DDA or Lease or claims thereunder; (iv) the dissolution or liquidation of the Developer; (v) an assignment of Developers rights and obligations (in whole or in part) to a third party; and (vi) any and all suretyship defenses or any circumstances which constitute a legal or equitable discharge of a guarantor or surety.

(c) Guarantor expressly waives all rights that Guarantor may have, if any, to require that any action be brought against Developer or any other person or entity in connection with the Guaranteed Obligations prior to demanding payment hereunder. Guarantor agrees that nothing contained herein shall prevent the City from exercising any rights available to the City under the DDA and the Lease and that the exercise of any of the aforesaid rights shall not constitute a legal or equitable discharge of any Guarantor until such time as the Guaranteed Obligations are paid in full. Guarantor agrees that Guarantor's liability as guarantor shall not be impaired or affected by the City's failure or election not to pursue any other remedies it may have against Guarantor, it being the intent hereof that Guarantor shall remain liable for the performance of the Obligations, notwithstanding any act or thing which might otherwise operate as a legal or equitable discharge of a surety.

6. Modification of Guaranty. This Guaranty constitutes the full and complete agreement between the parties hereto, and it is understood and agreed that the provisions hereof may only be modified by a writing executed by both parties hereto.

7. Gender, Singular/Plural. Words of any gender used in this Guaranty shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

8. Sections. References to section numbers are to sections in this Agreement, unless otherwise expressly stated.

9. Captions/Headings. Any captions or headings used in this Guaranty are for reference purposes only and are in no way to be construed as part of this Guaranty.

10. Invalidity. If any term, provision, covenant or condition of this Guaranty is held to be void, invalid, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

11. Jurisdiction. Guarantor consents and submits to the jurisdiction of the federal and state courts located in the City and County of Santa Fe, New Mexico, and any suit shall be brought in a federal or state court located in the City and County of Santa Fe, New Mexico with appropriate

jurisdiction over the subject matter. Guarantor waives any defenses based on the venue, inconvenience of the forum, lack of personal jurisdiction or the like in any such suit.

12. Governing Law. This Guaranty shall be governed by and construed in accordance with the laws of the State of New Mexico.

13. Attorney's Fees. In the event it becomes necessary for the City to enforce any of the terms and provisions of this Guaranty, whether or not suit be instituted, Guarantor shall pay all of the City's costs and expenses incurred by the City in connection with the City's enforcement of this Guaranty, including, but not limited to, reasonable attorneys' fees.

14. Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, GUARANTOR HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVES, RELINQUISHES AND FOREVER FORGOES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THIS GUARANTY.

GUARANTOR ACKNOWLEDGES AND AGREES THAT ANY DISPUTE WHICH MAY ARISE UNDER THIS GUARANTY IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTY. GUARANTOR CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE SUCH WAIVERS; (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS; (C) IT MAKES SUCH WAIVERS VOLUNTARILY.

15. Assignability. The City may assign this Guaranty in whole or in part at any time to any successor to the City's interest in the Guaranty. Guarantor shall not assign this Guaranty, in whole or in part, without the prior written consent of the City, in its sole discretion.

16. Successors and Assigns. This Guaranty shall be binding upon Guarantor and upon its heirs, successors and assigns.

17. New Mexico Tort Claims Act. The City's liability in connection with the Guaranty is limited by the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et seq. NMSA 1978, as amended. The City and its "public employees", as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense, and do not waive any limitation of liability pursuant to law. No provision of this Guaranty modifies or waives any provision of the New Mexico Tort Claims Act.

18. Public Records. Guarantor acknowledges that the City is a government entity and subject to the New Mexico Inspection of Public Records Act (Sections 14-2-1 et seq., NMSA 1978 ("**IPRA**"). Notwithstanding anything contained herein to the contrary, the City shall not be responsible to Guarantor or any third-party contractor for any disclosure of confidential information pursuant to

the IPRA or pursuant to the City's public records act laws, rules, regulations, instructions or other legal requirement.

19. Notices. Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be delivered either personally with a receipt requested therefor, or by overnight courier, or by certified mail, return receipt requested, postage prepaid, in any case addressed to the parties at their respective addresses set forth below, and the same shall be effective (a) upon receipt or refusal if delivered personally, (b) one Business Day after depositing with such an overnight courier service, (c) three Business Days after deposit in the mail if mailed, or (d) upon successful electronic mail transmission evidenced by an electronic "read receipt" and provided that such notice is also delivered by the means described in clauses (a) or (b) within two Business Days after such electronic mail notice. All notices to the City or Guarantor shall be sent to the persons and addresses set forth below. Guarantor or the City may change its address for receipt of notices by service of a notice of such change in accordance herewith.

If to the City: City of Santa Fe
Attention: City Attorney's Office
200 Lincoln Avenue
Santa Fe, NM 87501

with a copy to: Midtown Redevelopment Agency
Attention: MRA Director
200 Lincoln Avenue
Santa Fe, NM 87501

If to Guarantor: Phillip Gesue
1954 Siringo Road
Santa Fe, NM 87505

with a copy to: Long, Komer & Associates, P.A.
Attention: Nancy R. Long
P.O. Box 5098
1800 Old Pecos Trail, Suite A
Santa Fe, NM 87505

[remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the undersigned has executed this Guaranty as of the date of first set forth above.

_____

Phillip Geuse, [a married/an unmarried] individual

[CONFIRM NOTARY BLOCK FOR STATE OF EXECUTION]

STATE OF _____)

) *ss.*

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____ as the _____ of _____.

My commission expires:_____

JOINDER BY SPOUSE

[IF MARRIED]

The undersigned spouse of the above-named Guarantor consents that the Guaranty, (a) evidences such spouse's knowledge of the existence of this Guaranty and understanding of its contents, and (b) provides that this Guaranty binds all property jointly owned by Guarantor and such spouse (and the heirs, beneficiaries, administrators, executors, legal representatives and assigns of such spouse), and any such jointly owned property transferred to such spouse individually in respect of any liability under, and to the covenants, agreements, terms and conditions in, this Guaranty; provided, in no event shall such spouse's separate property (except for jointly owned property transferred to such spouse individually) be subject to liability under, or to the covenants, agreements, terms and conditions in, this Guaranty, or shall such spouse by this joinder assume any other individual liability of the Guarantor under this Guaranty.

Spouse: _____

[CONFIRM NOTARY BLOCK FOR STATE OF EXECUTION]

STATE OF _____)

) *ss.*

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____ as the _____ of _____.

My commission expires:_____

EXHIBIT G-2

FORM OF BOND

_____ INSURANCE COMPANY
QUASI-PUBLIC IMPROVEMENTS PERFORMANCE BOND

Bond No. _____
Initial Premium $ _____
Subject to Renewal

KNOW ALL MEN BY THESE PRESENTS: That _____, a _____ ("Principal") and _____, a corporation duly authorized under the laws of the State of New Mexico to become surety on bonds and undertakings ("Surety"), are held and firmly bound unto the City of Santa Fe, New Mexico ("Obligee"), in the full and just sum _____ Dollars and _____Cents ($_____) lawful money of the United States of America, to be paid to Obligee, its successors or assigns; for which payment, well and truly to be made, Principal and Surety bind themselves, their heirs, executors, successors, administrators and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT:

Whereas, Principal and Obligee have entered into that certain Development and Disposition Agreement, effective _____ ___, 20__ (the "DDA") whereby Principal agrees to install and complete certain designated quasi-public improvements according to the DDA. is hereby referred to and made a part hereof; and

Whereas, said Principal is required under the terms of the DDA to furnish a bond for the faithful performance of the terms of the DDA.

Now, if Principal, its successors or assigns, shall perform the covenants, conditions and provisions in the DDA and any alteration thereof made as therein provided, on its or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the Obligee, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

Principal is responsible for all taxes and other costs incurred in fulfilling the requirements of the DDA. As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Obligee in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the DDA or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations on this bond, and it does hereby

waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

This bond is enforceable without the need to have recourse to any judicial or arbitral proceeding.

Surety is authorized with the New Mexico Secretary of State to do business in the State of New Mexico, and its registered agent in the State of New Mexico is _____. The appointment of said agent shall remain in place for the entire duration of this bond.

Notice required by or provided pursuant to this bond shall be given in writing to the representatives identified herein. Notice shall be effective upon personal delivery to any such representative or seven (7) business days after deposit, postage prepaid and registered or certified, in an official receptacle of the U.S. Postal Service. Notice to the City of Santa Fe shall be made to the Planning and Land Use Director at 200 Lincoln Avenue, Santa Fe, New Mexico 87504.

The laws of the State of New Mexico shall govern the interpretation, validity, performance and enforcement of this this bond. In the case of any controversy or dispute in the interpretation, validity, performance or enforcement of this bond, the exclusive venue shall be the New Mexico First Judicial District Court, Santa Fe County, New Mexico. Surety and Principal consent to the venue and the jurisdiction of such court.

IN WITNESS WHEREOF, the seal and signature of said Principal is hereto affixed and the corporate seal and the name of the Surety is hereto affixed and attested by its duly authorized [Attorney-in-Fact] at_, this _____day of_____.

PRINCIPAL:

_____, a _____

By: _____

_____

SURETY:

_____, a _____

By: _____

_____

IN WITNESS WHEREOF, the City of Santa Fe has agreed to this PERFORMANCE BOND as of the date of the signature by the required approval authorities below.

Acknowledged and Accepted for Compliance with LUD Case No.: 2022-5393, as per Planning Commission decision dated _____ ___, 20__:

City of Santa Fe

By: _____ _____
City Engineer Date
City of Santa Fe Land Use Department

EXHIBIT H

ASPECT ELECTRICAL LOOP PLANS

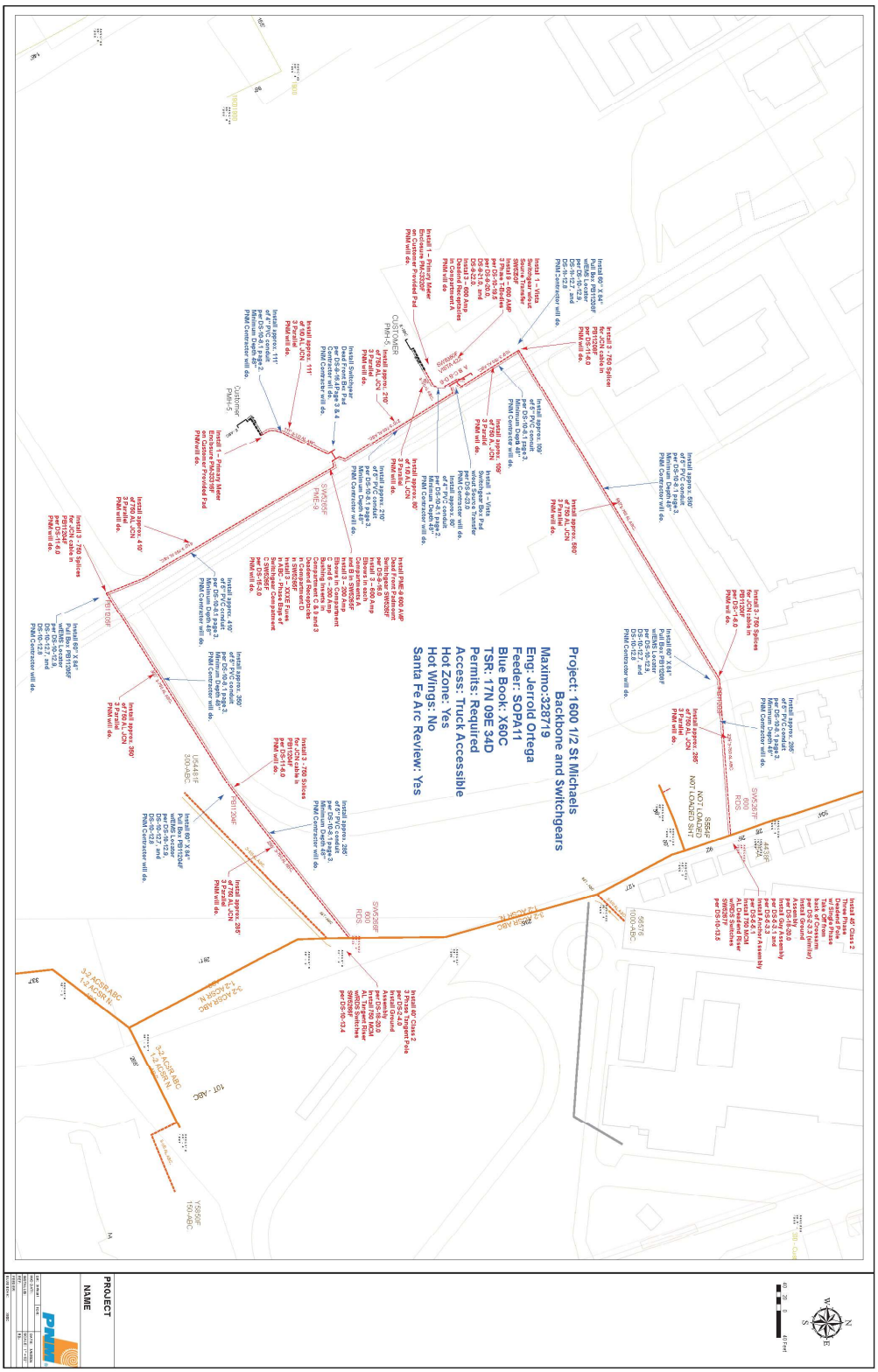


EXHIBIT I

LOCATION OF PROJECT RIGHT OF WAY IMPROVEMENTS

[attached]



ROW IMPROVEMENTS PHASE 1

ROW IMPROVEMENTS PHASE 2

SIRINGO ENTRANCE (to SIRINGO INTERSECTION)

ARTHOUSE IMPROVEMENTS

C.# 78' ROW

D.# 80' ROW

MIDTOWN SITE LAYOUT
RIGHT-OF-WAY (ROW) IMPROVEMENTS

0 25' 50'

WILSON &COMPANY

M:\MSD\23-600-027-00\2_DISCIPLINES_EXHIBITS\SITE LAYOUT ROW IMPROVEMENTS.DWG 9/4/2024 2:45 PM

EXHIBIT J

UTILITIES AGREEMENT

[attached]

UTILITIES AGREEMENT

THIS UTILITIES AGREEMENT (this "**Agreement**") is entered into effective as of the "Effective Date" under the DDA (as defined below) (the "**Effective Date**"), by and between **ASPECT QOZB, LLC**, a Delaware limited liability company ("**Developer**"), and the **CITY OF SANTA FE**, a municipal corporation and political subdivision of the State of New Mexico (the "**City**").

RECITALS:

A. The City owns the real property and improvements consisting of approximately 68.8 acres generally located within the block defined by Cerrillos Road, St. Michaels Drive, Llano Street, Siringo Road, and Camino Carlos Rey in the City of Santa Fe, County of Santa Fe, State of New Mexico, as generally depicted on Exhibit A attached hereto (the "**Midtown Site**").

B. The City and Developer are executing a Development and Disposition Agreement, dated as of the date hereof (the "**DDA**"), whereby Developer will re-develop and acquire approximately 11 acres of land comprising a portion of the Midtown Site, together with the buildings known as Benildus Hall, Onate Hall, Driscoll Fitness Center and Garson Studios (collectively, the "**Buildings**"), and all other existing accessory structures and improvements located thereon (collectively, the "**Property**").

C. The City and Developer intend to enter into a Lease Agreement (the "**Lease**"), for the purpose of leasing the Property to Developer to enable Developer to perform its obligations under the DDA, until such time as the City conveys the Property (or a portion thereof) to Developer pursuant to the terms thereof;

D. In connection with the Developer's development and operation of the Property, the City and Developer desire to enter into this Agreement in order to (i) enable to Developer to utilize certain utilities available at the Property, (ii) establish Developer's rights and obligations relating to the use of said utilities, and (iii) establish Developer's obligations relating to the modification or replacement of utilities at the Property, in each case subject to the terms and conditions set forth below.

AGREEMENT:

Developer and the City hereby agree as follows:

1. NATURAL GAS.

1.1 **Use; Submetering.** Subject to the terms and conditions of this Agreement, Developer shall have the right, during the Gas Utilization Period (as defined below), to utilize the natural gas service available at the Property by connecting to the existing natural gas lines thereon. Notwithstanding the foregoing, within 60 days after the Effective Date, as a condition to Developer's continued use of natural gas at the Property, Developer shall install, or cause to be installed, a natural gas submeter on the natural gas line providing gas to (a) the parcel on which Driscoll Studios is located and (b) the parcel on which Benildus Hall is located. Prior to construction or installation of any metering equipment or other utility facilities at the Property, Developer shall submit to the City a written request to proceed, which request shall set forth, for the City's approval, not to be unreasonably withheld, the name of Developer's contractor and the scope of work being performed.

1.2 **Pricing; Payment**.

(a) The price for the natural gas delivered to the Property shall initially be fixed at $12.78/MMBtu (the "**Gas Unit Price**"). On or before January 31st of each calendar year following the Effective Date, the City shall deliver to Developer written notice of its determination of the estimated

average Gas Unit Price for the current calendar year, which Gas Unit Price will be not less than 100% of the Gas Unit Price for the prior calendar year.

(b) Developer acknowledges that gas submeters have been installed on the natural gas lines serving the parcels commonly known as Shellaberger and Garson Studios. Within 3 business days after the Effective Date, Developer will email to the City a time-stamped photograph clearly depicting the current submeter reading for each of the submeters at Shellaberger and Garson Studios. Thereafter, within 15 days following the end of each calendar quarter during the Gas Utilization Period, Developer shall submit to the City (i) time-stamped photographs taken not more than 15 days prior to the date of Developer's submission that clearly depict the submeter reading for each of the submeters at Schellaberger, Garson Studios, Driscoll Studios and Benildus Hall, and (ii) payment, by check or other good funds made to the order of the City, in the amount of the Gas Unit Price multiplied by the total MMBtu used at the Property over the prior period (i.e., the difference between the current meter value set forth on the photographs provided therewith over the meter value shown on the photographs submitted with the immediately preceding payment (or the initial meter value, as applicable)). Any amounts not paid when due will accrue interest at rate of 1.5% per month.

1.3 **Gas Utilization Period; Disconnection.** Provided the Lease remains in effect and Developer is not in default thereunder, or, if the Lease is not in effect, that Developer is the fee owner of the Property, Developer shall have the right to use natural gas at the Property until the earlier of the seventh anniversary of the Effective Date or the date upon which the City ceases to use gas service at the property. (the "**Gas Utilization Period**"). Prior to the expiration of the Gas Utilization Period, Developer shall cause all natural gas use at the Property to be terminated and each of the natural gas lines at the Property to be disconnected from the City's connecting distribution lines.

2. ELECTRICAL SUPPLY.

2.1 **Use; Submetering.** Subject to the terms and conditions of this Agreement, Developer shall have the right, during the Electrical Use Period (as defined below), to use the electricity service available at the Property by connecting to the existing electrical utility lines thereon. Notwithstanding the foregoing, within 60 days after the Effective Date, as a condition to Developer's continued use of City-provided electricity at the Property, Developer shall install, or cause to be installed, an electrical submeter on the utility line providing electricity to (a) the parcel on which Driscoll Studios is located and (b) the parcel on which Benildus Hall is located. Prior to construction or installation of any metering equipment or other utility facilities at the Property, Developer shall submit to the City a written request to proceed, which request shall set forth, for the City's approval, not to be unreasonably withheld, the name of Developer's contractor and the scope of work being performed.

2.2 **Pricing; Payment**.

(a) The price for the electricity delivered to the Property shall initially be fixed at $0.11/kWh (the "**kWh Price**"). On or before January 31st of each calendar year following the Effective Date, the City shall deliver to Developer written notice of its determination of the estimated average kWh Price for the current calendar year, which kWh Price will be not less than 100% of the kWh Price for the prior calendar year.

(b) Developer acknowledges that electrical submeters have been installed on the transmission lines serving the parcels commonly known as Shellaberger and Garson Studios. Within 3 business days after the Effective Date, Developer will email to the City a time-stamped photograph clearly depicting the current submeter reading for each of the electrical submeters at Shellaberger and Garson Studios. Thereafter, within 15 days following the end of each calendar quarter during the Electricity Utilization Period, Developer shall submit to the City (i) time-stamped photographs taken not

more than 15 days prior to the date of Developer's submission that clearly depict the submeter reading for each of the submeters at Shellaberger, Garson Studios, Driscoll Studios, and Benildus Hall, and (ii) payment, by check or other good funds made to the order of the City, in the amount of the kWh Price multiplied by the total kWh of electricity used at the Property over the prior period (i.e., the difference between the current meter value set forth on the photographs provided therewith over the meter value shown on the photographs submitted with the immediately preceding payment (or the initial meter value, as applicable)). Any amounts not paid when due will accrue interest at rate of 1.5% per month.

2.3 **Electricity Utilization Period; Disconnection.** Provided the Lease remains in effect and Developer is not in default thereunder, or, if the Lease is not in effect, that Developer is the fee owner of the Property, Developer shall have the right to use the City-provided electricity serving the Property during the period beginning on the Effective Date and ending on the date 60 days after Developer's completion of the electrical transmission loop further described in the DDA (the "**Electricity Utilization Period**"). Prior to the expiration of the Electricity Utilization Period, Developer shall disconnect the Property's electrical distribution network from the City's transmission lines, and all existing buildings, new buildings, and structures constructed at the Property shall receive electrical service via the electrical transmission loop described in the DDA, excluding Benildus Hall which may remain on the City's transmission lines.

3. WATER SERVICE; METERING. Within 60 days after the Effective Date, (a) the City will cause the Water Division to terminate the City's account(s) at the Property, (b) Developer shall install a separate water meter on the water lines serving each of (i) the parcel on which Driscoll Studios is located and (ii) the parcel on which Benildus Hall is located. Following the City's termination of its water account at the Property, Developer shall establish a new billing account with the City's Water Division in Developer's name and shall thereafter be responsible for all costs and expenses relating to the water service at the Property. Prior to construction or installation of any metering equipment or other utility facilities at the Property, Developer shall submit to the City a written request to proceed, which request shall set forth, for the City's approval, not to be unreasonably withheld, the name of Developer's contractor and the scope of work being performed. Developer shall obtain water rights through the water rights transfer program or the water conservation credit program or through a combination of both.

4. TELECOMMUNICATIONS AND INTERNET. Developer is responsible for the installation of all required telecommunications and internet lines.

5. MAINTENANCE. Except with respect to any damage caused by the City, Developer shall be responsible for all maintenance, repair and replacement of the meters, submeters and utility lines or facilities located at the Property, up to and including the interconnections of the meters, submeters and utility lines or facilities at any points along the adjacent Property lines. Except with respect to any damage caused by Developer or its licensees or invitees, the City is responsible for all of the City's transmission facilities and equipment on the other side of the interconnection, provided that the City shall not be responsible for any of the foregoing to the extent the same are owned or operated by a third-party utility provider.

6. INDEMNITY. Developer shall indemnify, hold harmless and, if requested by the City (in the City's sole discretion), defend the City and its partners, employees, agents and representatives and each of their successors and assigns (together with the City, collectively, the "**City Indemnified Parties**"), from and against any and all damages, mechanics' liens, liabilities, losses, demands, actions, causes of action, claims, costs and expenses (including reasonable attorneys' fees) (collectively, "**Losses**") arising from Developer's or Developer's Representatives' construction, installation or use of the natural gas, electricity, water or other utilities on or with respect to the Property during the term of this Agreement; provided, that Developer shall not be required to indemnify the City for (i) any Losses arising out of the gross negligence or willful misconduct of any of the City's Indemnified Parties.

7. **INSURANCE.** Developer shall maintain, or cause to be maintained, at all times during the construction or installation of utility facilities or equipment at the Property, the insurance coverage required pursuant to the DDA and/or the Lease. Developer shall deliver proof of the insurance coverage required pursuant to this Agreement to the City (in the form of a certificate of insurance) prior to Developer (or any contractor) commencing work at the Property.

8. **TERMINATION.** This Agreement shall terminate upon the expiration or earlier termination of the Lease, unless as a result of Developer acquiring fee title to the Property. If not sooner terminated, this Agreement shall expire on the later of the expiration of the Gas Utilization Period and the Electricity Utilization Period, except that Sections 1.2, 2.2, 5, and 6 of this Agreement shall survive the termination hereof for a period of one year.

9. **NON-ASSIGNABILITY.** This Agreement may not be assigned without first obtaining the prior written approval of the non-assigning party.

10. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of New Mexico.

11. **NOTICES.** Any notices required by any provision of this Agreement shall be made in writing and delivered in the manner set forth in the DDA.

12. **COUNTERPARTS; ELECTRONIC/.PDF SIGNATURES.** This Agreement may be executed in any number of identical counterparts. This Agreement may be executed by electronic and/or .pdf signatures which shall be binding on the parties hereto, with original signatures to be delivered as soon as reasonably practical thereafter.

[signature page follows]

IN WITNESS WHEREOF, Developer and the City have caused this Agreement to be executed as of the Effective Date.

DEVELOPER:
ASPECT QOZB, LLC,
a Delaware limited liability company

By: _____
Name: Phillip Gesue
Title: Managing Member
Date: 10-24-2024

[City's signature page follows]

CITY:

CITY OF SANTA FE,
a municipal corporation and political subdivision of the State of New Mexico

_____
MAYOR

DATE:_____

ATTEST:

_____
CITY CLERK

CITY ATTORNEY'S OFFICE:

_____
ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

_____
FINANCE DIRECTOR

EXHIBIT K

FORM OF EDUCATIONAL USE COVENANTS

[attached]

Recording Requested By,
And When Recorded Return To:

CITY OF SANTA FE
200 LINCOLN AVENUE
SANTA FE, NM 87501
ATTN: ERIN MCSHERRY, CITY ATTORNEY

EDUCATIONAL USE COVENANT

THIS **EDUCATIONAL SPACE COVENANT** (this **"Covenant"**) is declared as of _____, 202__ (the **"Effective Date"**), by the CITY OF SANTA FE, a municipal corporation and political subdivision of the State of New Mexico (the "**City**").

RECITALS

A. The City owns the real property and improvements consisting of approximately 64 acres generally located within the block defined by Cerrillos Road, St. Michaels Drive, Llano Street, Siringo Road, and Camino Carlos Rey in the City of Santa Fe, County of Santa Fe, State of New Mexico (the "**Midtown Site**").

B. The City desires to create certain obligations and duties and to impose certain restrictions and covenants upon the portion of the Midtown Site legally described on Exhibit A (the "**Property**").

AGREEMENT

NOW, THEREFORE, the City hereby declares that the Property shall be held, conveyed, encumbered, leased, used, developed, occupied, altered, improved, and transferred subject to the terms and provisions set forth in this Covenant, and further declares as follows:

1. Defined Terms.

(a) "**Educator**" means any organization or establishment dedicated to providing formal instruction and learning experiences to individuals, through a college, university, academy, vocational, technical, business, professional school or other center of learning.

1. "**FP Educator**" means an Educator having its principal operation in New Mexico that exclusively offers an FP Program in such Educator's then current curriculum, such as, but not limited to, organizations such as Stagecoach Foundation or Santa Fe Community College.

(b) "**FP Program**" means a filmmaking, film production and or television provision training program, which includes classroom training and access to additional multimedia and filmmaking and film production space for practical training opportunities, with a curriculum based on best industry practices and then current technology.

(c) "**General Educator**" means an Educator that offers a General Program in such Educator's then current curriculum.

(d) "**General Program**" means a general training and educational program, which may include classroom and practical training, for the advancement of skills in a variety of industries.

2. Educational Use Covenants.

(a) During the period commencing on the Effective Date and continuing in perpetuity thereafter (the "**Term**"), any owner of fee title interest in the Property (each, an "**Owner**") shall, or shall cause any tenant or other occupant of the Property, to make available at least 2,000 square feet of office, classroom, studio and/or workspace (the "**Education Space**"), at no charge, to one or more FP Educators for an FP Program each academic year; provided, however, if no FP Educator exists in New Mexico that is willing to provide an FP Program in the Education Space, Owner shall, or shall cause any tenant or other occupant of the Property, to make the Education Space available to a General Educator.

(b) Owner shall, or shall cause any tenant or other occupant of the Property to use its best efforts to ensure that each FP Educator (or General Educator, if applicable) utilizing the Education Space:

(i) makes such FP Program (or General Program, if applicable) available to the residents of Santa Fe, New Mexico;

(ii) conducts commercially reasonable outreach and recruitment efforts to the surrounding communities, community organizations, including to residents of Santa Fe, and outreach to community-based partners selected by the City to provide outreach to the community, or other stakeholders as identified by the City;

(iii) efficiently utilizes the Education Space to accommodate the maximum number of students for the applicable FP Program or General Program, subject to Applicable Rules; and

(iv) operates an FP Program (or General Program, if applicable) in the Education Space for at least 50 credit hours in each academic year.

(c) To the extent the Property is owned or occupied by multiple Owners, the obligations of this Section 2 shall be deemed satisfied for the entire Property so long as one Owner is in compliance with this Covenant.

3. Fee in Lieu. Notwithstanding the foregoing, any Owner may satisfy this Covenant by remitting to the City a fee ("**Fee in Lieu**") in the amount of $1,500,000, increased as of the payment date of such Fee in Lieu by the percentage increase in the Consumer Price Index from the Effective Date to the date such payment. "**Consumer Price Index**" means the Consumer Price Index for All Urban Consumers for the West Region for all Items (1982-1984= 100) as published by the United States Department of Labor, Bureau of Labor Statistics. If the manner in which the Consumer Price Index is determined by the Bureau of Labor Statistics shall be substantially revised (including a change in the base index year), an adjustment shall be made by the City Manager in

such revised index that produces results equivalent, as nearly as possible, to those which would have been obtained if the Consumer Price Index had not been so revised. If the Consumer Price Index is discontinued, then "Consumer Price Index" shall mean an index chosen by City Manager which is, in City Manager's reasonable judgment, comparable to the index specified above. Upon payment in full of the Fee in Lieu to the City, this Covenant shall terminate and be of no further force or effect.

4. Compliance with Laws. Any Owner, tenant or other occupant of the Property shall carry out the operation of the Property in conformity with the then-current versions of the following: (a) the Santa Fe City Code of 1987, as amended from time-to-time, (b) the Midtown Master Plan, as adopted on November 30, 2022 pursuant to Resolution No. 2022-68, (c) the Midtown Community Development Plan, as adopted on January 25, 2023 pursuant to Resolution No. 2023-5, (d) the Midtown Local Innovation Corridor District, as adopted on October 26, 2016 pursuant to Ordinance No. 2016-39, (e) any other City-approved development plans and entitlements for the Property, and (f) any and all applicable local, state and federal laws, rules and regulations affecting the Property or otherwise applicable to the parties (collectively, with the provisions of this Covenant, the "**Applicable Rules**").

5. Indemnity. Any Owner shall indemnify, defend and hold harmless the City (including the governing body of the City), the metropolitan redevelopment agency for the Midtown Site, and each of their respective officials, officers, employees, agents, representatives and volunteers (collectively, including the City, the "**City Parties**"), from and against any and all liabilities, claims, demands, damages, expenses, fees (including attorneys' fees), fines, penalties, suits, proceedings, actions and causes of action of any and every kind or nature arising from the acts or omission of or the breach of this Covenant, including any violation of Applicable Rules, by any Owner, any of such Owner's officers, employees, agents, representatives, contractors, or any FP Educator.

6. Remedies. The City shall have all remedies available at law or equity to enforce this Covenant against an Owner that is violating such Covenant, provided that the City agrees not to exercise such remedies so long as such Owner commences and diligently proceeds to cure such violation within 30 days following written notice of violation from the City to such Owner, and cures such violation within 90 days thereafter. In the event it becomes necessary for the City to enforce any of the terms and provisions of this Covenant, whether or not suit be instituted, Owner shall pay all of the City's costs and expenses incurred by the City in connection with the City's enforcement of this Covenant, including, but not limited to, reasonable attorneys' fees.

7. Miscellaneous.

(a) Entire Agreement. This Covenant contains the entire declaration of Declarant with respect to the subject matter hereof, and may not be amended or modified except by an instrument executed in writing and signed by the Declarant hereto.

(b) Counterparts. This Covenant may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(c) Governing Law. This Covenant shall be governed by and construed in accordance with the laws of the State of New Mexico without regard to the conflicts of laws principles thereof.

(d) Successors and Assigns. This Covenant shall be binding upon and inure to the benefit of the City, and all rights and responsibilities set forth in this Covenant shall be appurtenant to the Property. Any party acquiring title or an interest in the Property shall acquire and hold the title to the Property subject to the conditions and restrictions declared in this Covenant and all amendments thereto. Nothing in this Covenant shall be construed as preventing any Owner from dedicating additional space to a FP Educator or imposing additional restrictions on the Property; provided, however, that such additional restrictions may not interfere with the rights of the City hereunder.

(e) Severability. If any provision of this Covenant as applied to a particular circumstance shall be adjudicated as or otherwise become invalid or unenforceable, the remainder of this Covenant shall not be affected thereby, and each provision of this Covenant, unless specifically conditioned upon such invalid or unenforceable provision, shall be valid and enforceable to the fullest extent permitted by law.

(f) New Mexico Tort Claims Act. The City's liability in connection with the Covenant is limited by the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et seq. NMSA 1978, as amended. The City and its "public employees", as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense, and do not waive any limitation of liability pursuant to law. No provision of this Covenant modifies or waives any provision of the New Mexico Tort Claims Act.

(g) Notice. All notices or other communications required or permitted to be sent to Declarant hereunder shall be in writing, and shall be delivered to the address below by (i) personal delivery (including by means of professional messenger service); (ii) nationally recognized overnight courier; (iii) registered or certified mail, postage prepaid, return receipt requested; (iv) electronic mail, or electronic transmission of a pdf document followed by delivery of a hard copy through on of the methods described in (i) through (iii) above, and shall be deemed received upon the date of receipt thereof.

To the City:

City of Santa Fe
Attention: [_____]
[_____]
[_____]
Santa Fe, NM [_____]
Telephone No.: [_____]
Email: [_____]

with a copy to:

Midtown Redevelopment Agency
Attention: [_____]
[_____]
[_____]

Santa Fe, NM [_____]
Telephone No.: [_____]
Email: [_____]

[Signature Pages Immediately Follow]

IN WITNESS WHEREOF, Declarant has caused this Educational Use Covenant to be executed as of the date first above written.

Date of City of Santa Fe Governing Body
Approval: _____, 20__

CITY/DECLARANT:

CITY OF SANTA FE,
a municipal corporation and political subdivision of the State of New Mexico

By: _____

City Manager

APPROVED AS TO FORM:

By: _____

City Attorney

ATTEST:

By: _____

City Clerk

STATE OF NEW MEXICO }
} ss.
COUNTY OF SANTA FE }

This instrument was acknowledged before me on _____, 20__ by _____ as _____ of City of Santa Fe, a municipal corporation and political subdivision of the State of New Mexico.

(Seal, if any)

_____
(Signature of Notarial Officer)

[*Signatures and acknowledgements continue on the following page*]

Exhibit A

The Property

[To be attached]

EXHIBIT L

FORM OF ASSIGNMENT OF PLANS

ASSIGNMENT OF PLANS, SPECIFICATIONS AND CONTRACTS

(MIDTOWN – CITY OF SANTA FE)

THIS ASSIGNMENT OF PLANS, SPECIFICATIONS AND CONTRACTS (this "**Assignment**") is made as of _____, ___ 20__, by and between by and between [_____], a [_____] ("**Assignor**"), and the CITY OF SANTA FE, a municipal corporation and political subdivision of the State of New Mexico ("**Assignee**").

RECITALS

A. Assignor and Assignee entered into that certain Development and Disposition Agreement dated [_____] (as amended, the "**Development Agreement**"), whereby Assignee agreed to sell and Assignor agreed to purchase all of the Assignor's right, title and interest in and to certain real property located in the City of Santa Fe, New Mexico, as more particularly described on Exhibit A attached hereto (the "**Property**"). Capitalized terms used but not defined herein shall have the meaning given to such terms in the Development Agreement.

B. In connection with the foregoing transaction, Assignor agreed to pursue the completion of certain improvement plans, site plans, specifications, architectural drawings, renderings, plans, plats, agreements, contracts, permits, certificates, entitlements and approvals, reports, assessments, studies, and surveys relating to Assignor's development and construction at the Property (except to the extent excluded pursuant to Section 3 below, the "**Plans and Specifications**").

C. In connection with the completion of the Plans and Specifications, Assignor has engaged or intends to enter into one or more agreements (the "**Plan Consultant Contracts**" and, collectively with the Plans and Specifications, the "**Plan Documents**") with various consultants that will perform services or provide documents, materials or other information related to the Plans and Specifications.

D. In order to secure Assignor's obligations under the Development Agreement, Assignor now desires to enter into this Assignment to assign and convey to Assignee its right, title and interest in and to the Plans and Specifications on the Assignment Date and certain Plan Consultant Contracts concurrently therewith or thereafter, and Assignee desires to accept this Assignment on the terms and conditions set forth herein.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt whereof is hereby acknowledged, the parties agree as follows:

1. Incorporation of Recitals. The Recitals set forth above are hereby incorporated into this Assignment as if fully set forth herein.

2. **Assignment Date**. This Assignment shall become immediately effective upon the termination of the Development Agreement for any reason other than in connection with Assignor's acquisition of the Property (the "**Assignment Date**").

3. **Assignment of Plans and Specifications**. As of the Assignment Date, without further action by either party hereto, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby transfers and assigns to Assignee all of Assignor's right, title, and interest in and to the Plans and Specifications, and Assignee hereby assumes all of Assignor's right, title and interest in and to the Plans and Specifications, except that Assignor shall remain liable for all claims, expenses, costs, obligations or other liabilities with respect to the Plans and Specifications arising out of or with respect to events occurring prior to the Assignment Date. On or before the Assignment Date, Assignor shall amend Schedule 1 attached hereto in order to include all professional services and Plan Consultant Contracts entered into on or prior to such date. The Plans and Specifications assigned hereunder shall exclude (a) any attorney-client work product or similar proprietary information of Assignor, (b) any specifications, architectural drawings, renderings, plans, plats, agreements, contracts, or portions thereof, for the design or construction of improvements not located on the Property (i.e., the Shellaberger Tennis Complex), and (c) any environmental studies, analysis or reports.

4. **Assignment of Plan Consultant Contracts**. Assignor shall, upon written notice from Assignee on or within 10 days following the Assignment Date, assign and transfer to Assignee, all of Assignor's right, title, and interest in and to such Plan Consultant Contracts specified by Assignee in its written notice, and Assignee shall assume all of Assignor's rights and obligations under such Plan Consultant Contracts, except for those claims, expenses, costs, obligations or other liabilities arising out of or with respect to events occurring prior to the Assignment Date.

5. **Representations, Warranties and Covenants**. Assignor represents and warrants to Assignee that Assignor has the right to assign to Assignee each of the Plan Documents, and that Assignor has obtained or will obtain all necessary consents or other documentation required, if any, for the assignment of the Plan Documents. Assignor agrees that Assignor will pay in full all costs and fees accrued in connection with the Plan Documents as of the Assignment Date. Assignor shall not be responsible for the costs associated with the Plan Documents for work performed following the Assignment Date. Except as set forth in this Agreement, Assignor makes no representation or warranty with respect to the Plan Documents of any nature whatsoever.

6. **Consent of Counterparties.** Upon Assignee's request, Assignor shall use commercially reasonable efforts to obtain the consent of the counterparty to each of the Plan Documents to the extent consent is required in order for Assignee to exercise its rights hereunder.

7. **Further Assurances.** At any time and from time to time, upon the written request of Assignee, at Assignee's sole expense, Assignor will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as Assignee may reasonably deem necessary in obtaining the full benefits of this Agreement and of the rights and powers herein granted.

8. General Provisions.

8.1. Successors and Assigns. The Assignment shall be binding on and inure to the benefit of the parties hereto and to their respective heirs, executors, administrators, successors-in-interest and assigns.

8.2. Severability. If any one or more of the provisions contained in this Assignment shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Assignment, but this Assignment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

8.3. Recitals and Schedules Incorporated. The recitals set forth above and the schedule attached hereto are hereby incorporated into this Assignment as if set forth herein.

8.4. Counterparts. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument, and either of the parties hereto may execute this Assignment by signing any such counterpart. This Assignment may be executed and delivered by facsimile or by electronic mail in portable document format (.pdf) or similar means and delivery of the signature page by such method will be deemed to have the same effect as if the original signature had been delivered to the other party.

8.5. Governing Law. This Assignment and any claims related to or arising out of this Assignment shall be governed by and construed in accordance with the laws of the State of New Mexico.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the Effective Date.

ASSIGNOR:
ASPECT QOZB, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

Date: _____

[Assignee's signature page follows]

CITY:

CITY OF SANTA FE,
a municipal corporation and political subdivision of the State of New Mexico

_____
CITY MANAGER

DATE:_____

ATTEST:

_____
CITY CLERK

CITY ATTORNEY'S OFFICE:

_____
ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

_____
FINANCE DIRECTOR

Exhibit A

to

Assignment of Plans, Specifications and Contracts

LEGAL DESCRIPTION

[to be inserted]

Schedule 1

to

Assignment of Plans, Specifications and Contracts

LIST OF ASSIGNOR'S PLANS

1. [to be provided]

EXHIBIT M

FORM OF REPORT

[attached]

Phase 1 Quarterly Construction Report				
Effective Date of DDA			Date of Report Time Period Covered	
		Date Complete or Anticipated	Summary of Progress & Obstacles Encountered	List of Supporting Documents
Phase 1- Component 1				
Name of Component				
Submit Concept Plans	NA			
Submit Design Plans	All components submitted 120 days after Lease Commencement Date. (5.2.2)			
Date of MRA-Approved Component Design Plans				
Submit Building Permit	30 days from Phase 1 MRA-Approved Component Design Plans (5.2.7)			
Obtain Development Approvals				
Building Permit				
Development Plan/Zoning Review				
Other (please name)				
Other (please name)				
Commence Construction	45 days after Developer receives its building permit and zoning approval for component (5.2.8)			
Complete Construction	12 months after Phase 1 Commencement Date. (5.2.9)			

Exhibit M: Report Template (may be amended by City)

Phase 1 Quarterly Construction Report				
Effective Date of DDA			Date of Report Time Period Covered	
		Date Complete or Anticipated	Summary of Progress & Obstacles Encountered	List of Supporting Documents
Phase 1- Component 2				
Name of Component				
Submit Concept Plans	NA			
Submit Design Plans	All components submitted 120 days after Lease Commencement Date. (5.2.2)			
Date of MRA-Approved Component Design Plans				
Submit Building Permit	30 days from Phase 1 MRA-Approved Component Design Plans (5.2.7)			
Obtain Development Approvals				
Building Permit				
Development Plan/Zoning Review				
Other (please name)				
Other (please name)				
Commence Construction	45 days after Developer receives its building permit and zoning approval for said component (5.2.8)			
Complete Construction	12 months after Phase 1 Commencement Date. (5.2.9)			

Phase 1 Quarterly Construction Report				
Effective Date of DDA			Date of Report Time Period Covered	
		Date Complete or Anticipated	Summary of Progress & Obstacles Encountered	List of Supporting Documents
	Phase 1- Component 3			
Name of Component				
Submit Concept Plans	NA			
Submit Design Plans	All components submitted 120 days after Lease Commencement Date. (5.2.2)			
Date of MRA-Approved Component Design Plans				
Submit Building Permit	30 days from Phase 1 MRA-Approved Component Design Plans (5.2.7)			
Obtain Development Approvals				
Building Permit				
Development Plan/Zoning Review				
Other (please name)				
Other (please name)				
Commence Construction	45 days after Developer receives its building permit and zoning approval for said component (5.2.8)			
Complete Construction	12 months after Phase 1 Commencement Date. (5.2.9)			

Phase 1 Quarterly Construction Report				
Effective Date of DDA			Date of Report Time Period Covered	
		Date Complete or Anticipated	Summary of Progress & Obstacles Encountered	List of Supporting Documents
	Phase 1- Component 4			
Name of Component				
Submit Concept Plans	NA			
Submit Design Plans	All components submitted 120 days after Lease Commencement Date. (5.2.2)			
Date of MRA-Approved Component Design Plans				
Submit Building Permit	30 days from Phase 1 MRA-Approved Component Design Plans (5.2.7)			
Obtain Development Approvals				
Building Permit				
Development Plan/Zoning Review				
Other (please name)				
Other (please name)				
Commence Construction	45 days after Developer receives its building permit and zoning approval for said component (5.2.8)			
Construction Completion	12 months after Phase 1 Commencement Date. (5.2.9)			
	Closing			
Delivery of Closing Conditions	90 days from Construction Completion (10.2)			

Phase 2 Quarterly Construction Report				
Effective Date of DDA			Date of Report Time Period Covered	
		Date Complete or Anticipated	Summary of Progress & Obstacles Encountered	List of Supporting Documents
Phase 2				
Name of Component				
Submit Concept Plans	9 months after the Lease Commencement Date (5.3.1)			
Submit Design Plans	12 months from Lease Commencement Date (5.4.2)			
Date of MRA-Approved Design Plans				
Submit Building Permit	4 months after receipt of the Phase 2 MRA-Approved Design Plans (5.3.7)			
Obtain Development Approvals				
Building Permit				
Development Plan/Zoning Review				
Other (please name)				
Other (please name)				
Commence Construction	45 days after Developer receives its building permit and zoning approval (5.3.8)			
Construction Completion	18 months after Phase 2 Commencement Date (5.3.9)			
Delivery of Closing Conditions	90 days from Construction Completion (10.3)			

Phase 3 Quarterly Construction Report				
Effective Date of DDA			Date of Report Time Period Covered	
		Date Complete or Anticipated	Summary of Progress & Obstacles Encountered	List of Supporting Documents
Phase 3				
Name of Component				
Submit Concept Plans	27 months after the Lease Commencement Date (5.4.1)			
Submit Design Plans	33 months of the Lease Commencement Date (5.4.2)			
Date of MRA-Approved Design Plans				
Submit Building Permit	4 months after receipt of the Phase 3 MRA-Approved Design Plans (5.4.7)			
Obtain Development Approvals				
Building Permit				
Development Plan/Zoning Review				
Other (please name)				
Other (please name)				
Commence Construction	45 days after Developer receives its building permit and zoning approval (5.4.8)			
Construction Completion	18 months after the Phase 3 Commencement Date (5.4.9)			
Delivery of Closing Conditions	90 days from Construction Completion (10.4)			

Annual Program Report			
Effective Date of DDA		**Date of Report**	
		Time Period Covered	
11.2 Economic Impact		**Explain any variance from DDA Requirements**	**Supporting Documentation**
	State the Annual Production Spend for Previous Year		
11.3 Job Postings		**Explain any variance from DDA Requirements**	**Supporting Documentation**
	List of job postings circulated during the prior year per the DDA		
11.4 Commercial Use Requirement		**Explain any variance from DDA Requirements**	**Supporting Documentation**
	Screen Tenant:		
	Months in Public Operation:		
	Notes:		
	Driscoll Restaurant Tenant:		
	Months in Public Operation:		
	Notes:		

11.5 Film Internship Requirements.	Explain any variance from DDA Requirements	Supporting Documentation
List the Internships provided, (first initial/last name, length of time, total number of hours)		

11.6 Cultural Elements	Explain any variance from DDA Requirements	Supporting Documentation
List the events and activities held that meet the Cultural Element Requirement		

11.7 Dedication of Educational Space	Explain any variance from DDA Requirements	Supporting Documentation
List the educational programs, users, and number of attendees that utilized the educational space		

EXHIBIT N

REQUIRED USES

Tract F-1b, G-1, I-1a, I-1b and L-1a:

Table 5.5.A Allowed Uses	MU-F
Industrial	
Light assembly and manufacturing	P

Tract F-1b:

Table 5.5.A Allowed Uses	MU-F
Food and Beverage	
Restaurant – full service, with or without incidental alcohol service [1]	P

Tract F-1a:

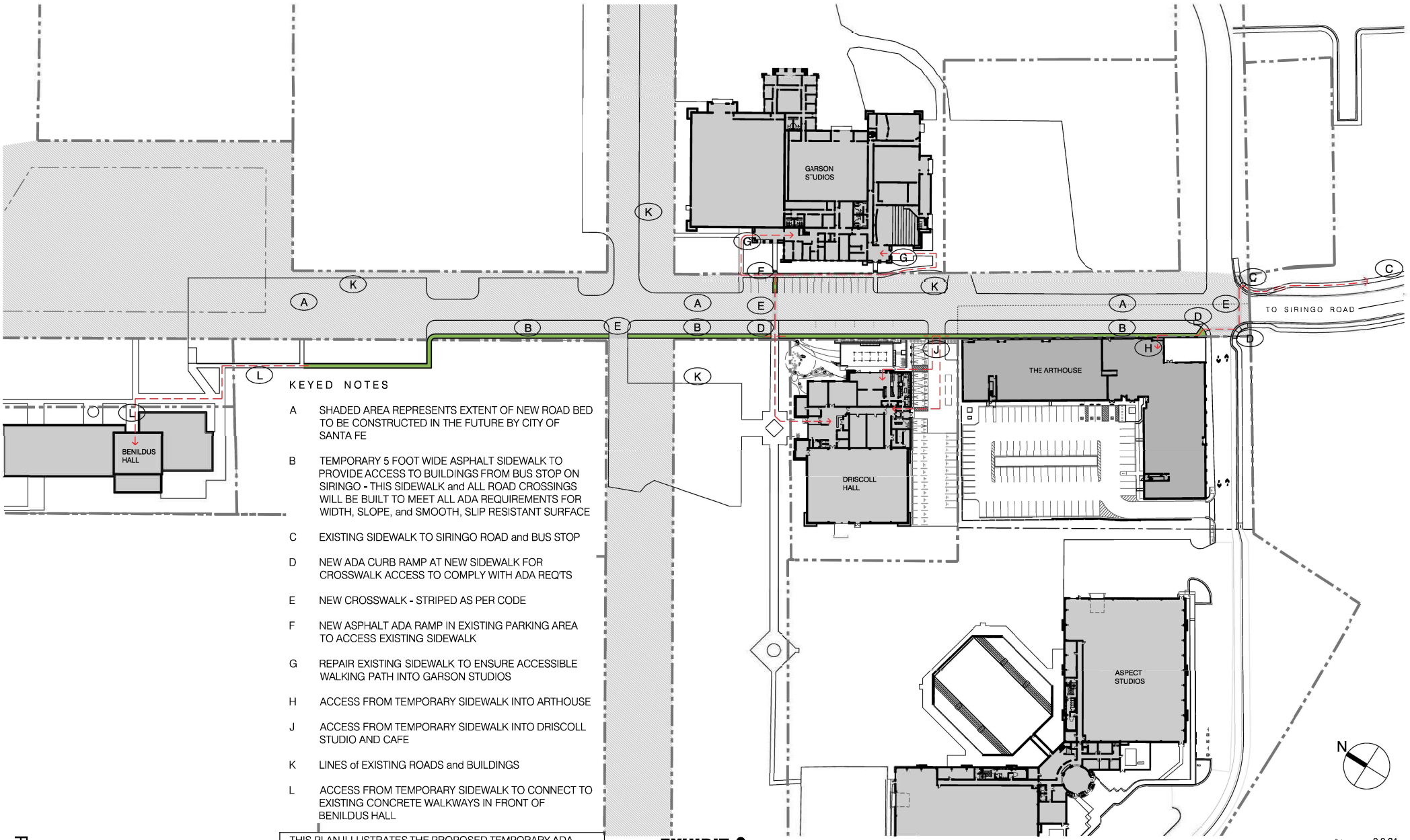
Table 5.5.A Allowed Uses	
Residential	
Household Living	
Dwelling, multiple-family	P

[1] Not to exceed 5,000 square feet of gross floor area

EXHIBIT O

PHASING DEPICTION

[to be attached]



KEYED NOTES

A SHADED AREA REPRESENTS EXTENT OF NEW ROAD BED TO BE CONSTRUCTED IN THE FUTURE BY CITY OF SANTA FE

B TEMPORARY 5 FOOT WIDE ASPHALT SIDEWALK TO PROVIDE ACCESS TO BUILDINGS FROM BUS STOP ON SIRINGO - THIS SIDEWALK and ALL ROAD CROSSINGS WILL BE BUILT TO MEET ALL ADA REQUIREMENTS FOR WIDTH, SLOPE, and SMOOTH, SLIP RESISTANT SURFACE

C EXISTING SIDEWALK TO SIRINGO ROAD and BUS STOP

D NEW ADA CURB RAMP AT NEW SIDEWALK FOR CROSSWALK ACCESS TO COMPLY WITH ADA REQ'TS

E NEW CROSSWALK - STRIPED AS PER CODE

F NEW ASPHALT ADA RAMP IN EXISTING PARKING AREA TO ACCESS EXISTING SIDEWALK

G REPAIR EXISTING SIDEWALK TO ENSURE ACCESSIBLE WALKING PATH INTO GARSON STUDIOS

H ACCESS FROM TEMPORARY SIDEWALK INTO ARTHOUSE

J ACCESS FROM TEMPORARY SIDEWALK INTO DRISCOLL STUDIO AND CAFE

K LINES of EXISTING ROADS and BUILDINGS

L ACCESS FROM TEMPORARY SIDEWALK TO CONNECT TO EXISTING CONCRETE WALKWAYS IN FRONT OF BENILDUS HALL

THIS PLAN ILLUSTRATES THE PROPOSED TEMPORARY ADA AND PEDESTRIAN EGRESS FOR USE AFTER COMPLETION OF THE ARTHOUSE, DRISCOLL HALL, GARSON STUDIOS, and BENILDUS HALL, AND BEFORE THE COMPLETION OF SHADED ROADWAY BY THE CITY OF SANTA FE.

PLAN A ARCHITECTURE
505-820-1460

EXHIBIT 0

MIDTOWN DISTRICT
Santa Fe, New Mexico

Date: 9-9-24
Scale: 1 : 200

TEMPORARY ADA and PEDESTRIAN EGRESS PLAN

FIR No. 10627

FISCAL IMPACT REPORT

General Information:

(Check) **Bill:** X **Resolution:** _____

Short Title(s): Approval of Midtown Studios Development and Disposition

Sponsor(s): Mayor Alan Webber

Reviewing Department(s): City Attorney's Office, Metropolitan Redevelopment Agency, Public Works

Staff Completing FIR: Pat Feghali **Date:** 9/23/24 **Phone:** 505-955-6501

Reviewed by City Attorney: _____ **Date:** Oct 25, 2024

Reviewed by Finance Director: Emily K. Oster **Date:** Oct 25, 2024

Summary:
The City of Santa Fe ("City") and Midtown Santa Fe Productions QOF, LLC ("Offeror") entered into an Exclusive Negotiation Agreement on August 4, 2023 in order to agree to a plan for Offeror to improve and purchase certain parcels of the Midtown Site, located at 1600 St Michaels Drive ("Property"). The City and ASPECT QOZB, LLC ("Purchaser"), successor to Offeror, are now entering into a Development and Disposition Agreement for the Property.

NMSA 1987, Section 3-54-1 requires that the City approve the sale of City-owned property with an Ordinance. This Bill is created to comply with that statute.

Departments Affected:
Community Development Department (MRA), Public Works Department

Consequences of Not Enacting Legislation:
If this legislation is not adopted, the Development and Disposition Agreement cannot move forward, and the City would need to identify a new process for developing the affected parcels at Midtown

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
Related to Resolution 2022-68, Midtown Master Plan Approval; and Resolution 2023-5, Midtown Community Development Plan Approval

Performance and Administrative Implications:
This Sale will transfer up to seven parcels from City ownership to private ownership.

Fiscal Implications:
The Developer will pay $5 million over the course of this sale, in four installments, assuming the Developer completes all three phases. The first should be in FY 2025, and the last in FY 2031.

Fiscal Impact

_____ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2025	FYE 2026	FYE 2027	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$ 0	$ 0	$ 0				$

Expenditure Narrative:

Revenue

Revenue Type	FYE 2025	FYE 2026	FYE 2027	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$1,000,000	$	$2,250,000	NR	
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

The revenue from these sales is due to take place in four installments, for a total of $5,000,000, if all phases of the project are complete:

- $1,000,000 is due to the City at the Effective Date of the Development and Disposition Agreement, which should be in FY 2025.
- $2,250,000 is due at the end of Phase 1, which should be in FY 2027.
- $1,250,000 is due at the end of Phase 2, which should be FY 2029.
- $500,000 is due at the end of Phase 3, which should be FY 2031.

Signature: Daniel Hernandez
Daniel Hernandez (Oct 25, 2024 16:50 MDT)

Email: dahernandez@santafenm.gov

Signature:

Email: rrandall@santafenm.gov

Date: October 23, 2024

To: Governing Body, Public Works and Utilities Committee, Quality of Life Committee, Finance Committee, and Economic Development Advisory Committee

From: Daniel Hernandez, Metropolitan Redevelopment Agency Director

Via: Randy Randall, Interim Community Development Director

Subject: **Lease Summary in connection with the Disposition and Development Agreement (DDA) by and between the City of Santa Fe and Aspect QOZB, LLC**

A summary of terms provided in the Lease Agreement by and between the City of Santa Fe ("City") and Aspect QOZB, LLC ("Developer") are outlined below:

Lease Term

- The Lease becomes effective on the date that the approved DDA goes into effect, which will be 45 days after the Ordinance is approved, unless a referendum is held. If a referendum is held and a majority of voters vote to approve the Ordinance, the effective date shall be the date the election results are certified. If a referendum is held and a majority of voters vote to disapprove the Ordinance, the Ordinance shall not be effective, and the Lease will not start.
- This Lease expires 10 years following the Lease Commencement Date ("Term").
- If the Developer elects to acquire the portion of property associated with any Phase upon completion of an applicable Phase pursuant to the terms of the DDA, then upon the closing of the conveyance of such Phase, the Lease terminates with respect to such portion of property that has been conveyed to the Developer.
- The Lease terminates in its entirety upon the earlier of (a) the expiration of the Term, (b) Developer's default under the terms of the DDA or the Lease, (c) upon the City's conveyance of all of the Property to Developer pursuant to the terms of the DDA, or (d) Developer's termination of the DDA as permitted under the DDA.

Lease Payments

- Developer is required to pay to the City the total base rent of $300,000.00 during the 10-year term of the Lease, payable in annual installments of $30,000.00.

If Developer fails to pay Rent when due exceeding notice and cure periods, then interest accrues at the rate of 18% per year on the amount due and unpaid, compounded monthly, so long as the amount remains unpaid.

Triple Net Lease

The Lease is a triple net lease, meaning that Developer will pay rent, utilities, and all operating expenses for the Property.

- The Lease is made on an “as is, where is” condition of property basis, and the City is not responsible for any repairs or maintenance of the Property.

Date: October 23, 2024

To: Governing Body, Public Works and Utilities Committee, Quality of Life Committee, Finance Committee, and Economic Development Advisory Committee

From: Daniel Hernandez, Metropolitan Redevelopment Agency Director

Via: Randy Randall, Interim Community Development Director

Subject: **Purchase Price Consideration for the Disposition and Development Agreement (DDA) by and between the City of Santa Fe and Aspect QOZB, LLC**

Pursuant to State statute, Section 3-54-1(B), NMSA 1978, when a municipality elects to sell real property, an appraisal is required to be submitted in writing to the governing body. In this case there were two appraisals that are included in this packet and are summarized here:

- Pursuant to an appraisal of the Property (as defined in the DDA) prepared for the City by Hippauf Dry & Connelly with an effective date of valuation as of November 15, 2023, the value of the fee interest in the Property is approximately $11,400,000 exclusive of (i) the cost to construct the public infrastructure, (ii) the value of the community development benefits, and (iii) the contractual obligations and risk of recourse set forth in this Agreement. Pursuant to an appraisal of the Property prepared for QOF by CB Richard Ellis on February 23, 2024, the value of the fee interest in the Property was determined to be approximately $4,800,000, exclusive of (i) the value of the community development benefits, (ii) the contractual obligations and risk of recourse set forth in this Agreement, and (iii) the costs and risk of entitlement.

The State statute also requires that, if a sale price that is less than the appraised value, the governing body shall cause a must have a detailed written explanation of that difference, to be prepared, which written explanation is hereby included in the legislative packet provided in connection with the public hearing for review of the DDA.

In this case, the City issued a competitive Request for Proposals that required proposals for developing the property and offering community benefits, in addition to payment for the Property. The current Purchaser is a successor in interest to the winning Offeror of the RFP and the resulting agreement requires development and community benefits, in addition to $5,000,000. Thus, the payment alone exceeds the value of one appraisal. City staff have also determined that the Agreement's required payments, Property development, and community benefits exceed the higher appraised value of the Property and that the disposition is in the best interests of the City.

PRICE CONSIDERATION ANALYSIS	*Real Property *(City's appraisal)*	$11,400,000
Midtown Production Studios	Personal Property *(est.)*	$25,000
	TOTAL	**$11,425,000**
Aspect Studios DDA		
Purchase Price		$5,000,000
Lease Payments	$30,000/year x 10 years	$300,000
Economic:		
Income: commitment for studio production direct NM expenditures: $150M	Based on formula in previous LEDA deals= $1M for every $50M in production spend	$3,000,000
Education: 2,000 sq. ft. of space restricted in perpetuity	2,000 x $18 (class B rents) x 20yrs	$720,000
Internships: 20 interns/yr x 20 yrs	$3000/intern/year (6wks; 40 hrs; $20/hr; 1.25 for employment costs; X.5)	$1,200,000
Equity:		
Affordable Housing: 99-150 housing units= 15-23 Affordable Housing Units	NA: Proforma provides adequate return	
Culture:		
Operation of Screen and Community Programming	$1,000/event X12 events X20 years	$240,000
Environment:		
Solar requirement/disconnecting from Gas	None: Economic Benefit in long term	
EV Charging Stations- 3 level 3+ 2 level 2	$50,000/ Level 3 + Public Use ($2,000/yr; 20 yrs)	$240,000
Other DDA Requirements		

Master Infrastructure - PNM Loop	Not included: estimate based on Essential Utilites, Inc dated 08-2023	
Contractual Risk/Obligation To Act	15% of value	$1,710,000
	TOTAL	**$12,410,000**
	Above / (Below) appraised value	$985,000

**Hippauf Dry & Connelly, Effective Date of Valuation: Nov-15-2023, page 107*

ATTACHMENTS:

November 15, 2023 Appraisal

February 23, 2024 Appraisal

CBRE VALUATION & ADVISORY SERVICES

APPRAISAL REPORT

SANTA FE COLLEGE OF ARTS (PORTION OF)
1600 ST MICHAELS DR
SANTA FE, NEW MEXICO 87505
CBRE FILE NO. CB23US105690-1

CLIENT: MIDTOWN SANTA FE PRODUCTIONS QOF, LLC

CBRE

CBRE

6100 Uptown Boulevard NE, Suite 300
Albuquerque, NM 87110

T (505) 837-4999
F (505) 837-4994

www.cbre.com

Date of Report: February 23, 2024

Mr. Phillip Gesue

MIDTOWN SANTA FE PRODUCTIONS QOF, LLC
1 Worth St
New York, New York 10013

RE: Appraisal of: Santa Fe College of Arts (portion of)
1600 St Michaels Dr
Santa Fe, Santa Fe County, New Mexico 87505
CBRE, Inc. File No. CB23US105690-1

Dear Mr. Gesue:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject consists of a portion of a former college campus, St. Michael's College, with roughly 500,000 square feet in numerous buildings, built from the 1850s through 2005, situated on a 64 acre site. The Santa Fe University of Art and Design vacated the property in 2018.

Since 2020, the City of Santa Fe has initiated large-scale redevelopment plans for the subject property and film studio production began in earnest with most useable buildings leased with annual terms for film productions. In March of 2022, the adjacent 8.6-acre Shellaberger Tennis Center was purchased for $6.7 million by PE Real Estate. In late 2022, the community issued an RFP for redevelopment, and in 2023 the Midtown Santa Fe plan was adopted, including planned uses such as affordable housing, arts, and film on the campus.

In March of 2023, PE Real Estate Holdings, which had previously purchased the Shellaberger property, submitted a proposal for redevelopment and expansion of the subject property as a "Studio Village." This included a purchase offer to the City of Santa Fe for $6,500,000, and included the buildings of Benildus Hall, Driscoll Fitness Center, and Garson Studio Complex, and Alumni Hall Special Events Center.

Subsequent negotiations have resulted in an alteration of the real property to be included. This analysis considers the Benildus Hall Classroom Building, 27,277 square feet, the Driscoll Fitness Center, 22,200 square feet, and the Garson Studio Complex, 49,200 square feet. The Alumni Hall is excluded. We were provided with preliminary site plans showing the land to be included

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at roughly 11.83 acres attributed to these three buildings. This is a low land-to-building ratio for the property type, indicating some land potentially available for future expansion or for additional parking. There is an additional building on the site, Onate Hall, which has no contributory value, and will be razed for future development. The parcels are indicated as Lots 4 (Benildus), 9 (Garson Complex), 11 (adjacent to Garson), 10 (Driscoll), 8 (adjacent to Driscoll) and 12 (vacant land) on the Midtown Site Layout provided by Wilson and Company.

There were no tenants or leases in place. For this reason, we have valued the property in Fee Simple Estate, developing an opinion of value based on market sales, as well as our pro forma development of market rent and income. Each of the buildings was inspected by Wilson and Co. engineering firm in January, 2023, with a total of over $5.7 Million in noted deferred maintenance. The engineer also prepared a cost estimate for site work of $2.5 million for bringing all utilities to code, but this included off-site work attributable to the entire campus rather than simply the subject property. For this reason we have estimated an additional $500,000 expense for site and infrastructural work. This figure, with an entrepreneurial incentive of 15%, is applied to the total indicated value upon completion of repairs, in order to determine the value of the property as is.

At the request of our client, the effective date of value is as of November 15, 2023. Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

MARKET VALUE CONCLUSION

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate	November 15, 2023	$4,800,000

Compiled by CBRE

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

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It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



Ian R. Valenzuela, MAI
Vice President
New Mexico Certified General Real Estate
Appraiser No. 01734G
Phone: +1 505 837 4931
Fax: +1 505 837 4990
Email: ian.valenzuela@cbre.com

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Certification

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of New Mexico.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. As of the date of this report, Ian R. Valenzuela, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
11. Ian R. Valenzuela, MAI has made a personal inspection of the property that is the subject of this report.
12. Ian R. Valenzuela, MAI was assisted by Jack Rancier, a licensed trainee, who compiled market research and interviews with market participants, input selected subject and statistical data into the report, and participated in selecting market data for comparison.
13. Valuation & Advisory Services operates as an independent economic entity within CBRE, Inc. Although employees of other CBRE, Inc. divisions may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.
14. Ian Valenzuela, MAI has not provided any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.



Ian R. Valenzuela, MAI
New Mexico Certified General Real Estate
Appraiser No. 01734G

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Subject Photographs



Aerial View

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Driscoll Ext



Driscoll Ext



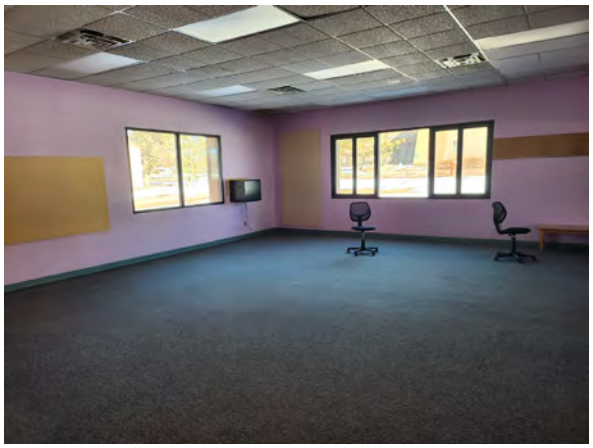
Driscoll Ext



Driscoll Multi-Purpose



Driscoll Entrance

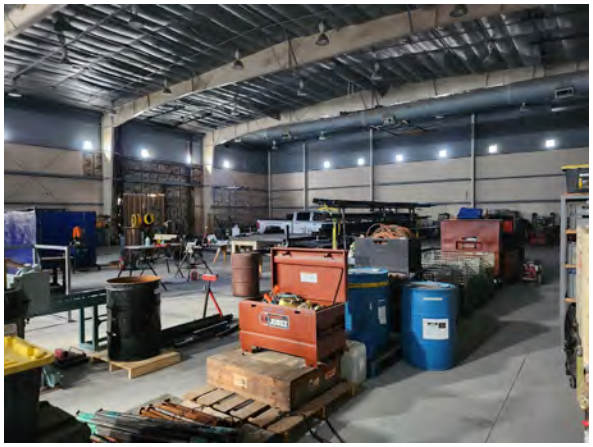


Driscoll Office

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Driscoll Locker



Driscoll Industrial



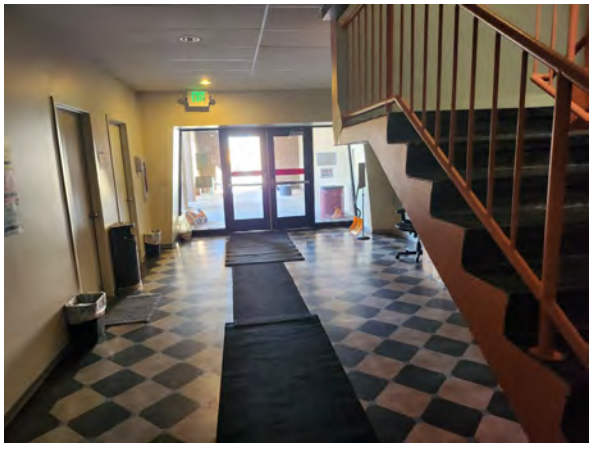
Driscoll Industrial



Garson Ext



Garson Ext



Garson Entry

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Garson Office



Garson Theater



Garson Screen



Garson Studio



Garson Studio

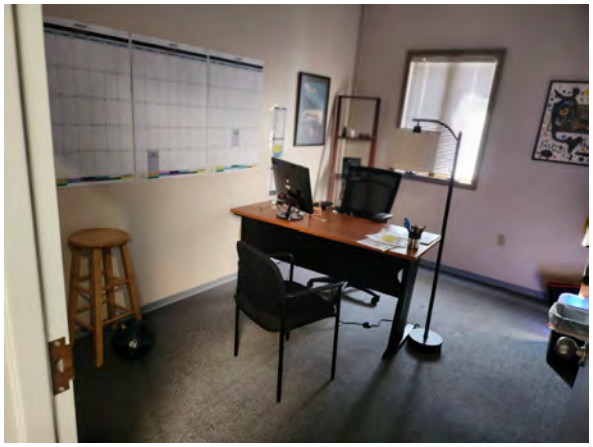


Garson Studio

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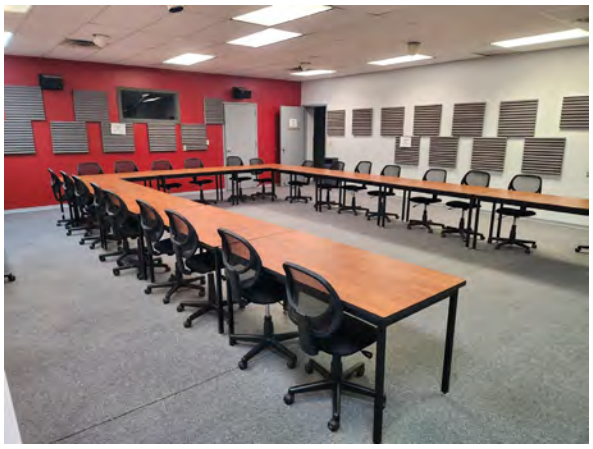
Garson Office



Garson Office



Garson Production



Garson Classroom



Benildus Ext



Benildus Ext

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Benildus Hall



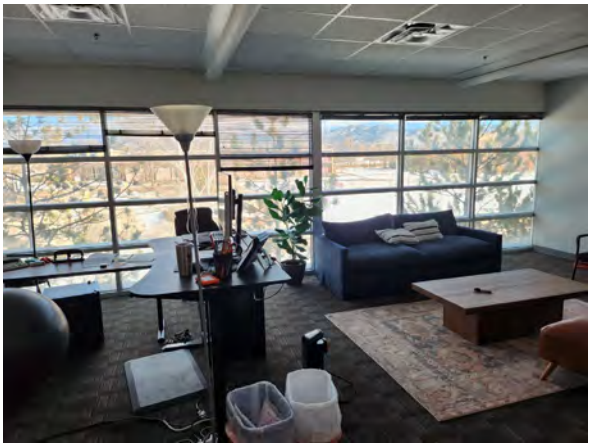
Benildus Office



Benildus Recording



Benildus Office



Benildus Office



Benildus Office

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St. Michael's Drive



Subject Entrance



Campus Land



Campus Entrance

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Executive Summary

Property Name	Santa Fe College of Arts (portion of)	
Location	1600 St Michaels Dr Santa Fe, Santa Fe County, NM 87505	
Parcel Number(s)	1052097137176000000	
Client	Midtown Santa Fe Productions QOF, LLC	
Highest and Best Use		
As If Vacant	Mixed Use, Office, Film	
As Improved	Mixed Use, Office, Film	
Property Rights Appraised	Fee Simple Estate	
Date of Inspection	January 16, 2024	
Estimated Exposure Time	12 - 24 Months	
Estimated Marketing Time	12 - 24 Months	
Primary Land Area	11.83 AC	515,228 SF
Zoning	Midtown LINC Overlay District	
Improvements		**Comments**
Property Type	Office	(Single Tenant)
Number of Buildings	3	
Number of Stories	2	
Gross Building Area	98,677 SF	
Net Rentable Area	98,677 SF	
Year Built	1968	
Effective Age	25 Years	
Remaining Economic Life	25 Years	
Condition	Average	
Buyer Profile	Investor-Local	
Financial Indicators		
Current Occupancy	0.0%	
Stabilized Occupancy	85.0%	
Overall Capitalization Rate	9.00%	

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Pro Forma	Total	Per SF
Effective Gross Income	$1,711,553	$17.35
Operating Expenses	$710,297	$7.20
Expense Ratio	41.50%	
Net Operating Income	$1,001,256	$10.15

VALUATION		Total	Per SF
Market Value As Is On	**November 15, 2023**		
Sales Comparison Approach		$4,800,000	$48.64
Income Approach		$3,900,000	$39.52

CONCLUDED MARKET VALUE

Appraisal Premise	Interest Appraised	Date of Value	Value
As Is	Fee Simple Estate	November 15, 2023	$4,800,000

Compiled by CBRE

DATE OF REPORT

The report was initially dated February 12, 2024. We were provided with a detailed site layout indicating the parcels and acreage subsequently, and have incorporated that exhibit into the report. The revised date of the report is February 23, 2024.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

Strengths/ Opportunities

- The subject is located in Santa Fe, which is a tourist destination, and the seat of New Mexico State Government.
- The City has committed to redeveloping the immediate area

Weaknesses/ Threats

- Exposure & visibility to the subject are somewhat limited due to the configuration of the improvements on the site
- There is a limited buyer pool for a mixed use facility of this nature
- The valuation analysis indicates that use as an income property is not feasible in the current market.
- Commercial real estate market conditions have deteriorated at the macro level. The significant recent increase in the cost of capital and reduced volume of transaction activity is impacting price discovery and creating an increase in uncertainty. Increasing interest rates and subdued economic growth will continue to weigh on commercial real estate fundamentals and investment transaction volumes. This creates a higher degree of uncertainty in general, though the impacts may vary by market and asset class/type.

MARKET VOLATILITY

We draw your attention to a combination of inflationary pressures (leading to higher interest rates) and recent failures/stress in banking systems which have significantly increased the

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potential for constrained credit markets, negative capital value movements and enhanced volatility in property markets over the short-to-medium term.

Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for deteriorating market conditions.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

CURRENT ECONOMIC CONDITIONS

At its January 2024 meeting, the Federal Reserve held the federal funds rate at a range of 5.25% to 5.50% and indicated it will continue reducing its balance sheet by $95 billion per month. The Fed removed language from its policy statement about further tightening but stated it needs more confidence inflation "is moving sustainably toward 2.00%" before considering cuts. Rising real interest rates will be a headwind for the economy in coming quarters; however, CBRE expects the U.S. economy will remain resilient with growth averaging 1.6% for the year.

While opinions vary on future economic issues, the general market consensus at the time of this appraisal is the anticipation of moderating inflation as higher interest rates cool demand. Tighter lending conditions and a weakening economy will keep capital markets activity subdued and reduce leasing demand in the short to medium term. Amid this uncertain and dynamic environment, investment market performance will be uneven across property types.

EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined as "an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions." [1]

- The value includes an estimate of deferred maintenance provided by an engineering firm in January, 2023. We assume the condition of the property remains similar to that time and that the estimate of the budgeted repairs still remains reasonable.
- The use of these extraordinary assumptions may have affected the assignment results.

HYPOTHETICAL CONDITIONS

A hypothetical condition is defined as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purposes of analysis." [2]

---

[1] The Appraisal Foundation, *USPAP, 2024 Edition (Effective January 1, 2024)*

[2] The Appraisal Foundation, *USPAP, 2024 Edition (Effective January 1, 2024)*

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- None noted

OWNERSHIP AND PROPERTY HISTORY

OWNERSHIP SUMMARY	
Item	Current
Current Ownership	
Owner:	City of Santa Fe
Seller:	College of Christian Brothers
Purchase Price:	$19,500,000
Transaction Date:	September 15, 2009
Sale in Last 3 Years?:	No
Legal Reference:	1577356
County/Locality Name:	Santa Fe
Buyer/Seller Relationship Type:	Arm's length and reasonable
At / Above / Below Market:	At Market
Comments:	Sale of the entire campus
Pending Sale	
Under Contract:	Yes
Buyer:	PE Real Estate
Contract Price:	$6,500,000
Contract Date:	May 1, 2023
Arm's Length:	Yes
At / Above / Below Market:	At Market
Comments:	Public auction, included buildings and land which are not part of this analysis
Current Listing	
Currently Listed For Sale:	No
Compiled by CBRE	

EXPOSURE/MARKETING TIME

Current appraisal guidelines require an estimate of a reasonable time period in which the subject could be brought to market and sold. This reasonable time frame can either be examined historically or prospectively. In a historical analysis, this is referred to as exposure time. Exposure time always precedes the date of value, with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term marketing time is most often used. The exposure/marketing time is a function of price, time, and use. It is not an isolated estimate of time alone. In consideration of these factors, we have analyzed the following:

- exposure periods for comparable sales used in this appraisal;
- exposure/marketing time information from the CBRE, Inc. National Investor Survey and the PwC Real Estate Investor Survey; and
- the opinions of market participants.

The following table presents the information derived from these sources.

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EXPOSURE/MARKETING TIME DATA

Investment Type	Exposure/Mktg. (Months) Range	Average
Comparable Sales Data	4.0 - 11.0	7.0
PwC Suburban Office National Data	1.0 - 15.0	7.0
Local Market Professionals	12.0 - 24.0	18.0
CBRE Exposure Time Estimate	**12 - 24 Months**	
CBRE Marketing Period Estimate	**12 - 24 Months**	

Various Sources Compiled by CBRE

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ADDENDA

A Improved Sale Data Sheets
B Rent Comparable Data Sheets
C Operating Data
D Legal Description
E Client Contract Information
F Qualifications

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Scope of Work

This Appraisal Report is intended to comply with the real property appraisal development and reporting requirements set forth under Standards Rule 1 and 2 of USPAP. The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered, and analysis is applied.

INTENDED USE OF REPORT

This appraisal is to be used for buy/sell/exchange and no other use is permitted.

CLIENT

The client is Midtown Santa Fe Productions QOF, LLC.

INTENDED USER OF REPORT

This appraisal is to be used by Midtown Santa Fe Productions QOF, LLC. No other user(s) may rely on our report unless as specifically indicated in this report.

> Intended users are those who an appraiser intends will use the appraisal or review report. In other words, appraisers acknowledge at the outset of the assignment that they are developing their expert opinions for the use of the intended users they identify. Although the client provides information about the parties who may be intended users, ultimately it is the appraiser who decides who they are. This is an important point to be clear about: The client does not tell the appraiser who the intended users will be. Rather, the client tells the appraiser who the client needs the report to be speaking to, and given that information, the appraiser identifies the intended user or users. It is important to identify intended users because an appraiser's primary responsibility regarding the use of the report's opinions and conclusions is to those users. Intended users are those parties to whom an appraiser is responsible for communicating the findings in a clear and understandable manner. They are the audience. [3]

RELIANCE LANGUAGE

Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for

[3] Appraisal Institute, The Appraisal of Real Estate, 15th ed. (Chicago: Appraisal Institute, 2020), 40.

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any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to develop an opinion of the market value of the subject property.

DEFINITION OF VALUE

The current economic definition of market value agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. [4]

INTEREST APPRAISED

The value estimated represents the Fee Simple Estate as defined below:

> *Fee Simple Estate* - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. [5]
>
> *Leased Fee Interest* - The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. [6]
>
> *Leasehold Estate* - The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. [7]
>
> *Going Concern* – An established and operating business having an indefinite future life. [8]

---

[4] 12 CFR, Part 34, Subpart C-Appraisals, 34.42(h).

[5] Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed. (Chicago: Appraisal Institute, 2022), 73.

[6] Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed. (Chicago: Appraisal Institute, 2022), 105.

[7] Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed. (Chicago: Appraisal Institute, 2022), 105.

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Extent to Which the Property is Identified

The property is identified through the following sources:

postal address
assessor's records
legal description

Extent to Which the Property is Inspected

Ian Valenzuela inspected the interior and exterior of the subject, as well as its surrounding environs on the effective date of appraisal. This inspection was considered adequate and is the basis for our findings.

Type and Extent of the Data Researched

CBRE reviewed the following:

applicable tax data
zoning requirements
flood zone status
demographics
income and expense data
comparable data

Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The steps required to complete each approach are discussed in the methodology section.

STATEMENT OF COMPETENCY

The appraisers have the appropriate knowledge, education and experience to complete this assignment competently.

[8] Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed. (Chicago: Appraisal Institute, 2022), 83.

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Data Resources Utilized in the Analysis

DATA SOURCES	
Item:	*Source(s):*
Site Data	
Size	Santa Fe County Assessor / Aerial Estimates
Improved Data	
Building Area	Site Plan
Area Breakdown/Use	Inspection
No. Bldgs.	Inspection
Year Built/Developed	Santa Fe County Assessor
Economic Data	
Deferred Maintenance:	Wilson and Co. Engineers
Building Costs:	Unknown
Income Data:	Unknown
Expense Data:	Unknown
Compiled by CBRE	

APPRAISAL METHODOLOGY

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

Cost Approach

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

Sales Comparison Approach

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value.

Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

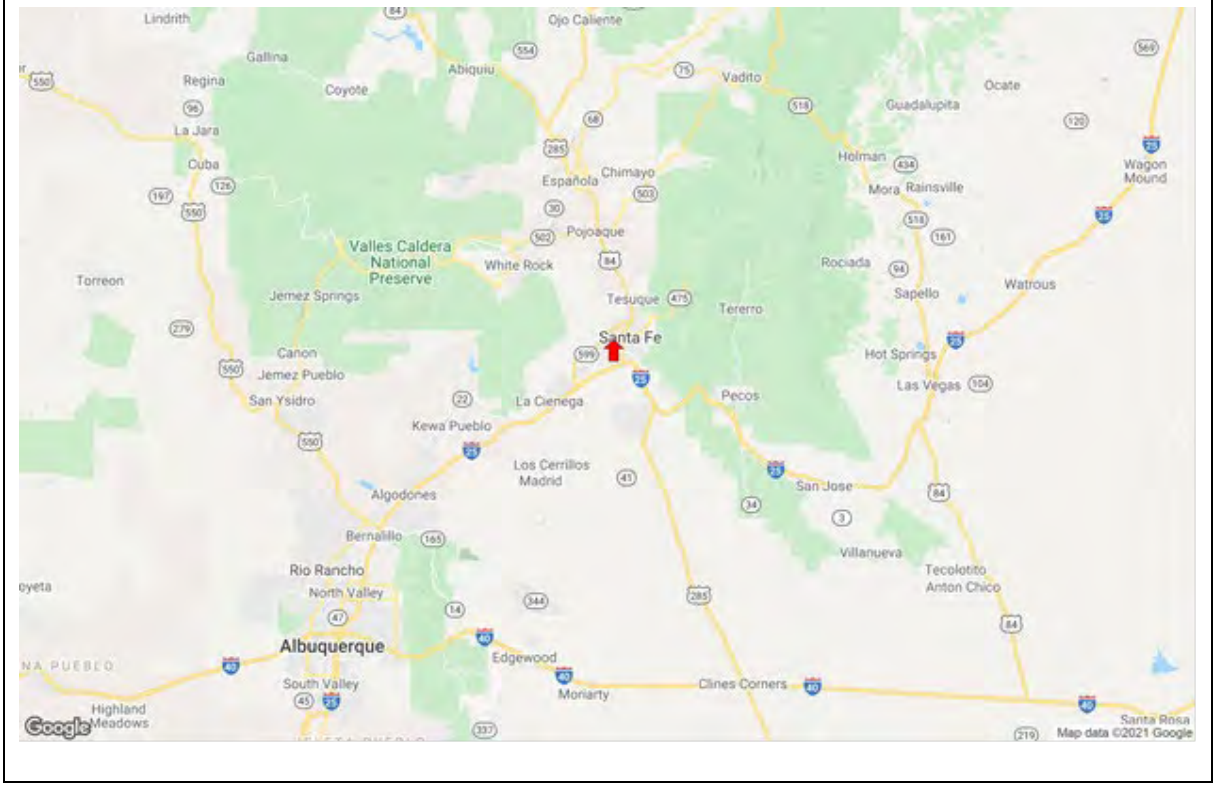
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Methodology Applicable to the Subject

In valuing the subject, only the sales comparison and income capitalization approaches are applicable and have been used. The cost approach is not applicable in the estimation of market value, as market participants tend not to rely on this approach for market decisions. The exclusion of said approach(s) is not considered to compromise the credibility of the results rendered herein.

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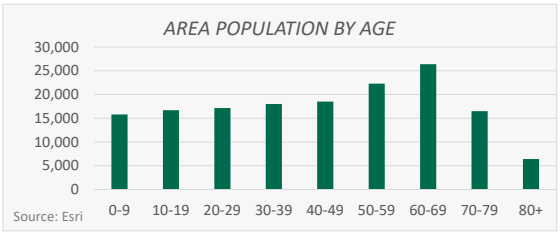
Area Analysis



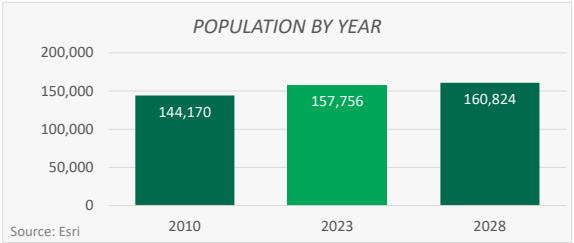
The subject is located in the Santa Fe, NM Metropolitan Statistical Area. Key information about the area is provided in the following tables.

POPULATION

The area has a population of 157,756 and a median age of 46, with the largest population group in the 60-69 age range and the smallest population in 80+ age range.



Population has increased by 13,586 since 2010, reflecting an annual increase of 0.7%. Population is projected to increase by 3,068 between 2023 and 2028, reflecting a 0.4% annual population growth.

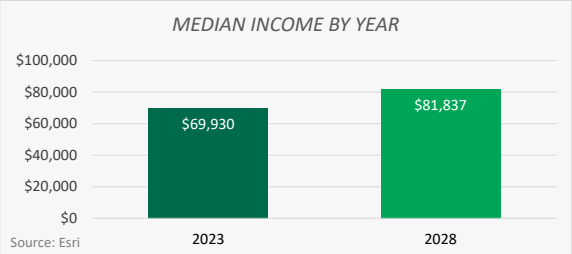


Source: ESRI, downloaded on Jan, 31 2024

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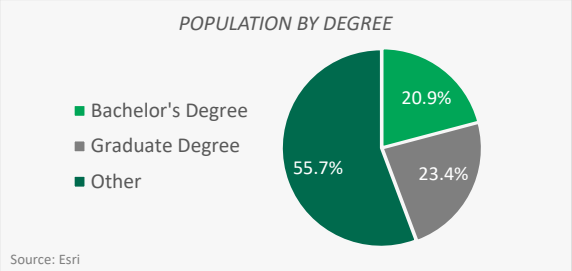
INCOME

The area features an average household income of $108,696 and a median household income of $69,930. Over the next five years, median household income is expected to increase by 17.0%, or $2,381 per annum.

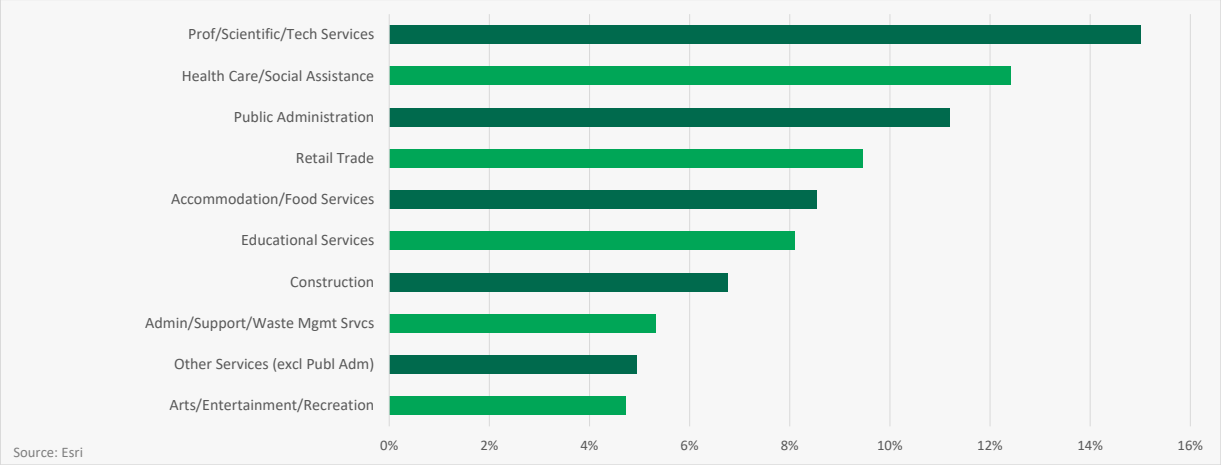


EDUCATION

A total of 44.3% of individuals over the age of 24 have a college degree, with 20.9% holding a bachelor's degree and 23.4% holding a graduate degree.



EMPLOYMENT



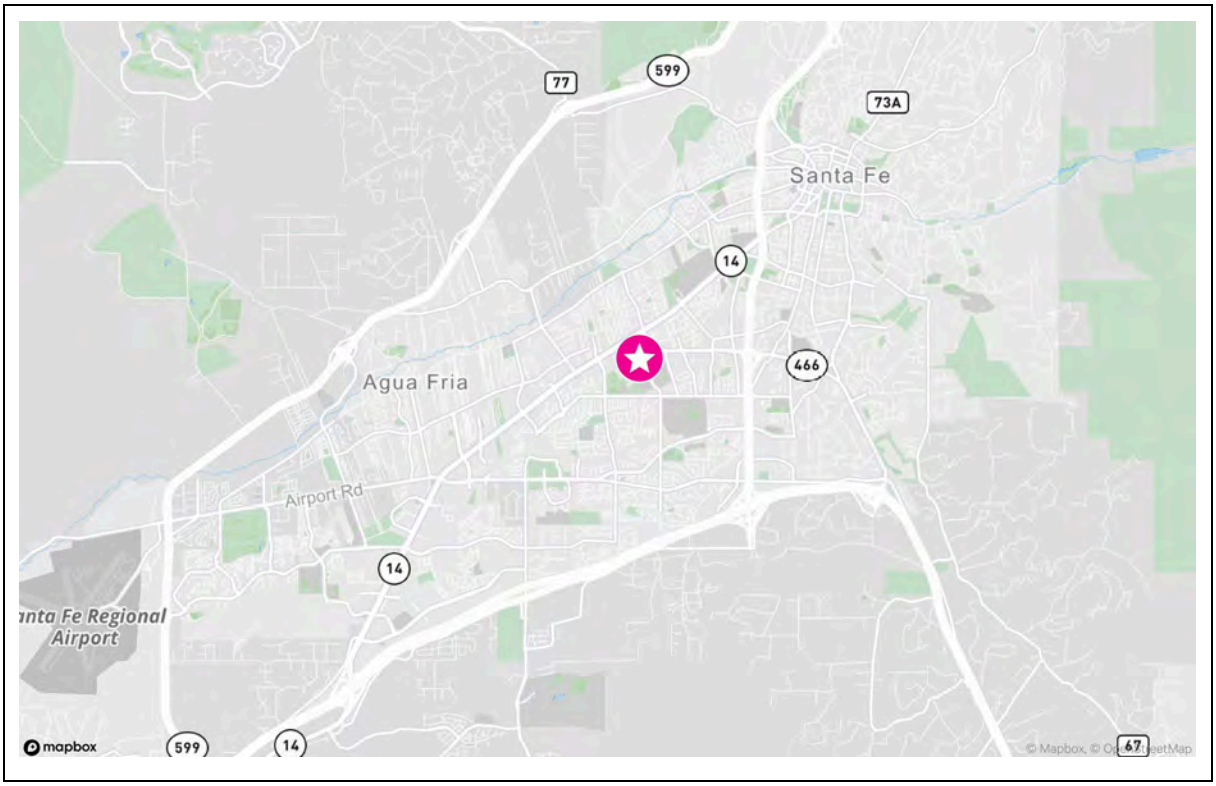
The area includes a total of 72,108 employees. The top three industries within the area are Prof/Scientific/Tech Services, Health Care/Social Assistance and Public Administration, which represent a combined total of 39% of the workforce.

Source: ESRI, downloaded on Jan 31, 2024; BLS.gov dated Jan 0, 1900

In summary, the area is forecasted to experience an increase in population and an increase in household income.

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Neighborhood Analysis



LOCATION

The subject is located in the city of Santa Fe and is considered a suburban location. The city of Santa Fe is situated in central Santa Fe County. The subject property is approximately three miles southwest of Downtown Santa Fe.

BOUNDARIES

The neighborhood boundaries are detailed as follows:

North:	Paseo de Peralta
South:	I-25
East:	Santa Fe Foothills
West:	Cerrillos Road

LAND USE

Land uses immediately surrounding the subject property are primarily retail along the Cerrillos Road corridor with some multi-family development and vacant commercial land in the interior. The Saint Francis Corridor has a concentration of office use, including New Mexico state offices and Santa Fe County and Municipal offices, while Cerrillos Road is the main business arterial for the city.

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GROWTH PATTERNS

The neighborhood is in the growth stage of the neighborhood life-cycle. Commercial development has occurred along primary commercial thoroughfares such as Airport Road and Cerrillos Road. The major retail development in the area is located at the edge of the neighborhood on the east side of Cerrillos Road. This area includes a regional mall, Santa Fe Place and a Power Center containing a Best Buy, Target, Albertson's and other retailers.

Recent commercial development has been ongoing within the neighborhood. A new Super-Walmart was completed in mid-2011 on Cerrillos Road just north of Interstate Highway 25. This has drawn new development to the surrounding area and several small commercial developments have already been built on pad sites around Walmart, as well as a new auto dealership just north for Honda and Subaru.

The Railyard

The most recent development in the area is focused on The Railyard, a master planned area north of the intersection of St. Francis Drive and Cerrillos Road. The Railyard Master Plan, adopted in 2002, designated the area for redevelopment of road and utilities infrastructure to support a large park and complementary urban neighborhood improvements, including retail for both local and tourist service, office, gallery, and residential use near the downtown plaza.

ACCESS

Access to and from the subject's neighborhood is considered good by way of state highways that connect with I-25. Major highways serving Santa Fe include I- 25, U.S. Highways 84 (St. Francis Drive), 85, 285 and 64; and State Routes 14 (Cerrillos Road) and 599 (Veterans Memorial Highway). The City of Albuquerque is situated 60 miles to the southwest of Santa Fe along I-25, which is the only north/south interstate highway in the State. The primary north/south roads in the subject neighborhood are US Highway 84, locally named St. Francis Drive, and SR-14, or Cerrillos Road, which is known to some in the area as Turquoise Trail. The subject property is located at the intersection of Cerrillos Road and St. Michel's Drive, ½ mile east of St. Francis Drive. Interstate 25 is accessed 2 miles southeast of the subject via St. Francis Drive, or four miles southwest of the subject via Cerrillos Road.

The Santa Fe Municipal Airport, founded in 1941, is situated on approximately 2,110 acres of land on the southwest side of Santa Fe, New Mexico, 9 miles southwest of Downtown Santa Fe. The airport is classified by the Federal Aviation Administration (FAA) as a non-hub, Part 139, class 3 airport. This classification means that the airport cannot handle commercial airline aircraft with more than 30 passenger seats. American Airlines is currently operating daily flights out of Santa Fe to and from Dallas-Fort Worth (DFW) and Phoenix (PHX) while United Airlines is operating daily flights to and from Denver (DIA). The airport is served by three active runways.

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DEMOGRAPHICS

Selected neighborhood demographics in 1-, 3- and 5-mile radius from the subject are shown in the following table:

SELECTED NEIGHBORHOOD DEMOGRAPHICS

1600 St Michaels Dr Santa Fe, NM 87505	1 Mile Radius	3 Mile Radius	5 Mile Radius	Santa Fe, NM Metropolitan Statistical Area
Population				
2028 Total Population	10,856	60,637	101,005	160,824
2023 Total Population	11,007	59,922	97,334	157,756
2010 Total Population	11,167	54,458	86,225	144,170
2000 Total Population	12,071	53,222	79,008	129,292
Annual Growth 2023 - 2028	*-0.28%*	*0.24%*	*0.74%*	*0.39%*
Annual Growth 2010 - 2023	*-0.11%*	*0.74%*	*0.94%*	*0.70%*
Annual Growth 2000 - 2010	*-0.78%*	*0.23%*	*0.88%*	*1.10%*
Households				
2028 Total Households	5,204	29,721	46,901	72,529
2023 Total Households	5,171	28,855	44,634	70,027
2010 Total Households	4,780	25,332	38,431	61,963
2000 Total Households	4,650	22,780	33,378	52,482
Annual Growth 2023 - 2028	*0.13%*	*0.59%*	*1.00%*	*0.70%*
Annual Growth 2010 - 2023	*0.61%*	*1.01%*	*1.16%*	*0.95%*
Annual Growth 2000 - 2010	*0.28%*	*1.07%*	*1.42%*	*1.67%*
Income				
2023 Median Household Income	$54,486	$64,691	$69,247	$69,930
2023 Average Household Income	$76,730	$95,392	$106,913	$108,696
2023 Per Capita Income	$35,820	$46,128	$48,864	$48,290
2023 Pop 25+ College Graduates	2,766	21,194	33,708	51,920
Age 25+ Percent College Graduates - 2023	35.3%	46.8%	46.8%	44.3%

Source: ESRI

CONCLUSION

Santa Fe continues to grow south and west and the city center is shifting south and west as well. The old city center was downtown Santa Fe near Cerrillos Road and St. Francis Drive, and continues to function as a locus of government office use. However, this central core is mostly fully built out, and considered essentially stabilized, as evidenced by the slight decrease in projected population and household numbers within a one mile radius of the subject. The subject is well located in an area near Downtown, on a high traffic arterial road in the neighborhood and is anticipated to have good acceptance in the market.

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ORIGINAL RFP OUTLINE, JUNE 2023



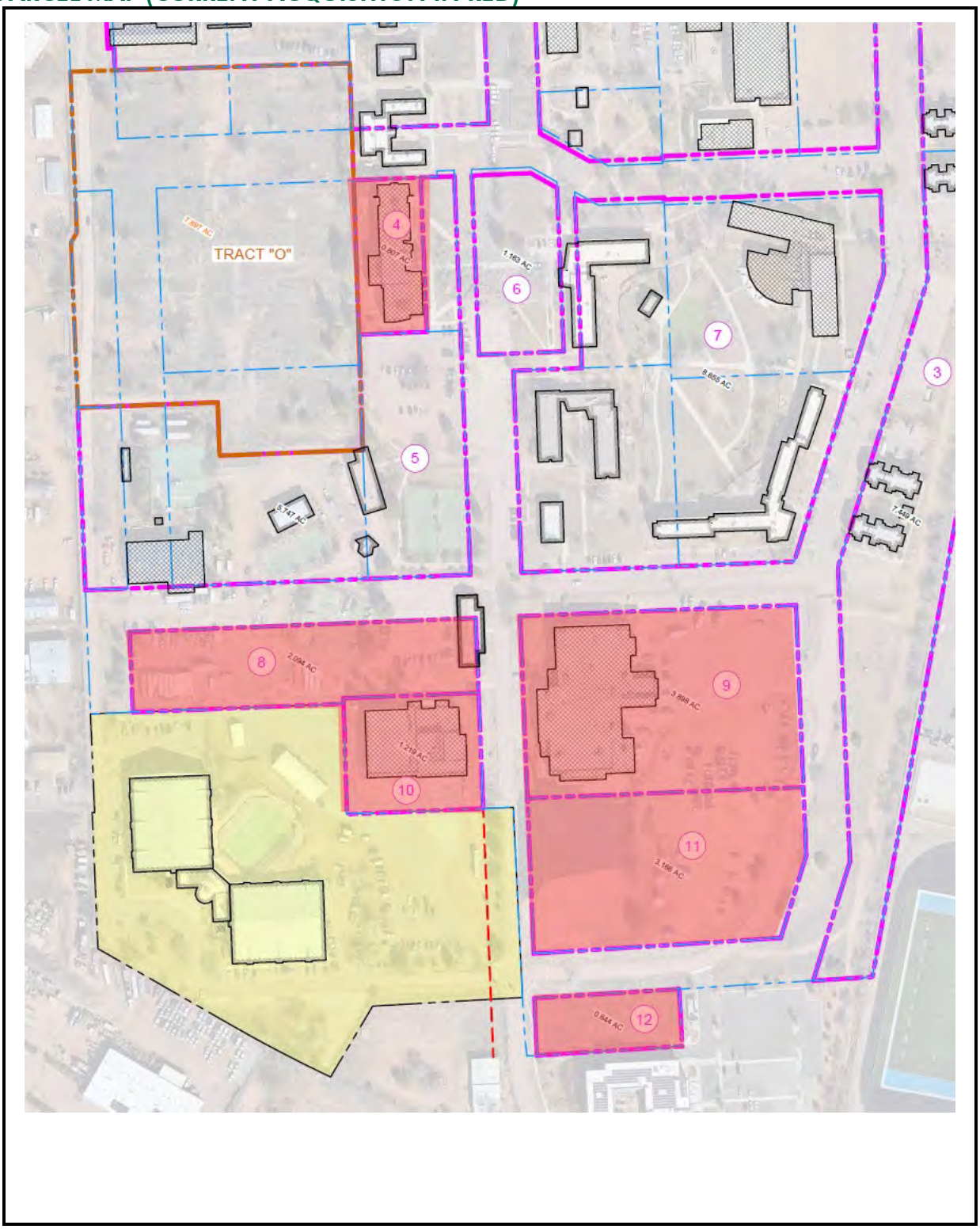
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SKETCH MAP OF CURRENT PROPOSED ACQUISITION



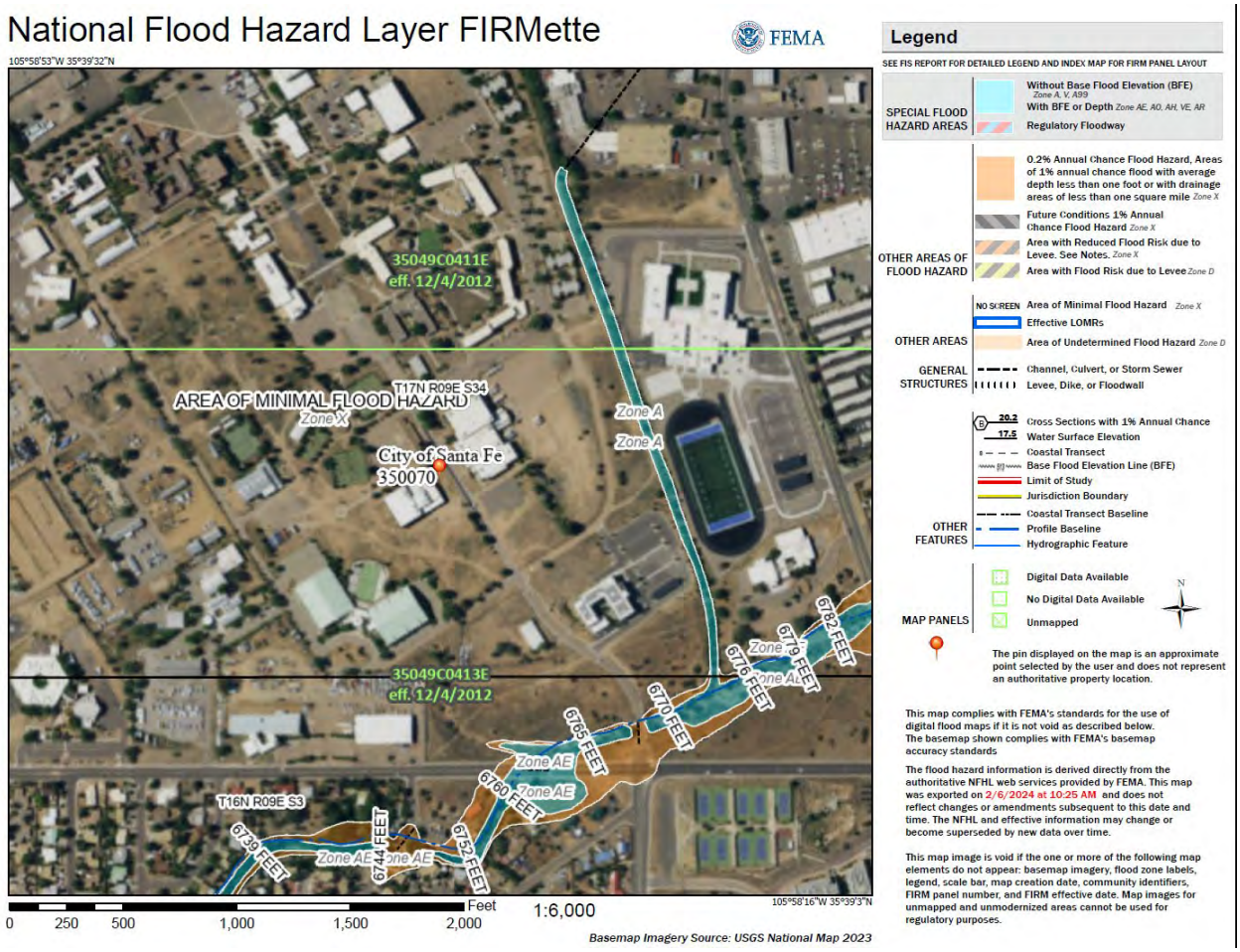
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PARCEL MAP (CURRENT ACQUISITION IN RED)



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FLOOD PLAIN MAP



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Site Analysis

The following chart summarizes the salient characteristics of the subject site.

SITE SUMMARY AND ANALYSIS

Physical Description		
Gross Site Area	64.22 Acres	2,797,423 Sq. Ft.
Net Site Area	11.83 Acres	515,228 Sq. Ft.
Excess Land Area	None	n/a
Surplus Land Area	None	n/a
Shape	Irregular	
Topography	Level, At Street Grade	
Zoning District	Midtown LINC Overlay District	
Flood Map Panel No. & Date	n/a	n/a
Flood Zone	Zone X (Unshaded)	
Adjacent Land Uses	Commercial, Education, Retail	
Earthquake Zone	n/a	

Comparative Analysis	**Rating**
Visibility	Average
Functional Utility	Adequate
Traffic Volume	Average
Adequacy of Utilities	Adequate
Landscaping	Average
Drainage	Adequate

Utilities	**Availability**	**Comments**
Water	Yes	
Sewer	Yes	
Natural Gas	Yes	
Electricity	Yes	
Telephone	Yes	
Mass Transit	Yes	

Other	**Yes**	**No**	**Unknown**
Detrimental Easements			x
Encroachments			x
Deed Restrictions			x
Reciprocal Parking Rights			x

Various sources compiled by CBRE

SITE SIZE

The entire campus measures 64.22 acres. The initial RFP included Alumni Hall and additional land, and was calculated at 17.26 acres. For the site size of the current proposed acquisition, we

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have been provided with calculations of portions outlined on the proposed site plan, estimated at 11.83 acres.

INGRESS/EGRESS

Ingress and egress is available to the site via one road along the southwestern right-of-way of St. Michael's Road and one road along the northern right-of-way of Siringo Road. Interior campus roads provide access to each building and site.

St. Michael's Road, at the subject, is a northwest/southeast arterial street that is improved with three marked lanes of traffic in each direction. Street improvements include center of median with turning lanes, asphalt paving and concrete curbs, gutters and sidewalks, and street lighting. Street parking is not permitted.

Siringo Road, at the subject is an east/west business street. It is improved with one marked lane of traffic in each direction. Additional street improvements include center turning lane, concrete curbs, gutters and sidewalks, and street lighting. Street parking is not permitted.

ENVIRONMENTAL ISSUES

An Environmental Site Assessment was provided and has been summarized below:

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ENVIRONMENTAL SITE ASSESSMENT SUMMARY	
Performed by:	Western Technologies
Performed for:	City of Santa Fe
Report Type:	Phase II
Report Date:	September 1, 2023
Status:	Final
Findings:	REC included: • Adjacent property chlorinated solvent groundwater contamination. • Vehicle maintenance stains visible, requiring Phase 2 soil samplings. • Existing Aboveground Storage Tanks (AST) in use with no apparent spills/stains. • Former Underground Storage Tanks (UST) removed with no apparent spills/stains. • Backfill with demolition debris, requiring a Phase 2 ESA, which identified Asbestos-Containing Materials (ACM)
Results:	According to Tim Farrell, a Property Development Manager for the City of Santa Fe, these RECs were addressed by Western Technologies who completed a Phase 2 ESA Report where soil samples (borings) and analysis were conducted. The results of those procedures were negative of any environmental impact.
Compiled by CBRE	

The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

ADJACENT PROPERTIES

The adjacent land uses are summarized as follows:

North: Retail
South: Residential
East: Retail and Residential
West: Institutional

CONCLUSION

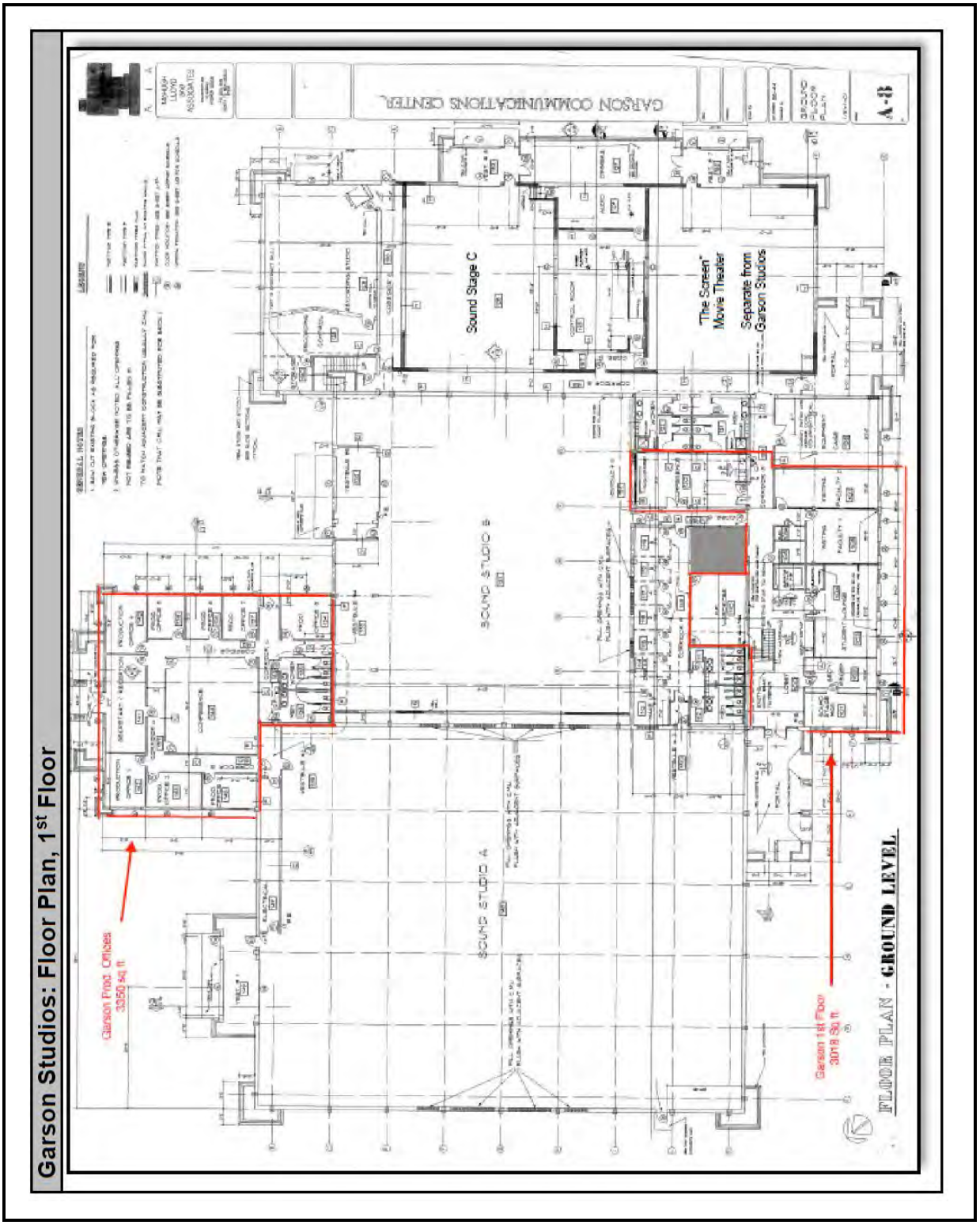
The site is adequately located and afforded adequate access and visibility from roadway frontage. The size of the site is typical for the area and use, and there are no known detrimental uses in the immediate vicinity. The subject has access to a major arterial and a business street which affords excellent visibility and access. Overall, there are no known factors which are

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considered to prevent the site from development to its highest and best use, as if vacant, or adverse to the existing use of the site.

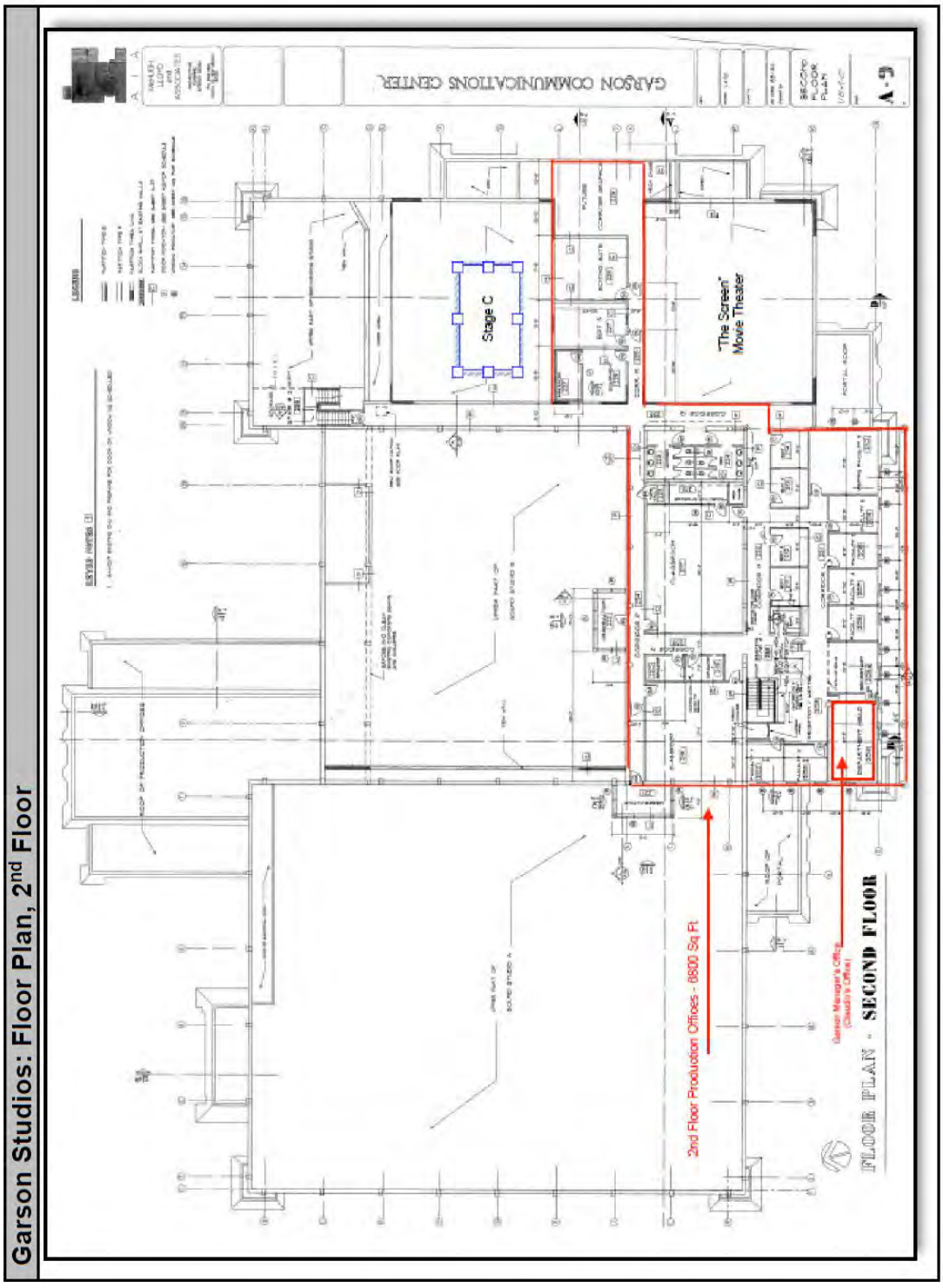
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GARSON FLOOR PLAN



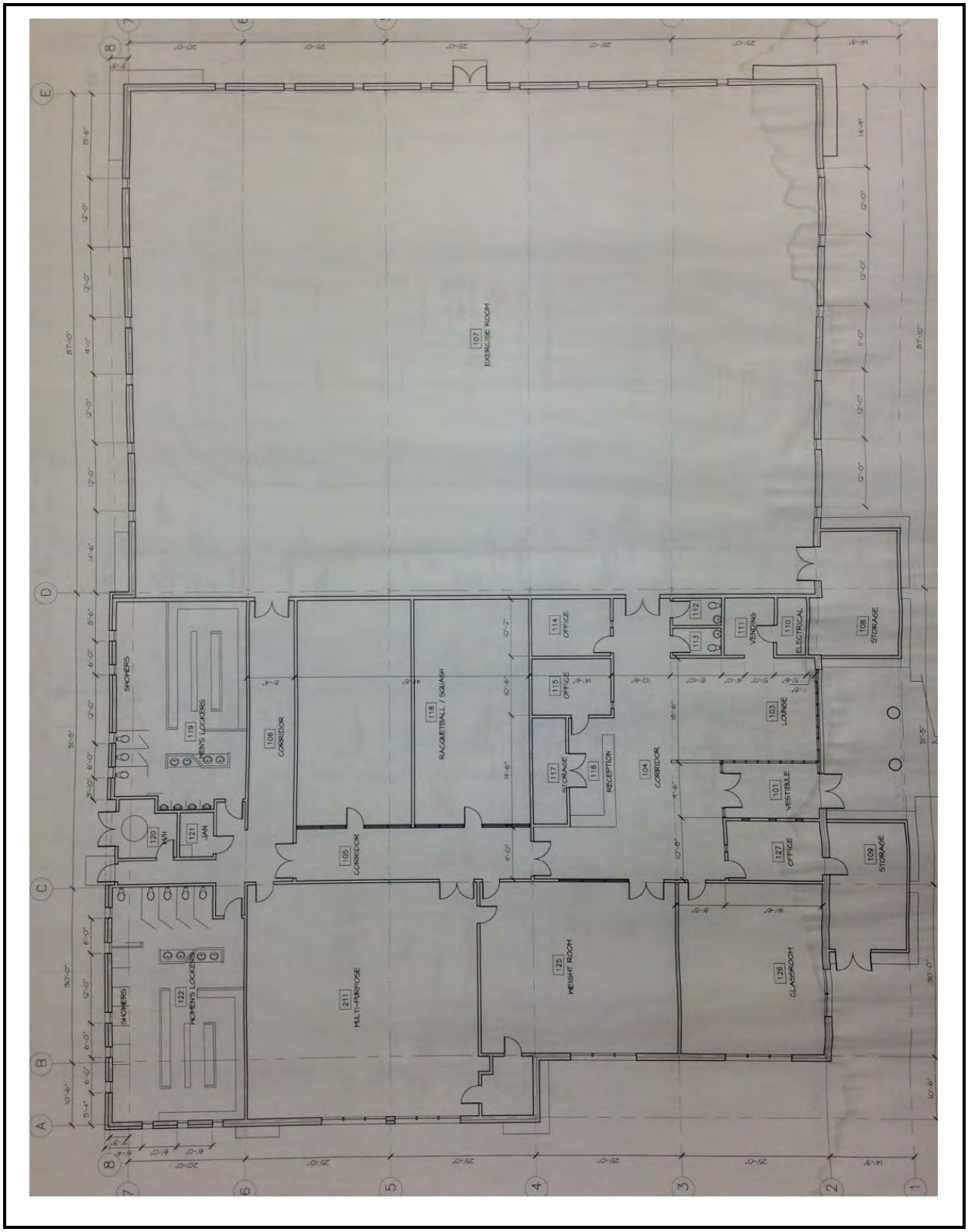
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GARSON SECOND FLOOR



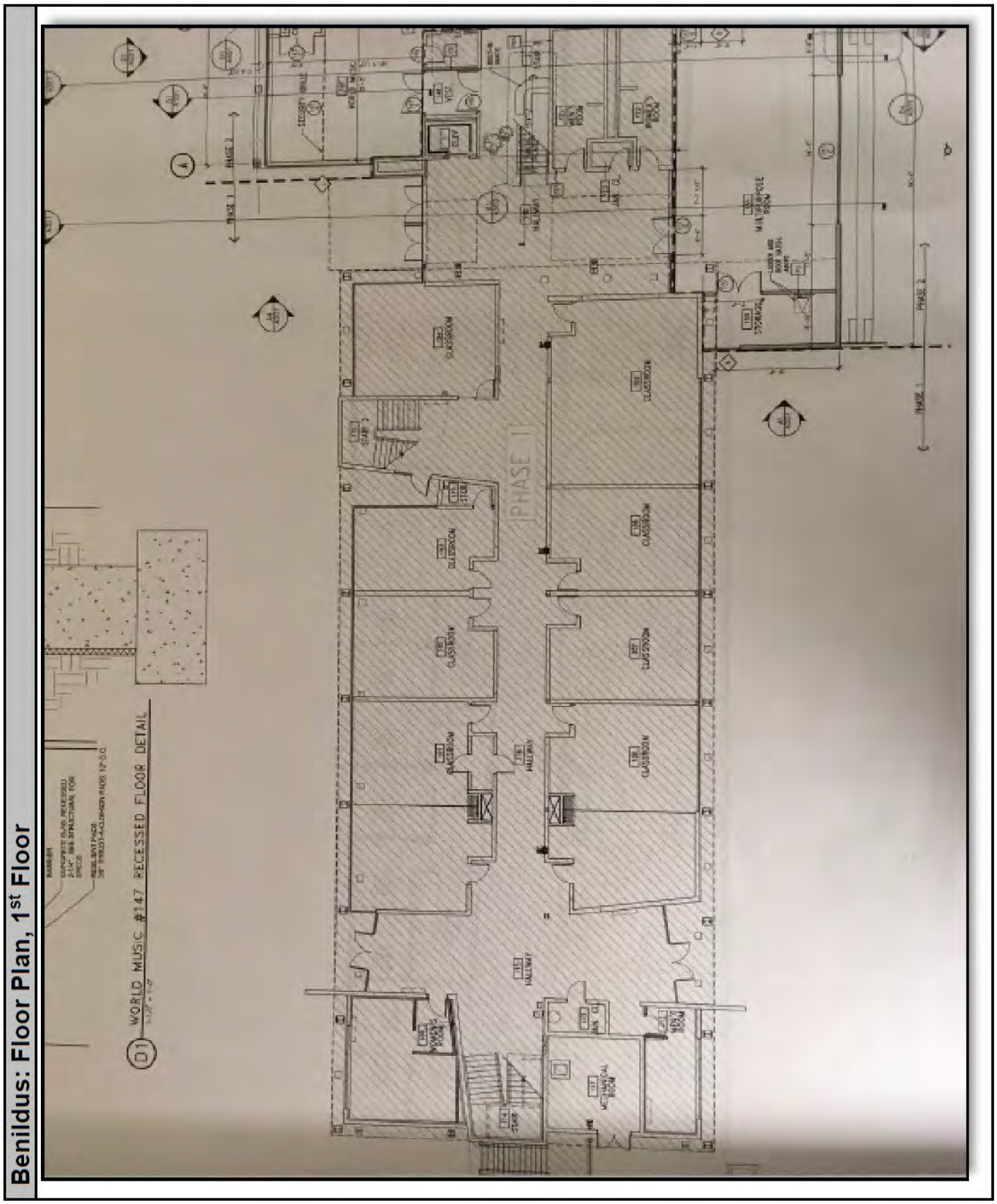
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DRISCOLL FLOOR PLAN



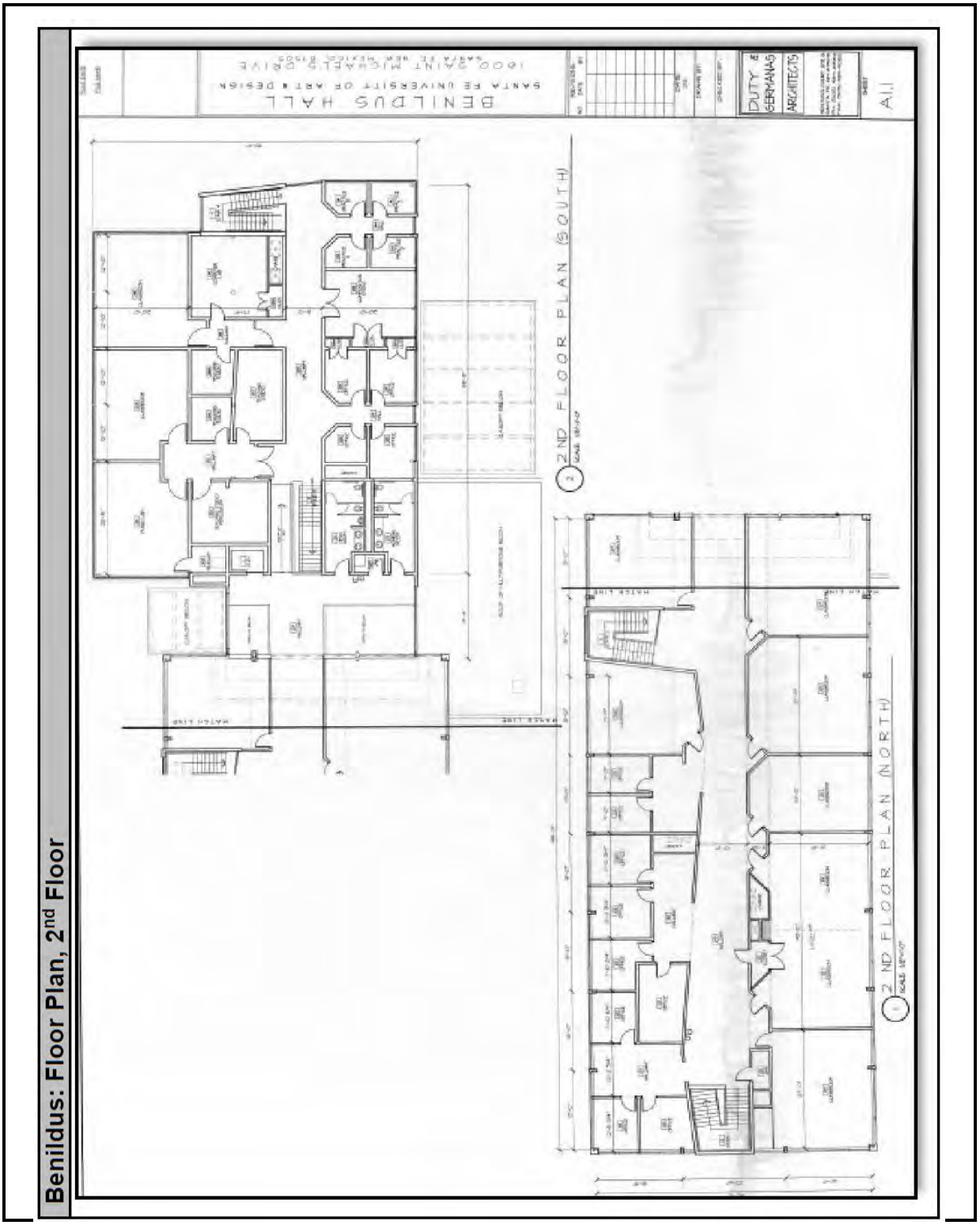
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BENILDUS FIRST FLOOR



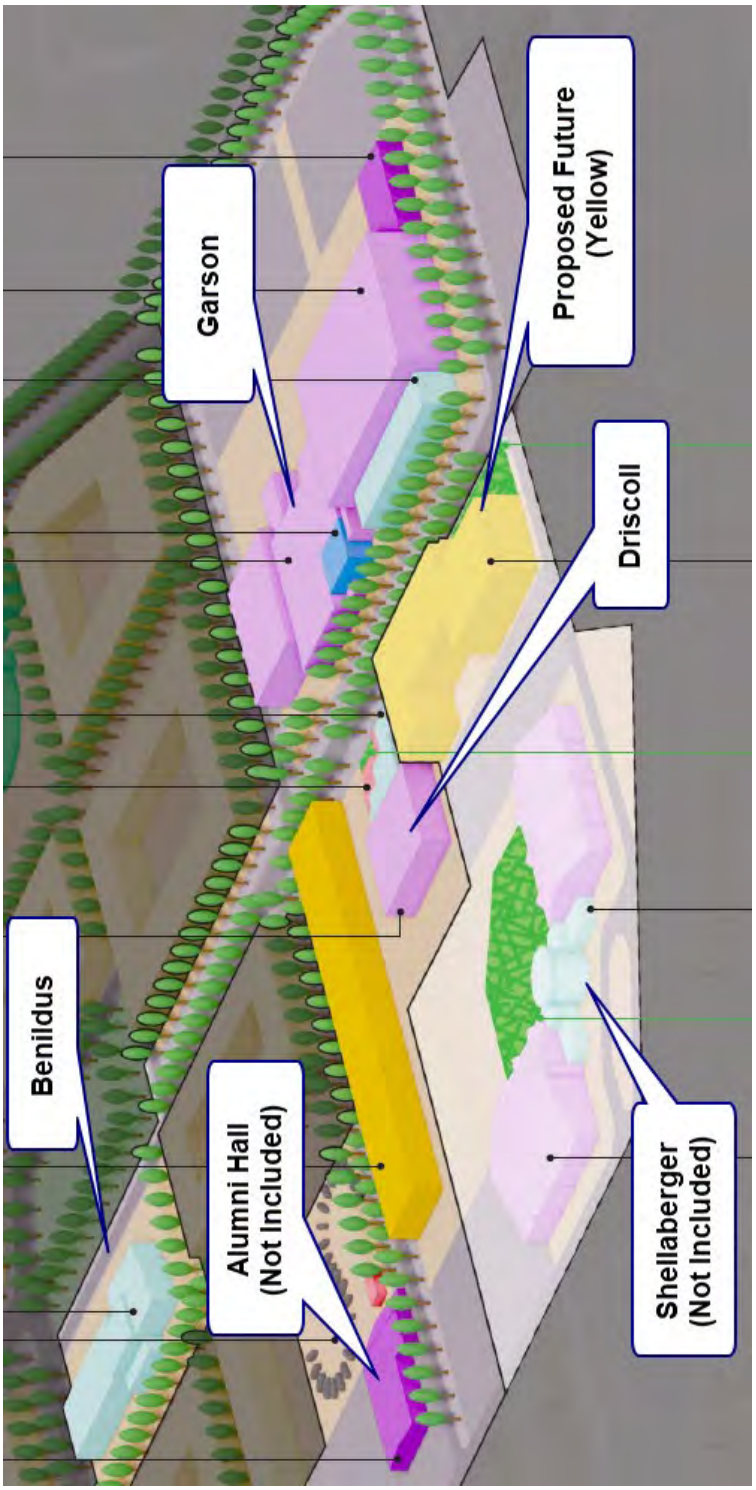
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BENILDUS SECOND FLOOR



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RFP IMPROVEMENTS MAP



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Improvements Analysis

The following chart shows a summary of the improvements.

IMPROVEMENTS SUMMARY AND ANALYSIS		
Property Type	Office	(Single Tenant)
Number of Buildings	3	
Number of Stories	2	
Gross Building Area	98,677 SF	
Net Rentable Area	98,677 SF	
Area Breakdown by Market Rent Categories		
Industrial Space	11,200 SF	
Office Space	87,477 SF	
Site Coverage	8.2%	
Parking Improvements	Surface	Benildus lacks adequate parking
Year Built	1968	
Actual Age	55 Years	
Effective Age	25 Years	
Total Economic Life	50 Years	
Remaining Economic Life	25 Years	
Age/Life Depreciation	50.0%	
Functional Utility	Typical	

Building Number	Improvement Type	% A/C	Size (SF)	% Office	Clear Height	Year Built/ Renovated
Building 1	Benildus Hall	100%	27,757	100.0%	'	1963 / 2005
Building 2	Driscoll Fitness Center	100%	22,200	50.0%	20' - 22'	1993
Building 3	Garson Studio Complex	100%	49,200	100.0%	20' - 22'	1991

Source: Various sources compiled by CBRE

The following illustrates the key features/components of the subject improvements for each building.

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IMPROVEMENT DESCRIPTION & RATING		Driscoll
Improvement Summary	**Description (Driscoll Fitness Center)**	**Comparative Rating**
Foundation	Reinforced concrete perimeter / column pad footing	Average
Frame	Steel	Average
Exterior Walls	Painted stucco	Average
Interior Walls	Painted drywall / wood panels	Average
Roof	Built-up composition	Average
Ceiling	Suspended acoustical tile / exposed	Average
HVAC System	Roof mounted HVAC units	Average
Exterior Lighting	Incandescent fixtures	Average
Interior Lighting	Recessed & hanging Fluorescent	Average
Flooring	Carpet / wood	Average
Plumbing	Assumed adequate	Average
Elevators/Stairwells	None	Average
Fire protection	Smoke detectors / fire alarm / sprinklers	Average
Amenities	Basketball court (1) / racquetball court (2) / male & female locker rooms / exercise rooms	Average
Furnishings	Personal property excluded	Average

IMPROVEMENT DESCRIPTION & RATING		
Improvement Summary	**Description (Benildus Hall)**	**Comparative Rating**
Foundation	Reinforced concrete perimeter / column pad footing	Average
Frame	Masonry	Average
Exterior Walls	Painted Stucco / stone / brick	Average
Interior Walls	Painted drywall / glazed block	Average
Roof	Built-up composition	Average
Ceiling	Painted drywall / suspended	Average
HVAC System	Roof mounted HVAC units	Average
Exterior Lighting	Incandescent fixtures	Average
Interior Lighting	Recessesed fluorescent	Average
Flooring	Terrazzo / carpet	Average
Plumbing	Assumed adequate	Average
Elevators/Stairwells	Stiarway (4) elevator 2,500 lb. (1)	Average
Fire protection	Smoke detectors / sprinklers / alarm system	Average
Amenities	Multi-purpose room / music studios	Average
Furnishings	Personal property excluded	Average

Improvement Summary	**Description (Garson Studio Complex)**	**Comparative Rating**
Foundation	Reinforced concrete perimeter / column pad footing	Average
Frame	Masonry / concrete / steel	Average
Exterior Walls	Painted stucco	Average
Interior Walls	Painted drywall & block / acoustical panels	Average
Roof	Built-up composition	Average
Ceiling	Suspended acoustical tile / exposed structure	Average
HVAC System	Roof mounted HVAC units	Average
Exterior Lighting	Incandescent fixtures	Average
Interior Lighting	Recessed & hanging fluorescent / incandescent / PAR theatrical / HID fixtures	Average
Flooring	Carpet / wood / vinyl tile	Average
Plumbing	Assumed Adequate	Average
Elevators/Stairwells	Stairway (2) elevator 2,100 lb. (1)	Average
Elevators		Average
Smoke Detectors		Average
Sprinkler System		Average
Fire protection	Smoke detectors / sprinklers	Average
Amenities	Movie theater / (2) sound stage / showers / laundry / observation booth / sound booth/ TV control room	Average
Furnishings	Personal property excluded	Average

Source: Various sources compiled by CBRE

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BUILDING DESCRIPTIONS

Garson Studios is 49,200 square feet, built in 1991, consisting of offices, a theater, and production sound stages of 14,000 square feet, 7,500 square feet, and 2,100 square feet. It has some deferred maintenance (see below) and is in average condition with some updating of interior finishes. The offices are in use as support for film production.

Driscoll Fitness Center is 22,200 square feet, built in 1993, and was used as an athletic complex, including dance studios, fitness center, locker rooms, and a large gymnasium. The gym has been converted into an industrial shop, with removal of the gym floor and athletic fixtures. There were initial plans to convert this space into a production studio, but subsequent engineering reports indicate this may not be feasible as the building cannot support the necessary infrastructure, so its likely use is for construction and maintenance support.

Benildus Hall is 27,757 square feet, constructed as a classroom and educational office. It was built in 1963, with an addition in 2005. There are some classrooms of varying sizes, and offices throughout, including recording and sound studio use. The interior finish has been remodeled, likely around the time of the addition in 2005.

PARKING AND DRIVES

All parking spaces and vehicle drives are concrete paved and considered to be in average condition. Patron parking areas are along the front and sides of the building. Benildus lacks adequate parking, and the developer has proposed that the City will provide 50 spaces at a market rental rate.

LANDSCAPING

Landscaping is considered to be in average condition, but has not been maintained for several years.

FUNCTIONAL UTILITY

The overall layout of the property is considered functional in utility for scholastic use, and will require reconfiguration for office or film use.

ADA COMPLIANCE

All common areas of the property appear to have handicap accessibility. The client/reader's attention is directed to the specific limiting conditions regarding ADA compliance.

FURNITURE, FIXTURES AND EQUIPMENT

Any personal property items contained in the property are not included in this analysis.

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ENVIRONMENTAL ISSUES

The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

CONDITION ANALYSIS

Facility assessment reports were prepared for each building. Significant items of deferred maintenance were identified, including renovations and alterations for ADA compliance, upgrading electrical, fire suppression systems, and HVAC to code, and general repairs to roofs, ceilings, floor coverings, plumbing and electrical systems and fixtures. Portions of the reports are included in the addenda.

DEFERRED MAINTENANCE

The following chart shows the deferred maintenance items identified and their respective estimated costs to cure, based upon all available information, as of the relevant dates.

ANALYSIS OF DEFERRED MAINTENANCE	
Benildus Hall	$1,759,269
Driscoll Fitness Center	$1,284,847
Garson Studios	$2,696,459
Site and Infrastructure	$500,000
Subtotal	$6,240,575
Plus: Profit @ 15%	$936,086
Total Deferred Maintenance:	$7,176,661
Source: Wilson & Co. Facility Assessments Jan. 2023	

The total deferred maintenance estimate will be deducted from each approach in order to conclude the "as is" value for the subject.

ECONOMIC AGE AND LIFE

CBRE, Inc.'s estimate of the subject improvements effective age and remaining economic life is depicted in the following chart:

ECONOMIC AGE AND LIFE	
Actual Age	56 Years
Effective Age	25 Years
MVS Expected Life	50 Years
Remaining Economic Life	25 Years
Accrued Physical Incurable Depreciation	50.0%
Compiled by CBRE	

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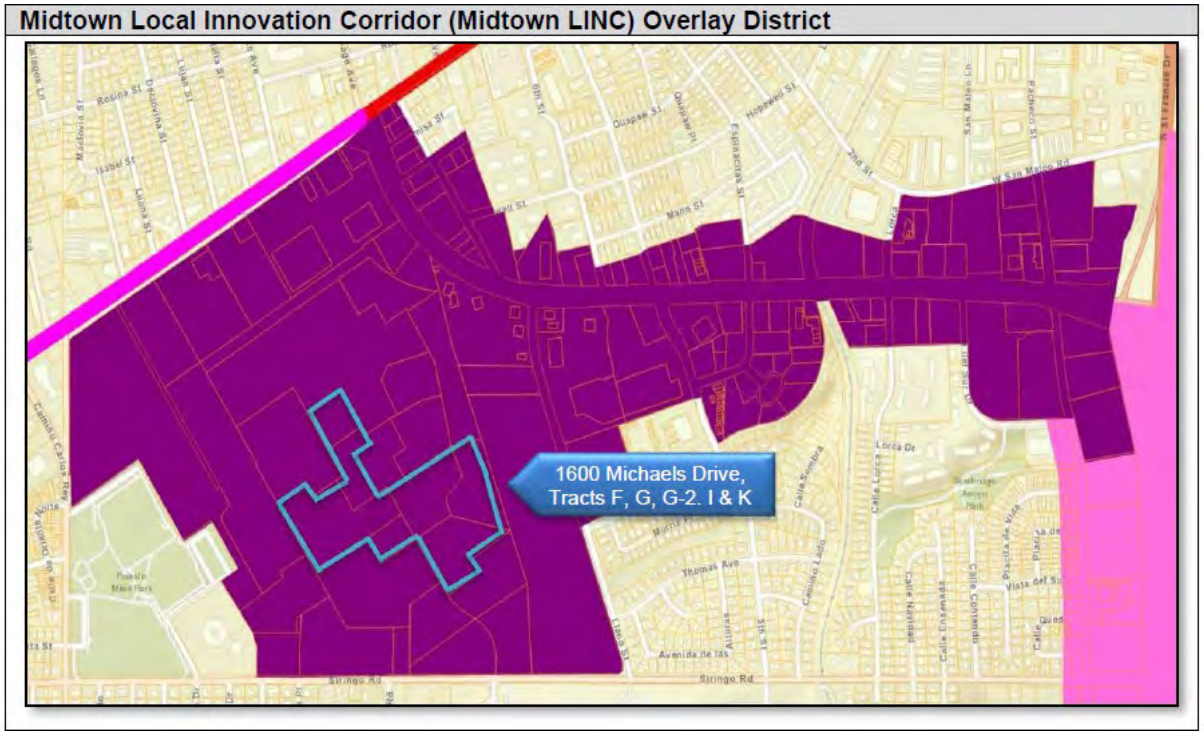
The remaining economic life is based upon our on-site observations and a comparative analysis of typical life expectancies as published by Marshall and Swift, LLC, in the Marshall Valuation Service cost guide. While CBRE, Inc. did not observe anything to suggest a different economic life, a capital improvement program could extend the life expectancy.

CONCLUSION

The improvements are in average overall condition. With completion of the repairs identified in the facility conditions reports, there are no known factors that adversely impact the marketability of the improvements.

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ZONING MAP



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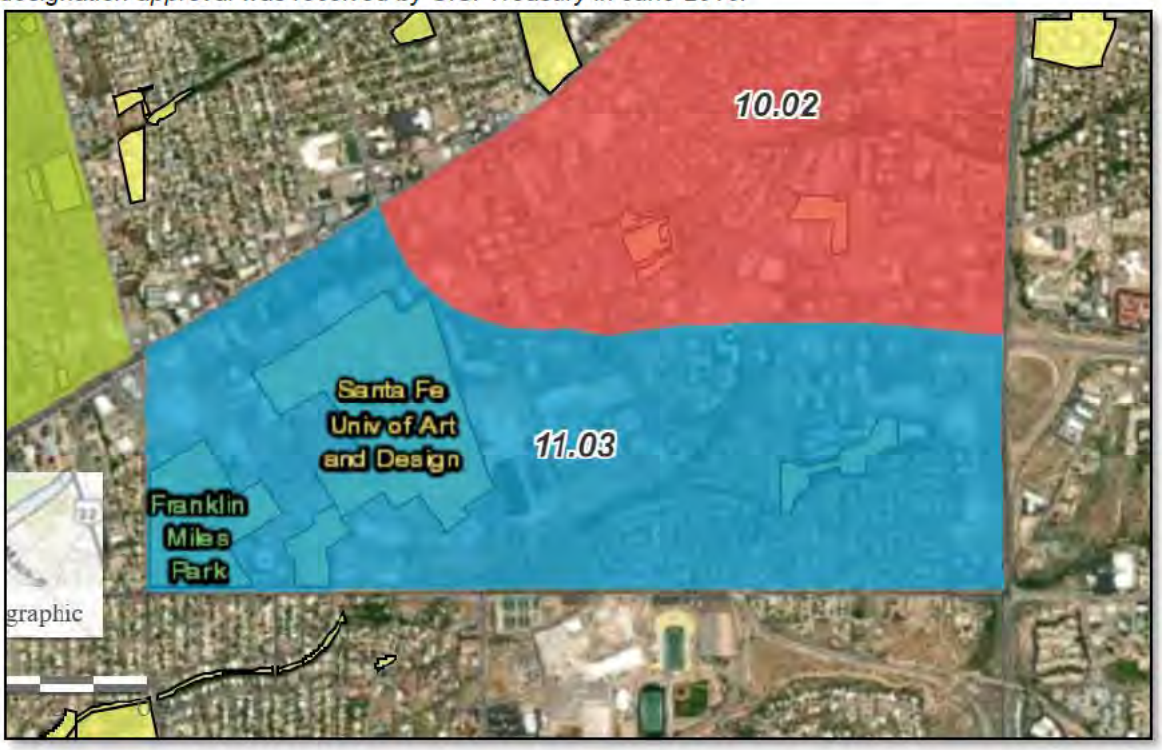
ZONING MAP

Opportunity Zone: Census Tract 11:03 Midtown Campus Area

Additional: Opportunity Zone-Census Tract 11.03: Midtown Campus Area

Federal Opportunity Zones (QOZ's) are a new community development program established by Congress in the Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low-income urban and rural communities nationwide. The QOZ program provides a tax incentive for investors to re-invest their unrealized capital gains into Opportunity Funds (QOF's) that are dedicated to investing into QOZ's designated by the chief executives of every U.S. state and territory.

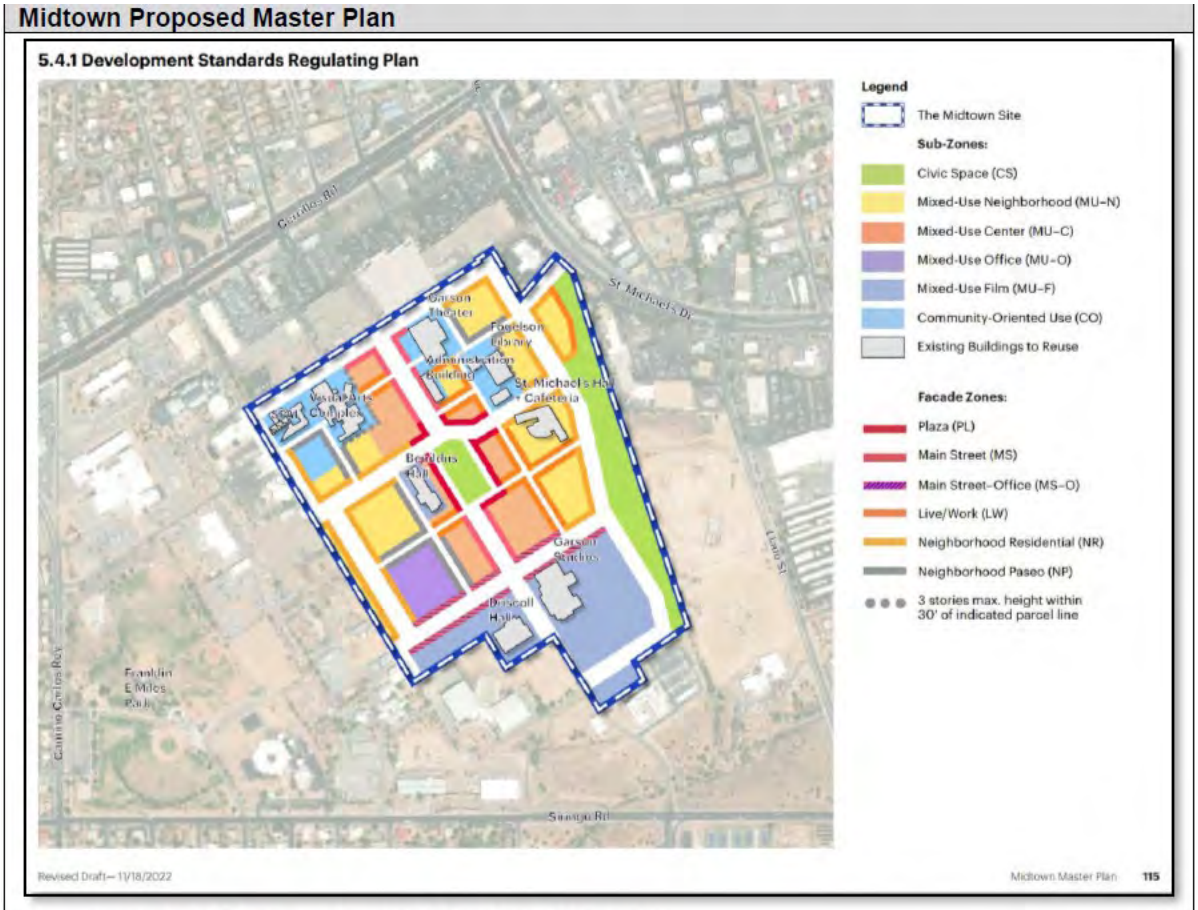
Governor Martinez approved the subject census tract for designation to the US Treasury. Finally, designation approval was received by U.S. Treasury in June 2018.



Source: https://www.santafenm.gov/opportunity_zones_in_santa_fe

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ZONING MAP



Source: City of Santa Fe Midtown Proposed Master Plan (11/21/2023)

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Zoning

The following chart summarizes the subject's zoning requirements.

ZONING SUMMARY	
Current Zoning	Midtown LINC Overlay District
Legally Conforming	Yes
Uses Permitted	This district was developed to strengthen and animate the existing environment of the geographic center of the city. Especially the Santa Fe University of Art and Design and the Christus St. Vincent Regional Medical Center. This district incentivizes multi-family residential development and non-residential use, as well as improves and encourages pedestrian traffic. This district also provides more flexibility in sign design and location to encourage communications and business identification for existing buildings who have previously suffered from poor visibility
Zoning Change	Not likely
Category	**Zoning Requirement**
Maximum Height	62 Feet
Minimum Setbacks	
Front Yard	5 Feet
Street Side Yard	5 Feet
Interior Side Yard	5 Feet
Rear Yard	5 Feet
Maximum Bldg. Coverage	None
Maximum FAR/Density	None
Subject's Actual FAR	None
Parking Requirements	None
Subject's Actual Parking	3.49 spaces / 1000 SF
Source: Planning & Zoning Dept.	

ANALYSIS AND CONCLUSION

Although the subject property has operated as an educational and film production property, it has been zoned R-5 Residential. More recently, through a City of Santa Fe Resolution 2018-54 and 2022-12, the property is in the formal process of being rezoned to C-2, which will be the base zoning considered in this report. In addition to this base zoning the subject is located within the Midtown Local Innovation Corridor (Midtown LINC) Overlay District and the Opportunity Zone: Census Tract 11:03 Midtown Campus Area.

The City of Santa Fe's proposed Midtown Master Plan (the Midtown Land Development Plan), dated November 21, 2022, provided new development standards for the subject property in Chapter 5. The development standards are comprised of subzone (controls use) and façade (controls building masing and design) standards. The sub-zones support the objectives of the

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aforementioned Census Tract 11:03 Midtown Campus Area Opportunity Zone and Midtown LINC Overlay District, as well as Resolution No. 2022-12, which rezones the subject to a C-2 General Commercial District to allow for commercial, retail and residential uses. The subject is contained within the mixed-use film zone, for film production activities focused in the Garson Studios. It is presumed that adaptation of the property buildings will conform with this general designation, and that future improvements will conform to requirements of the zoning districts, master plan, and overlays.

It is beyond the scope of this analysis to determine the precise zoning designation and future use for each building and site in this analysis. The current improvements are believed to represent a legally-conforming use as of the effective date of the appraisal. Additional information may be obtained from the appropriate governmental authority. For purposes of this appraisal, CBRE has assumed the information obtained is correct.

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Tax and Assessment Data

The property has historically been owned by the City of Santa Fe and has been exempt from taxation. There are no truly comparable privately owned tax parcels in the jurisdiction to our knowledge. We have considered expense comparables in the income approach, and estimated a likely assessed value from our value conclusions. Our pro forma estimate of the assessed values and tax obligation is shown below.

AD VALOREM TAX INFORMATION

Parcel	Assessor's Parcel No.	Pro Forma
1	1052097137176000000	
	Subtotal	$10,000,000
	% of Assessed Value	33%
	Final Assessed Value	$3,333,000
	General Tax Rate (per $1,000 A.V.)	47.500000
	General Tax:	$158,318
	Effective Tax Rate (per $1,000 A.V.)	47.500000
	Total Taxes	**$158,318**
	Taxes per SF	$1.60

Source: Assessor's Office

CONCLUSION

Based on the foregoing information, the subject's current assessment is well supported by both its historical trend and by the comparable properties shown.

Based on the foregoing, the total taxes for the subject have been estimated as $158,318 for the base year of our analysis, based upon an assessed value of $3,333,000 or $33.78 per square foot.

For purposes of this analysis, CBRE, Inc. assumes that all taxes are current.

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Market Analysis

The market analysis forms a basis for assessing market area boundaries, supply and demand factors, and indications of financial feasibility. Primary data sources utilized for this analysis include IBISWorld and CoStar.

The subject is in the Santa Fe market and is considered a studio property, its main components are primarily functional as office. We have included portions of the IBISWorld Film Production Industry Report, and analysis of the local Santa Fe office market.

MOVIE AND VIDEO PRODUCTION IN THE UNITED STATES

The Movie and Video Production industry has grappled with stark declines over the past five years as the COVID-19 pandemic rattled movie production. Producers have benefited from steady demand for entertainment but have been hindered by the expansion of online streaming options. Since overall box office sales have fallen, the industry's business model has shifted to prioritize blockbusters and rely on foreign distribution. Digital distribution is also a growing revenue stream despite digital streaming being a source of competition. Overall, revenue for the Movie and Video Production industry has fallen at a CAGR of 3.4% to $31.6 billion through the end of 2023, with revenue rising 1.2% in 2023 as the industry recovers.

Slow box office receipts have made the industry more risk-averse in recent years. Producers have relied more on blockbusters, especially those based on existing creative properties. Studios are placing bigger bets on action movies, which fare best with both domestic and foreign moviegoers. The focus on blockbusters has kept profit high despite troubles. Still, this business strategy will make studios more vulnerable to profit losses in the future, given the fast-changing nature of consumer tastes. Major studios are catching on to the rapidly expanding digital distribution channel, with many investing in their own streaming platforms. More recently, widespread strikes have impeded production.

Over the next five years, movie and video producers will find growth opportunities in digital distribution and television licensing. Studios will focus more on original content and creating their own distribution channels. The box office will grow sluggishly as online streaming platforms continue to draw consumers away from theaters. Major studios will compete more fiercely by using new production technologies and advertising to younger consumers. Video producers will also find opportunities in social media and digital streaming platforms. Revenue is expected to rise at a CAGR of 3.5% through the end of 2028 to reach $37.5 billion.

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AT A GLANCE

Revenue	Employees	Businesses
$31.6bn	92,651	49,321
'18-'23 ↓ 3.4 %	'18-'23 ↑ 1.8 %	'18-'23 ↑ 6.8 %
'23-'28 ↑ 3.5 %	'23-'28 ↑ 3.5 %	'23-'28 ↑ 5.6 %

Profit	Profit Margin	Wages
$3.4bn	10.8%	$6.7bn
'18-'23 ↓ 6.7 %	'18-'23 ↓ 2.1 pp	'18-'23 ↑ 0.9 %
		'23-'28 ↑ 3.5 %

Key Takeaways

Performance

Major movie producers lean on box office blockbusters to generate low-risk sales. Theater attendance is steadily declining as video streaming options expand.

Online streaming encroaches on box office sales but provides a new revenue channel for producers. Digital distribution is quickly growing as a share of movie and video production revenue.

Video producers are finding new opportunities through social media and digital streaming platforms. Platforms like Twitch and YouTube are investing in professional video producers to create content.

SAG-AFTRA and major producers have settled a contract after a months-long strike. While the strike has been resolved, the repercussions of the long hiatus have been immense on the industry.

External Environment

Unions up the cost of labor for movie producers. Producers are bound by the wages unions negotiate for media professionals and may contend with strikes and production disruptions when fair wages aren't met.

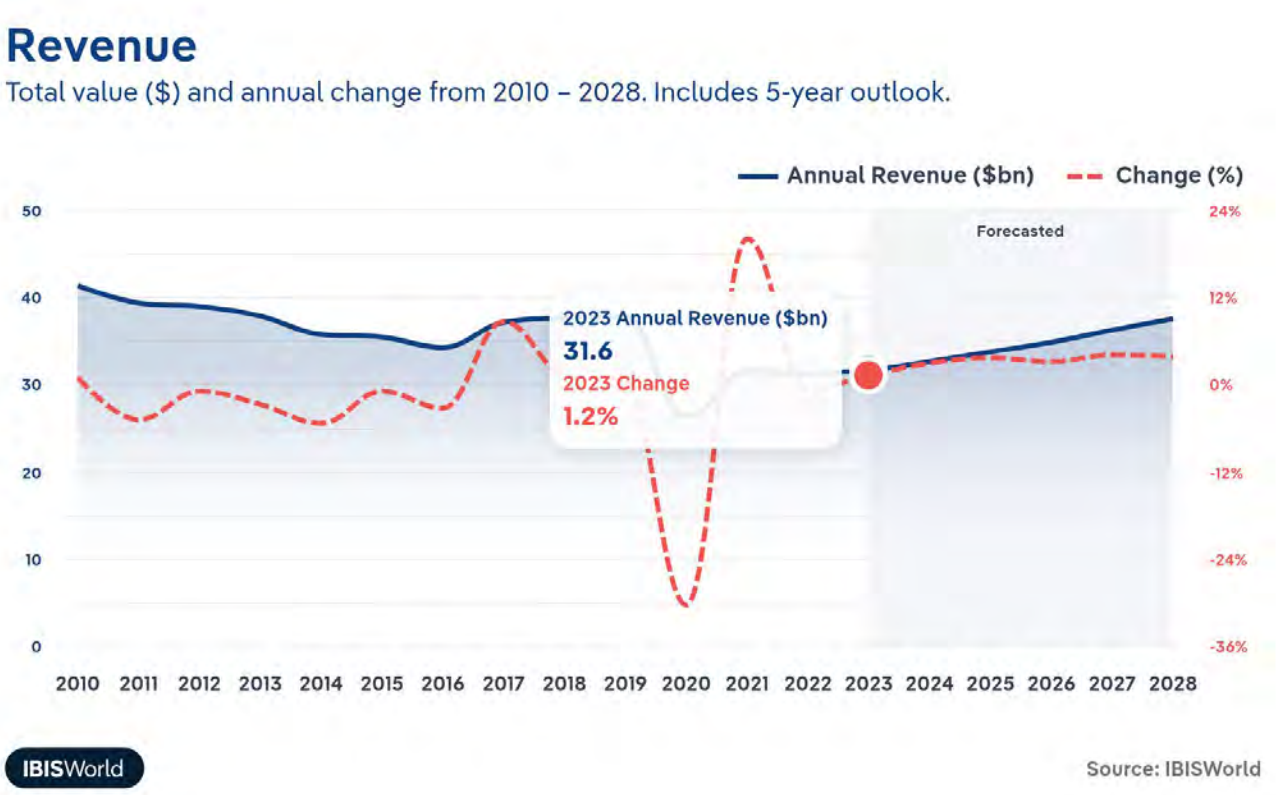
Copyright laws protect key revenue channels for movie producers by preventing the unlawful distribution of content. Movie producers are also held accountable by copyright laws, ensuring they have the proper authorization to use copyrighted material in their works.

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Performance Snapshot

REVENUE:

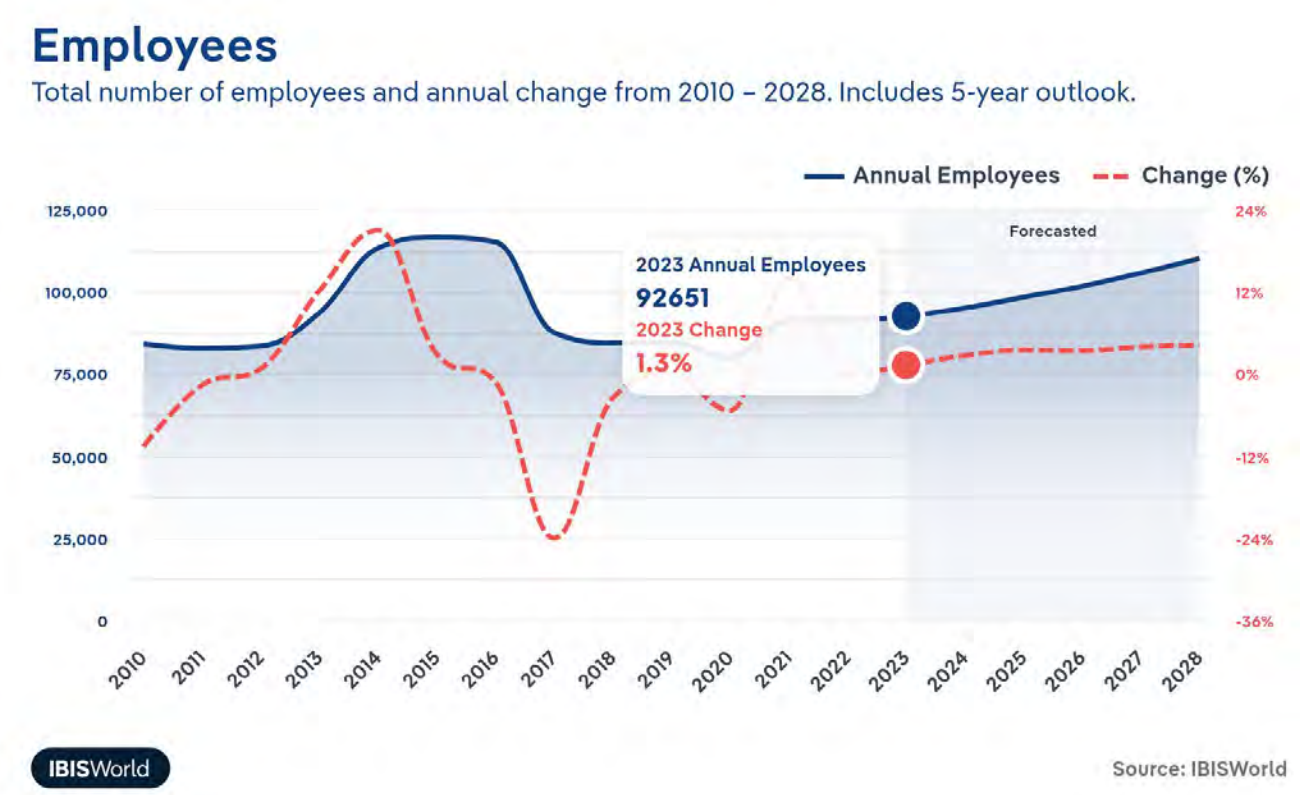
Revenue	2023 Revenue CAGR	Revenue Volatility
$31.6bn '18-'23 ↓ 3.4 % '23-'28 ↑ 3.5 %	↑ 1.2 %	↓ High



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EMPLOYEES:

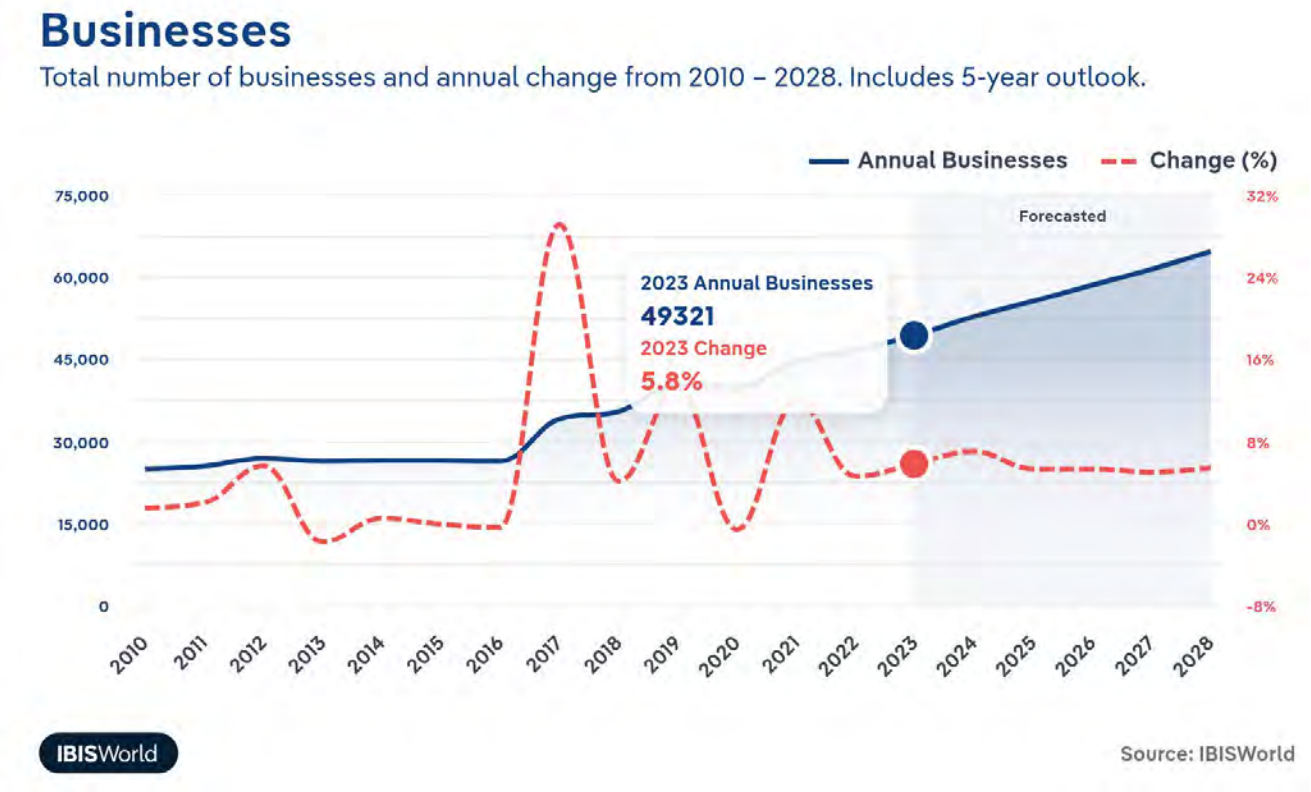
Employees	Employees per Business	Revenue per Employee
92,651	2	$342k
'18-'23 ↑ 1.8 %	'18-'23 ↓ 4.7 %	'18-'23 ↓ 5.1 %
'23-'28 ↑ 3.5 %	'23-'28 ↓ 1.9 %	'23-'28 ↓ 0.1 %



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BUSINESSES:

Businesses	Employees per Business	Revenue per Business
49,321	2	$641.7k
'18-'23 ↑ 6.8 %	'18-'23 ↓ 4.7 %	'18-'23 ↓ 9.6 %
'23-'28 ↑ 5.6 %	'23-'28 ↓ 1.9 %	'23-'28 ↓ 2.0 %



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Key External Drivers

Key External Drivers	Impact
Demand from movie theaters	Positive
Total advertising expenditure	Positive
Per capita disposable income	Positive
Trade-weighted index	Negative

Industry Structure

Characteristic	Level	Trend
Concentration	Moderate	
Barriers To Entry	Moderate	Increasing
Regulation and Policy	Moderate	Increasing
Life Cycle	Mature	
Revenue Volatility	High	
Capital Intensity	Low	
Assistance	High	Decreasing
Competition	High	Increasing
Innovation	Moderate	

PERFORMANCE SNAPSHOT

WHAT'S DRIVING CURRENT INDUSTRY PERFORMANCE?

Producers turn to risk-averse blockbusters

- Sluggish box office sales have made film studios more risk-averse, a trend that's been gradually unfolding over the past decade. This stems in part from other technologies competing for audiences' time.
- Franchises and sequels represent tested concepts with more assured box office success that can subsidize studios' riskier bets on new creative enterprises. Betting on intellectual property has become more reliable than building projects around star power.

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- Film studios have become more reliant on the success of sequels, franchises and intellectual property based films, as they also have high returns on interest. This limitation has contributed to the Movie and Film Production Industry's overall decline.

COVID-19 rattles filmmaking

- The COVID-19 pandemic was the driving force behind the industry's poor performance through the end of 2023, as most domestic movie theaters closed in March 2020.
- Many studio blockbusters postponed their releases to 2021, and changes in release dates created a domino effect for other releases, compounding the adverse effects of the pandemic.
- Although box office sales declined, stay-at-home orders and theater closures helped boost sales from digital distribution and licensing. While demand was high during the COVID-19 pandemic, many Movie and Video production companies had to pause production, driving down industry revenue.

Studios leverage digital platforms to generate revenue

- The increasing accessibility of video content online has diminished the incentive to spend on a movie theater experience, producing a consumer shift in favor of at-home entertainment.
- Major studios used COVID-19 disruptions to leverage revenue from and expand their digital platforms. These methods helped prevent further declines despite tumbling box office sales.
- Warner Bros. Studios began a monthly release of its theatrical slate after disastrous box office results for its summer 2020 blockbuster, Tenet.
- The industry's transition to digital streaming platforms is one of the many motivating factors behind the 2023 widespread strikes. The strikes have halted many productions, and though the end is in sight the damage has been done.

Online substitutes provide new outlets for video producers

- Videos are becoming an increasingly popular form of communication, with businesses and individuals taking advantage of their ability to reach a large audience.
- Although online video platforms, like Twitch and YouTube, draw consumers away from theaters, they've also opened up new avenues for video producers, therefore have a mixed effect on the Movie and Video Production Industry in the US.

Production costs have decreased recently, making video production more accessible to a broader range of customers. Each of these new filmmakers, on some level, present a certain level of competition to larger players in the Movie and Video Production industry in the US.

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SWOT

S

Strengths
Low Imports
Low Capital Requirements

W

Weaknesses
High & Decreasing Level of Assistance
High Competition
Very high Volatility
Low Profit vs. Sector Average
High Customer Class Concentration
High Product/Service Concentration
Low Revenue per Employee

O

Opportunities
Total advertising expenditure
High Revenue Growth (2018-2023)
High Revenue Growth (2023-2028)
High Performance Drivers

T

Threats
Very Low Revenue Growth (2005-2023)
Low Outlier Growth
Trade-weighted index

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METROPOLITAN SANTA FE - NM OFFICE MARKET OVERVIEW

Recent Performance

The following table summarizes historical and projected performance for the overall metropolitan Santa Fe - NM office market, as reported by CoStar.

SANTA FE - NM OFFICE MARKET								
Year Ending	Inventory (SF)	Completions (SF)	Occupied Stock (SF)	Occupancy	Asking Rent ($/SF Gross)	Asking Rent Change	Net Absorption (SF)	Transaction Price Per Area (SF)
2014	7,549,924	4,400	6,961,605	92.2%	$18.58	7.82%	-63,674	$129.61
2015	7,553,538	3,614	7,068,813	93.6%	$18.81	1.25%	107,208	$196.93
2016	7,553,538	0	7,219,222	95.6%	$19.13	1.72%	150,409	$247.79
2017	7,558,277	4,739	7,261,391	96.1%	$19.13	0.00%	42,169	$80.25
2018	7,568,277	10,000	7,297,999	96.4%	$20.16	5.36%	36,608	$152.52
2019	7,534,493	-33,784	7,309,688	97.0%	$20.73	2.84%	11,689	$131.55
2020	7,536,707	2,214	7,229,362	95.9%	$20.74	0.05%	-80,326	$139.31
2021	7,536,707	0	7,331,451	97.3%	$21.70	4.62%	102,089	$119.46
Q1 2022	*7,536,707*	*0*	*7,298,711*	*96.8%*	*$22.09*	*1.80%*	*-32,740*	*$190.38*
Q2 2022	*7,536,707*	*0*	*7,331,300*	*97.3%*	*$22.37*	*1.31%*	*32,589*	*$139.11*
Q3 2022	*7,536,707*	*0*	*7,370,826*	*97.8%*	*$22.45*	*0.34%*	*39,526*	-
Q4 2022	*7,536,707*	*0*	*7,403,176*	*98.2%*	*$22.68*	*1.00%*	*32,350*	*$180.23*
2022	7,536,707	0	7,403,176	98.2%	$22.68	4.52%	71,725	$180.23
Q1 2023	*7,536,707*	*0*	*7,457,231*	*98.9%*	*$22.92*	*1.08%*	*54,055*	-
Q2 2023	*7,536,707*	*0*	*7,456,235*	*98.9%*	*$23.06*	*0.60%*	*-996*	*$191.95*
Q3 2023	*7,536,707*	*0*	*7,460,477*	*99.0%*	*$23.09*	*0.15%*	*4,242*	-
*Q4 2023**	*7,536,707*	*0*	*7,425,465*	*98.5%*	*$23.19*	*0.40%*	*-35,009*	-
2023*	7,536,707	0	7,425,465	98.5%	$23.19	2.25%	22,292	-
2024*	7,531,947	-4,760	7,350,467	97.6%	$23.16	-0.13%	-74,139	-
2025*	7,527,635	-4,312	7,327,482	97.3%	$23.28	0.54%	-21,880	-
2026*	7,524,892	-2,743	7,305,978	97.1%	$23.44	0.69%	-20,437	-
2027*	7,522,983	-1,909	7,275,511	96.7%	$23.57	0.53%	-29,364	-
2028*	7,521,471	-1,512	7,245,931	96.3%	$23.64	0.33%	-28,502	-

* Future Projected Data according to CoStar

Source: CoStar, 3rd Quarter 2023

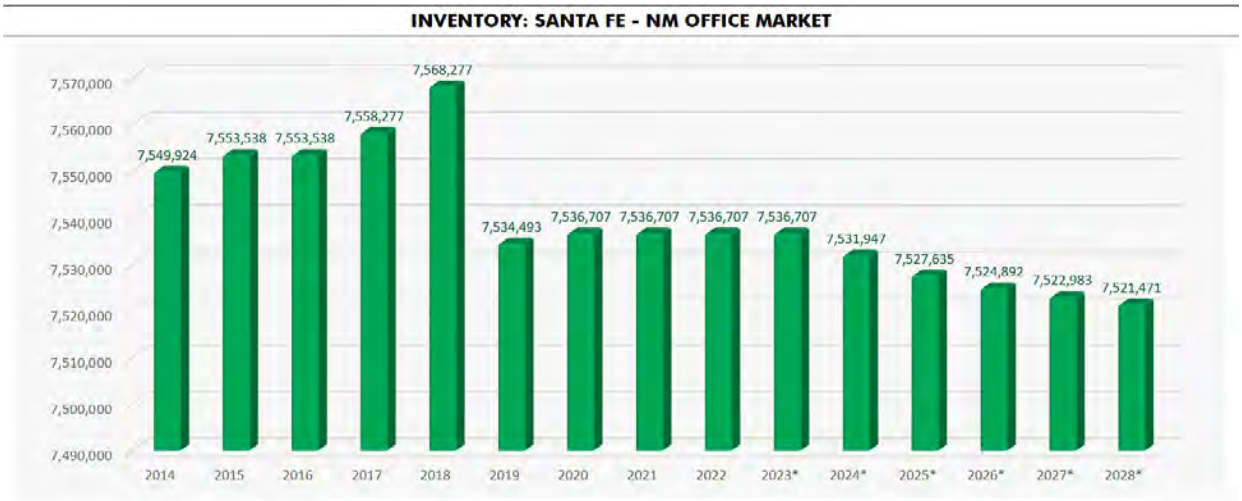
The Santa Fe - NM office market consists of approximately 7,536,707 square feet of office space. The following observations are noted from the table above:

- As of 3rd Quarter 2023, there was approximately 7,460,477 square feet of occupied office space (including sublet space), resulting in an occupancy rate of 99.0% for the metro area. This reflects a small increase from the previous quarter's occupancy of 98.9%, and an increase from an occupancy rate of 98.2% from last year.
- The area experienced positive 4,242 square feet of net absorption for the current quarter. This indicates an improvement from the previous quarter's negative 996 square feet of net absorption, and a decline from the positive 71,725 square feet of net absorption from last year.
- The area had zero completions for the current quarter, which indicates no change from the previous quarter's zero completions, and is unchanged from zero completions from last year.

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- The area achieved average asking rent of $23.09 per square foot, which indicates a small increase from the previous quarter's asking rent of $23.06 per square foot, and an increase from the asking rent of $22.68 per square foot from last year.

Historical Inventory – Market

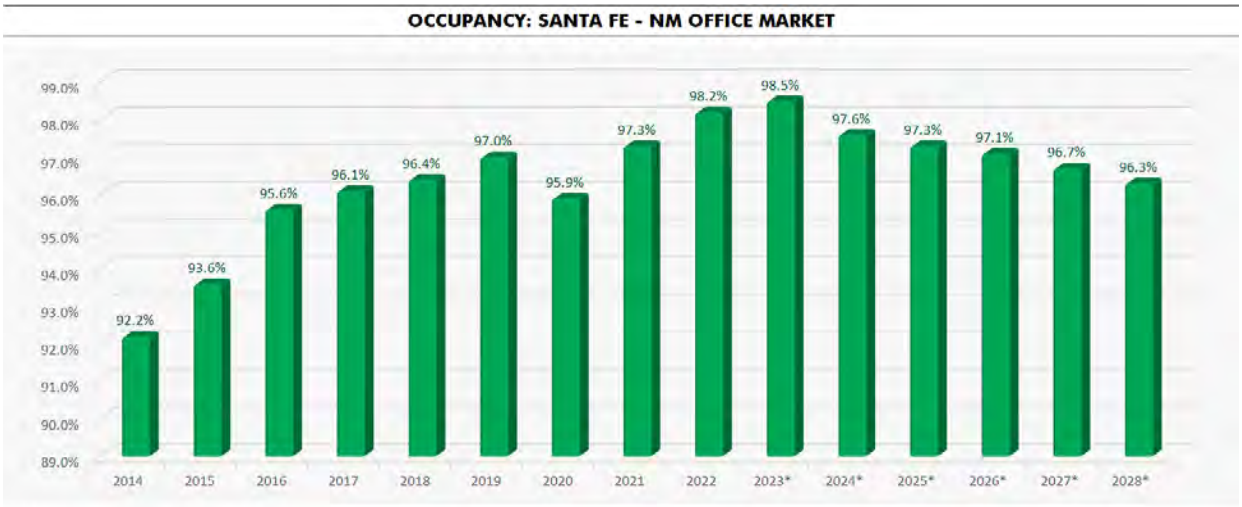


* Future Projected Data according to CoStar

Source: CoStar, 3rd Quarter 2023

Inventory is projected to be 7,536,707 square feet at the end of the current year, which represents no change from the previous year's inventory of 7,536,707 square feet. Inventory for next year is projected to be 7,531,947 square feet, reflecting a decrease from the current year.

Historical Occupancy - Market



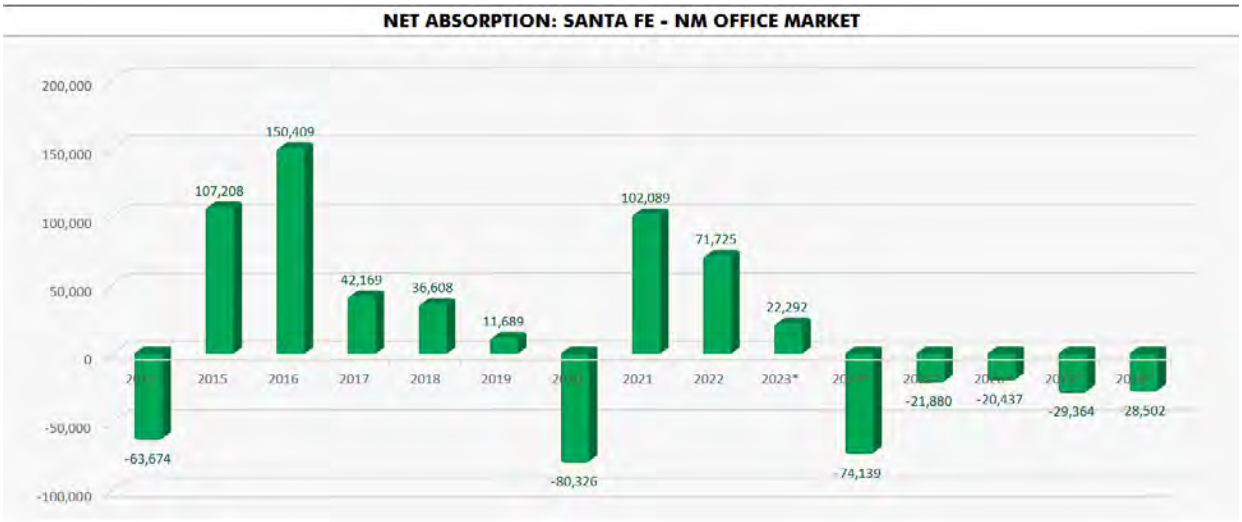
* Future Projected Data according to CoStar

Source: CoStar, 3rd Quarter 2023

At the end of the current year, the occupancy rate is projected to be 98.5%, which reflects an increase from the 98.2% occupancy rate at the end of last year. Occupancy for next year is projected to be 97.6%, reflecting a decrease from the current year.

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Historical Net Absorption - Market

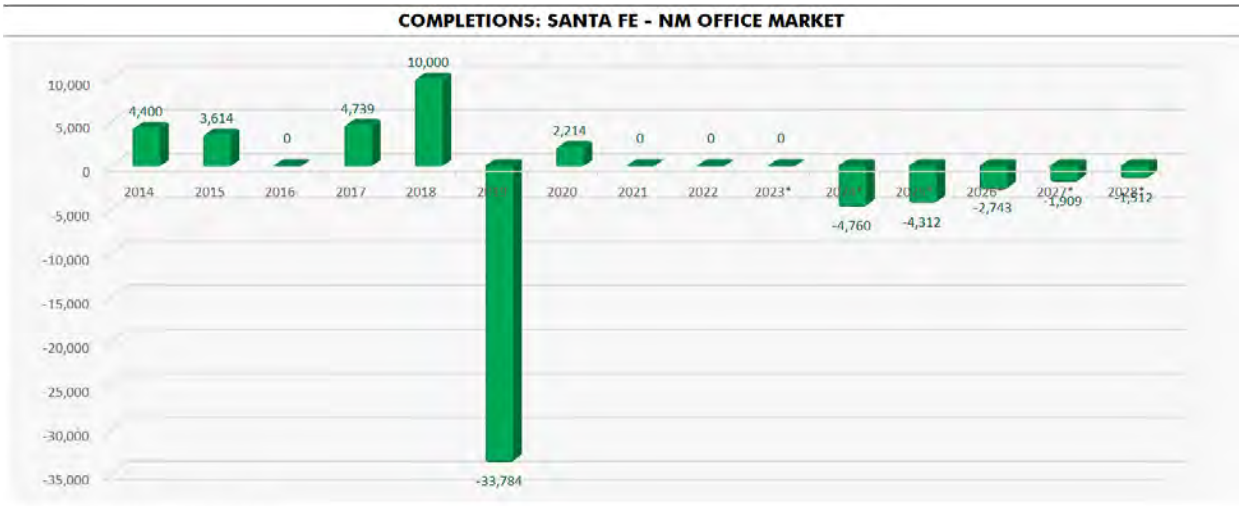


* Future Projected Data according to CoStar

Source: CoStar, 3rd Quarter 2023

At the end of the current year, the area is projected to experience positive 22,292 square feet of net absorption, which indicates a decline from the positive 71,725 square feet of net absorption for the previous year. The area is projected to experience negative 74,139 square feet of net absorption as of the end of next year, which indicates a decline from the current year.

Historical Completions - Market



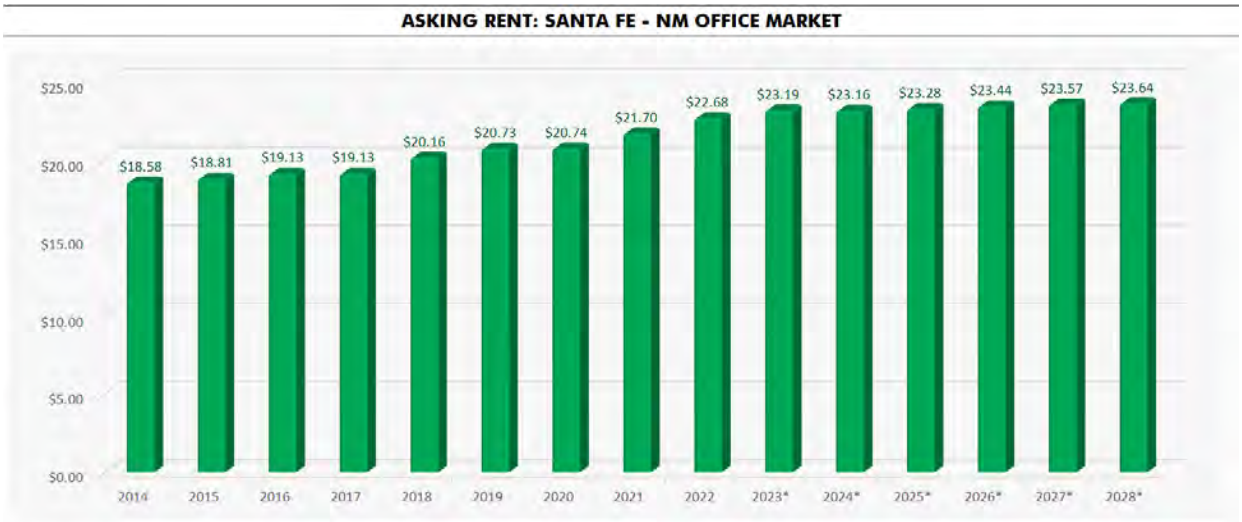
* Future Projected Data according to CoStar

Source: CoStar, 3rd Quarter 2023

The area is projected to achieve zero completions for the current year, which is unchanged from the previous year's zero completions. The area is projected to experience completions of negative 4,760 square feet as of the end of next year, which indicates a decline from the current year.

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Historical Asking Rent - Market



Source: CoStar, 3rd Quarter 2023

The area is projected to achieve average asking rent of $23.19 per square foot at the end of the current year, which indicates an increase from the previous year's asking rent of $22.68 per square foot. The area is projected to achieve asking rent of $23.16 per square foot by the end of next year, indicating a small decrease from the current year.

Occupancy

Based on the foregoing analysis, CBRE, Inc.'s conclusion of stabilized occupancy for the subject is illustrated in the following table. Because of its location, its age and condition, mixed use and specialized buildout, it is likely that the stabilized occupancy of the property will be lower than typical for the market.

OCCUPANCY CONCLUSIONS	
Santa Fe - NM Market	96.3%
Rent Comparables	88.5%
Subject's Stabilized Occupancy	85.0%
Compiled by CBRE	

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Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

The highest and best use analysis of the subject is discussed below.

AS VACANT

Legal Permissibility

The legally permissible uses were discussed in the Site Analysis and Zoning Sections.

Physical Possibility

The subject will require additional site work to upgrade its utilities, and has an adequate shape and size, sufficient access, etc., to be a separately developable site. There are no known physical reasons why the subject site would not support any legally probable development (i.e. it appears adequate for development).

Financial Feasibility

Potential uses of the site include commercial, office, and production of film. The determination of financial feasibility is dependent primarily on the relationship of supply and demand for the legally probable land uses versus the cost to create the uses. As discussed in the market analysis, the subject office market is generally stabilized.

New office projects have not been recently developed in this market due to economic conditions. Further, there are proposed developments which are no longer moving forward due to inadequate construction financing and market conditions (increasing vacancy, declining effective rental rates, higher cap rates, etc.). Overall, there is significant risk in the office market and most investors would not move forward with new construction at this time on a speculative basis.

Maximum Productivity - Conclusion

The final test of highest and best use of the site as if vacant is that the use be maximally productive, yielding the highest return to the land.

Based on the information presented above and upon information contained in the market and neighborhood analysis, we conclude that the highest and best use of the subject as if vacant would be the development of an office property, or a film production studio or related facility.

As noted, new development is not financially feasible at this time. Therefore, the highest and best use of the site, as vacant, would be to hold for future development when economic conditions improve.

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AS IMPROVED

Legal Permissibility

The site has been improved with an office and school campus. This is a nonconforming use for the newly created master plan and zoning.

Physical Possibility

The layout and positioning of the improvements are considered functional for scholastic use, and will need some reconfiguration for office or film use. There is vacant land available for future expansion, but will require review by the City for approval of proposed new uses.

Financial Feasibility

The financial feasibility of an office property is based on the indicated value of the property compared to its land value. If a residual amount exists, then the land is being put to a productive use. Further, the value of the subject property as improved clearly exceeds the underlying land value. However, the analysis of the market indicates that use as an income property is not feasible in the current market.

Maximum Productivity - Conclusion

As shown in the applicable valuation sections, buildings that are similar to the subject have been acquired or continue to be used by office owners. Some of the comparable buildings have been acquired for conversion to an alternative use, similar to the subject. The most likely buyer for the subject property is as follows:

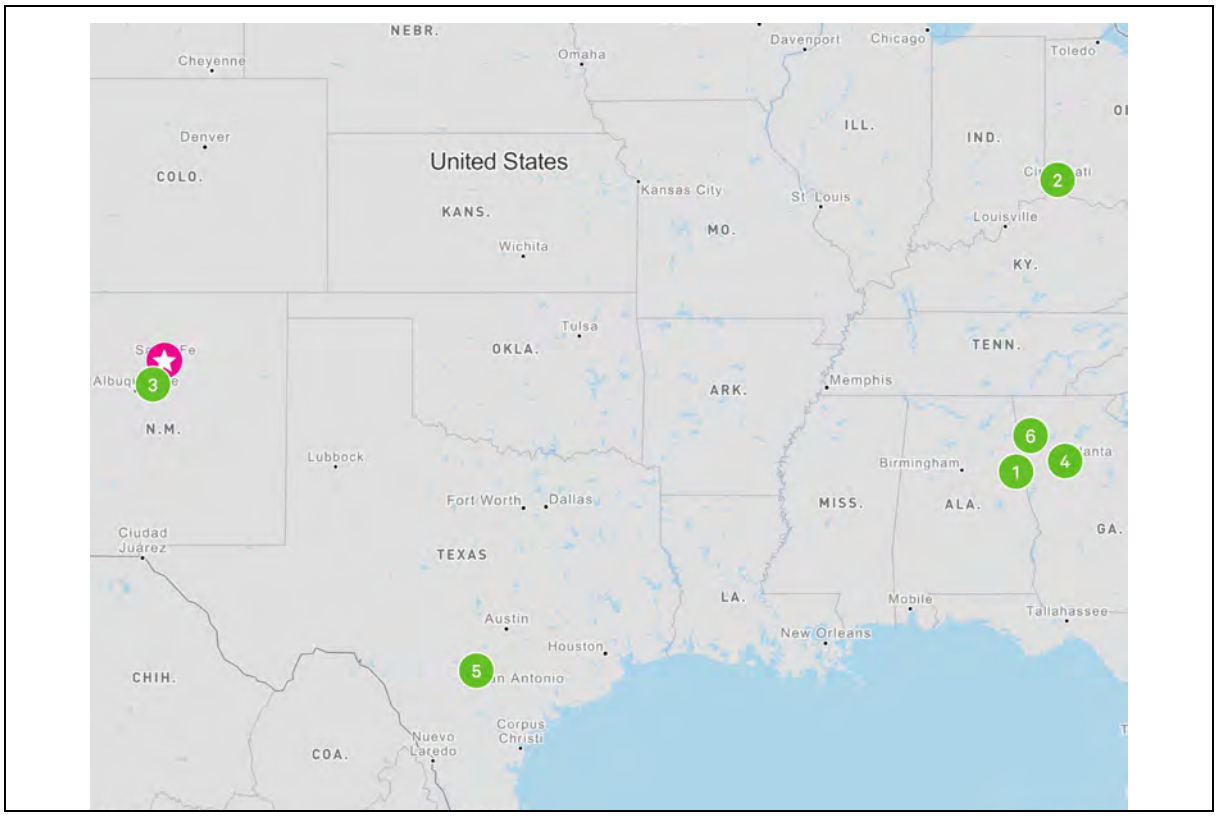
- Investor-Local

Based on the foregoing, the highest and best use of the property, as improved, is consistent with the existing use as a development, related to film production including studio use.

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Sales Comparison Approach

The following map and table summarize the comparable data used in the valuation of the subject. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE STUDIO AND SCHOOL CAMPUS SALES

No.	Property Name	Transaction Type	Transaction Date	Interest Transferred	YOC / Reno'd	Property Subtype	Site Coverage	NRA (SF)	Actual Sale Price	Adjusted Sale Price [1]	Price Per SF [1]
1	Carrie Steele Pitts Home 577, 585, 667 Fairburn Road NW Atlanta, GA 30331	Sale	Aug-23	Leased Fee	1965	School	13.7%	84,684	$5,200,000	$5,200,000	$61.40
2	Former Mount Auburn International Academy 244 Southern Avenue Cinncinati, OH 45219	Sale	Jun-23	Fee Simple/Freehold	1895	School	88.5%	88,673	$5,000,000	$5,000,000	$56.39
3	Shellaberger Tennis Center / Studio 1600 1/2 St. Michaels Drive Santa Fe, NM 87505	Sale	Oct-22	Fee Simple/Freehold	2002 / 2022	Studio	17.3%	65,000	$6,700,000	$9,200,000	$141.54
4	Blackhall Studios 1415 Constitution Road SE Atlanta, GA 30315	Sale	Apr-21	Mixed Fee/Lease Hold	1987 / 2017	Studio	37.1%	848,239	$120,000,100	$120,000,100	$141.47
5	Charter School Campus 4018 South Presa Street San Antonio, TX 78223	Sale	Mar-21	Fee Simple/Freehold	1921 / 2017	School	22.0%	68,098	$5,750,000	$5,750,000	$84.44
6	Aztec Warrior Studios 1550 Agape Way Decatur, GA 30035	Sale	Jul-19	Fee Simple/Freehold	1993	Studio	5.5%	18,458	$1,562,500	$1,562,500	$84.65
Subj. Pro Forma	Santa Fe College of Arts (portion of) 1600 St Michaels Dr Santa Fe, NM 87505	Under Contract	May-23	---	1968	Single Tenant	8.2%	98,677			

[1] Adjusted sale price for cash equivalency, lease-up and/or deferred maintenance (where applicable)
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The sales utilized represent the best data available for comparison with the subject. They were selected from our research of comparable improved sales on a national basis as there is only one known sale similar to the subject from the Santa Fe area. These sales were chosen based upon mixed use campuses, including film production facilities, as well as educational facilities similar to the subject's original and most recent configuration.

We do not consider it appropriate to value the individual components of the subject property from local sales, and combine the sales comparisons individually to produce an overall value. Refer to USPAP Standard 1-4 (e), which states:

> When analyzing the assemblage of the various estates or component parts of a property, an appraiser must analyze the effect on value, if any, of the assemblage. An appraiser must refrain from valuing the whole solely by adding together the individual values of the various estates or component parts.[9]

Location Adjustments

The following supplemental data was collected in order to provide support for our location adjustments:

IMPROVED SALES LOCATION ADJUSTMENT ANALYSIS

Comparable Number	Subject	1	2	3	4	5	6
Address	1600 St Michaels Dr	577, 585, 667 Fairburn Road NW	244 Southern Avenue	1600 1/2 St. Michaels Drive	1415 Constitution Road SE	4018 South Presa Street	1550 Agape Way
Radius for Demographic Analysis	3 Mile Radius	3 Mile Radius	3 Mile Radius	3 Mile Radius	3 Mile Radius	3 Mile Radius	3 Mile Radius
2023 Households	28,855	23,156	64,911	28,117	20,451	47,214	35,500
2023 Average Household Income	$95,392	$73,839	$82,298	$92,741	$91,549	$59,683	$78,980
AHI Relative to Subject	---	-22.6%	-13.7%	-2.8%	-4.0%	-37.4%	-17.2%
2023 Median Value of Owner Occupied Housing Units	$363,095	$227,397	$245,374	$351,587	$269,151	$133,254	$234,730
2023 % Renter Occupied Housing Units	35.9%	47.2%	55.7%	35.9%	36.4%	42.2%	38.3%
2023 % College/Graduate Degree Age 25+	46.8%	32.5%	45.6%	43.9%	34.0%	13.6%	31.2%
2023 Median Age	46.6	36.2	32.8	45.2	35.7	35.5	38.3
Indicated Qualitative Adjustment	---	**Inferior**	**Inferior**	**Similar**	**Superior**	**Inferior**	**Inferior**
Concluded Quantitative Adjustment	---	*5%*	*10%*	*0%*	*-10%*	*10%*	*5%*

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Of note, the adjustment for Sale 4 is not based on its surrounding demographics, but its ideal location in relation to surrounding film and television studios and its linkages. The indicated adjustments are applied in the following discussions.

DISCUSSION/ANALYSIS OF IMPROVED SALES

Improved Sale One

This comparable represents the sale of the former Carrie Steele Pitts Home campus located at 667 Fairburn Road NW in Atlanta, Georgia. The improvements include a total of 84,684 square feet in 8 buildings situated on a 15.76-gross acre campus. Due to a creek on the property, 14.2 acres are considered usable. The facility includes classrooms, gymnasium, commercial kitchen, cafeteria, offices, indoor pool, athletic field, playground, and 111 parking spaces. The property was listed for $5,000,000 and the broker reported multiple bids which drove up the price. The

[9] The Appraisal Foundation, *USPAP, 2024 Edition (Effective January 1, 2024)*

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property was purchased by a non-profit, Partnership for Southern Equity, Inc. for $5,200,000 or $61.40 per square foot in August 2023. The buyer will owner occupy three of the buildings representing 54,816 square feet. A school (Imhotep Academy), which had been leasing space at the property prior to the sale, will continue to lease/operate in four buildings representing 28,794 square feet. The buyer plans to renew the school tenant lease, which is on a month to month basis.

The upward adjustment for location reflects this comparable's inferior feature with respect to inferior demographics which garner lower rental rates. In terms of age/condition, this comparable was judged inferior due to older construction and more long-lived physical deterioration and received an upward adjustment for this characteristic. The adjustment for site coverage was warranted due to less land available for expansion, circulation, parking, or external storage. Therefore, an upward adjustment was judged proper for this comparable. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

Improved Sale Two

This comparable represents a 88,673 square foot school facility located in Cincinnati, Ohio. The property was originally built in 1895 and in 2022 was operating as the Mount Auburn International Academy The 88,673 square foot building includes a mix of offices , class rooms, gymnasium, cafeteria, & additional storage/maintenance rooms. The property is currently under contract to be purchased. The property was purchased in June 2023 for $5,000,000 or $56.39 per square foot. The property was purchased for use as the Mount Auburn Preparatory Academy charter school.

The upward adjustment for location reflects this comparable's inferior feature with respect to inferior demographics which garner lower rental rates. In terms of age/condition, this comparable was judged inferior due to older construction and more long-lived physical deterioration and received an upward adjustment for this characteristic. The adjustment for site coverage was warranted due to less land available for expansion, circulation, parking, or external storage. Therefore, an upward adjustment was judged proper for this comparable. With respect to amenities, this comparable was considered inferior in this aspect and received an upward adjustment because of lack of studio, stage, or auditorium facilities. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

Improved Sale Three

The former Shellaberger Tennis Center was constructed in 2002 tennis facility as a public tennis club on the College of Santa Fe campus. It has 65,000 square feet of gross building area, initially for indoor tennis use. It was marketed for mixed use, potentially residential or office, and sold in May, 2022, closing in October after the initial offer fell through. The closing price was $6,700,000. The buyer considered multiple reconfigurations, and ultimately repurposed the

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facility as a film soundstage/professional office. According to the new owners the facility required $1,500,000 for the soundstages to be retrofitted and soundproofed, as well as an additional $1,000,000 is needed for electrical upgrades. It has a low land-to-building ratio of 17%, indicating some potential surplus land available for expansion or exterior storage.

In terms of age/condition, this comparable was judged superior due to newer construction and received a downward adjustment for this characteristic. The adjustment for site coverage was warranted due to less land available for expansion, circulation, parking, or external storage. Therefore, an upward adjustment was judged proper for this comparable. With respect to amenities, this comparable was considered superior in this aspect and received a downward adjustment because of superior potential for film production. Overall, this comparable was deemed superior in comparison to the subject and a downward net adjustment was warranted to the sales price indicator.

Improved Sale Four

This comparable represents the sale of Blackhall Studios, a movie and film production studio located on two adjacent campuses in southeast Atlanta. The Main Campus is an approximate 411,532-square-foot, state-of-the-art movie and film production studio with nine sound stages and a centralized office, warehouse, and millwork facility, as well as individual office bungalows. These buildings were built in 2017-2018 and are located at 1415 Constitution Road SE. The East Campus, including The Grove, is an approximate 436,707-square-foot, movie and film production studio divided into multiple sound stages, office, and millwork uses. The buildings were constructed in 1987, and renovated, opening in 2017 and 2018. This property is located at 3475, 3495, and 3342 International Park Drive SE. Blackhall has been home to productions for Disney, Warner Brothers, and Universal Studios, as well as Netflix. . Blackhall Studios was sold to Los Angeles based private equity firm Commonwealth Group for a reported price of $120 million. The transaction was structured as an "Asset Purchase Agreement" and included both real property and assignment of leases for buildings and property comprising the East Campus (including The Grove), as well as furnishings and equipment, and assumption of certain liabilities. A detailed allocation was not available, though the recorded price for the fee simple interest transferred was $100 million. The pro forma shown is the seller's operating budget for 2021. It is generally supported by actual 2019 operations, allowing for additional operations. In 2020, revenue was significantly negatively impacted by the COVID-19 pandemic. However, commitments for 2021 had the studio operating at near-full capacity.

The downward adjustment for superior property rights conveyed is attributable to existing leases in place. The downward adjustment for location reflects this comparable's superior feature with respect to superior demographics which garner higher rental rates. Upon comparison with the subject, this comparable was considered inferior in terms of size and received an upward adjustment for this characteristic due to having significantly more square footage than the subject property. In terms of age/condition, this comparable was judged superior due to newer

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construction and received a downward adjustment for this characteristic. The adjustment for site coverage was warranted due to less land available for expansion, circulation, parking, or external storage. Therefore, an upward adjustment was judged proper for this comparable. With respect to amenities, this comparable was considered superior in this aspect and received a downward adjustment because of multiple studios for film production. Overall, this comparable was deemed superior in comparison to the subject and a downward net adjustment was warranted to the sales price indicator.

Improved Sale Five

This comparable represents the sale of a 68,098-square foot charter school located at 4018 South Presa Street in San Antonio, Texas. The improvements were originally constructed in 1921, renovated in 2013 and 2017, and are situated on a 7.10-acre site. Amenities include a full kitchen/cafeteria, basketball pavilion and athletic field. The property is presently owner-occupied by New Frontiers Public Schools and operated as the Frank L. Madla Accredited Collegiate Academy. It sold in March 2021 for $5,750,000, or $84.44 per square-foot.

The upward adjustment for location reflects this comparable's inferior feature with respect to inferior demographics which garner lower rental rates. The adjustment for site coverage was warranted due to less land available for expansion, circulation, parking, or external storage. Therefore, an upward adjustment was judged proper for this comparable. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

Improved Sale Six

This 18,458 square foot building is located at 1550 Agape Way in Decatur, GA. The improvements were constructed in 1993 and are situated on a 7.70 acre site. The improvements are tilt-up concreate exterior with a brick façade along the front of the building. The property was sold from Trinity Christian Center of Santa Ana who had their broadcasting network at this location, to ADA 108 LLC. The buyer purchased the property as a film production studio. The property is now known as the Aztec Warrior Studios. The property sold for $1,562,500 or $84.65 in July 2019.

The upward adjustment for location reflects this comparable's inferior feature with respect to inferior demographics which garner lower rental rates. Upon comparison with the subject, this comparable was considered superior in terms of size and received a downward adjustment for this characteristic due to having significantly fewer square feet than the subject property. With respect to amenities, this comparable was considered inferior in this aspect and received an upward adjustment because of inferior studio capacity. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

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SUMMARY OF ADJUSTMENTS

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

STUDIO AND SCHOOL CAMPUS SALES ADJUSTMENT GRID

Comparable Number	1	2	3	4	5	6	Subj. Pro Forma
Transaction Type	Sale	Sale	Sale	Sale	Sale	Sale	---
Transaction Date	Aug-23	Jun-23	Oct-22	Apr-21	Mar-21	Jul-19	---
Interest Transferred	Leased Fee	Fee	Fee	Mixed	Fee	Fee	---
Year Built/Renovated	1965	1895	2002 / 2022	1987 / 2017	1921 / 2017	1993	1968
Property Subtype	School	School	Studio	Studio	School	Studio	Single Tenant
GBA (SF)	84,684	88,673	65,000	848,239	68,098	18,458	98,677
Site Coverage	13.7%	88.5%	17.3%	37.1%	22.0%	5.5%	8.2%
GLA (SF)	84,684	88,673	65,000	848,239	68,098	18,458	98,677
Actual Sale Price	$5,200,000	$5,000,000	$6,700,000	$120,000,100	$5,750,000	$1,562,500	---
Adjusted Sale Price [1]	$5,200,000	$5,000,000	$9,200,000	$120,000,100	$5,750,000	$1,562,500	---
Adj. Price Per SF	$61.40	$56.39	$141.54	$141.47	$84.44	$84.65	
Property Rights Conveyed	0%	0%	0%	-20%	0%	0%	
Financing Terms [1]	0%	0%	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	0%	0%	
Market Conditions (Time)	0%	0%	0%	0%	0%	0%	
Subtotal - Price Per SF	$61.40	$56.39	$141.54	$113.18	$84.44	$84.65	
Location	5%	10%	0%	-10%	10%	5%	
Size	0%	0%	0%	10%	0%	-10%	
Age/Condition	25%	25%	-20%	-10%	0%	0%	
Quality of Construction	0%	0%	0%	0%	0%	0%	
Parking	0%	0%	0%	0%	0%	0%	
Site Coverage	10%	20%	15%	25%	25%	0%	
Amenities	10%	10%	-10%	-10%	10%	10%	
Other	0%	0%	0%	0%	0%	0%	
Total Other Adjustments	50%	65%	-15%	5%	45%	5%	
Indicated Value Per SF	**$92.10**	**$93.04**	**$120.31**	**$118.83**	**$122.44**	**$88.88**	
Absolute Adjustment	*50%*	*65%*	*45%*	*85%*	*45%*	*25%*	

[1] Adjusted for cash equivalency, lease-up and/or deferred maintenance (where applicable)
Compiled by CBRE

SALE PRICE PER SQUARE FOOT CONCLUSION

Overall, Comparables 3, 5 and 6 were given greater consideration because they required least overall adjustment. Comparable 3 is given greatest weight as it is adjacent to the subject property, a portion of the same campus, and is the only known recent sale of a film studio property from New Mexico. The following chart presents the valuation conclusion:

SALES COMPARISON APPROACH

NRA (SF)	X	Value Per SF	=	Value
98,677	X	$88.88	=	$8,770,658
98,677	X	$120.31	=	$11,871,602

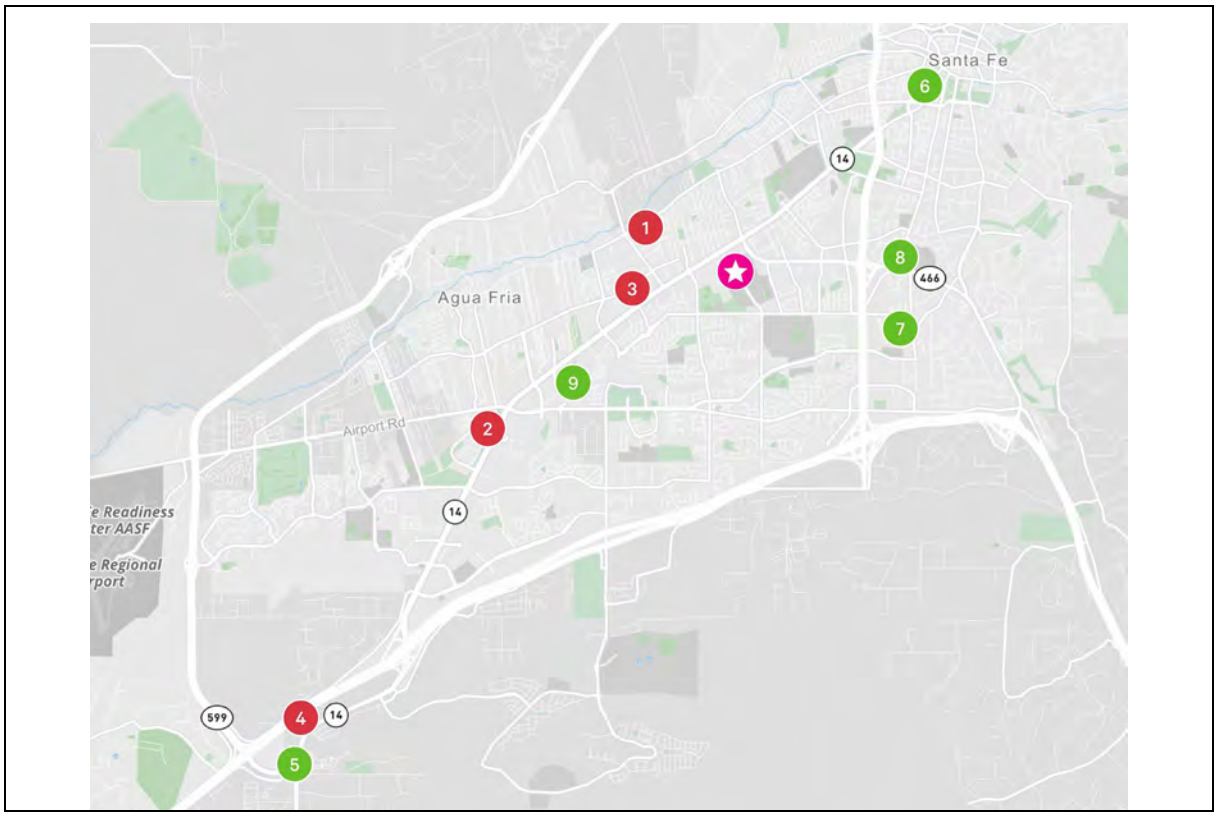
VALUE CONCLUSION	
As Complete Market Value	$11,500,000
Deferred Maintenance	(6,314,633)
As Is Market Value	$5,185,368
Rounded	**$5,200,000**
Value Per SF	**$52.70**

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Income Capitalization Approach

The following map and table summarize the primary comparable data used in the valuation of the subject. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE INDUSTRIAL RENTALS

No.	Property Name and Location	YOC / Reno'd	Property Subtype	Occ.	Distance from Subj	NRA (SF)	Tenant Name	Lease Area (SF)	Lease Date	Lease Term	Base Rent	Reimbursements
1	1000 Siler Park Ln 1000 Siler Park Ln Santa Fe, NM 87507	1980	WH / Distribution / Logistics	100%	1.0 Miles	53,668	Hajoca	53,688	Nov-22	6.0 Yrs.	$6.13 PSF	NNN
2	2516 Camino Entrada Santa Fe, NM 87507	2002	WH / Distribution / Logistics	100%	2.8 Miles	13,220	Amazon	13,200	Apr-21	5.0 Yrs.	$12.00 PSF	NNN
3	Second Street Brewery 2920 Rufina Street Santa Fe, NM 87507	1971	WH / Distribution / Logistics	100%	1.0 Miles	20,000	Second Street Brewery	20,000	Jun-21	5.0 Yrs.	$6.75 PSF	NNN
4	4525 Hwy 14 Rd - Building 2 Santa Fe, NM 87507		WH / Distribution / Logistics	100%	6.0 Miles	10,000	Bimbo Bakeries	10,000	Nov-18	5.0 Yrs.	$10.00 PSF	Modified Gross
Subj.	Santa Fe College of Arts (portion of) 1600 St Michaels Dr	1968	Office	0%	---	98,677					---	---

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SUMMARY OF COMPARABLE OFFICE RENTALS

Comp. No.	Property Name and Location	YOC / Reno'd	Property Subtype	Distance from Subj	NRA (SF)	Tenant Name	Lease Area (SF)	Lease Date	Lease Term	Base Rent	Reimbursements	Escalations
5	US Forest Services Office building 11 Forest Lane Santa Fe, NM 87508	2009	Single Tenant	6.4 Miles	23,000	USDA Forest Service	23,000	Sep-19	5.0 Yrs.	$22.33 PSF	Full Service	
6	University Plaza 330 Garfield Street Santa Fe, NM 87501	1881 / 2018	Multi Tenant	2.6 Miles	20,595	Fidelity Title Hunter Custom Homes	3,104 2,078	Aug-23 May-23	3.0 Yrs. 3.0 Yrs.	$23.70 PSF $28.00 PSF	Gross Gross	Flat Flat
7	Butolph Office Park 400 Kiva Court NE Santa Fe, NM 87505	2013	Office Park	1.7 Miles	10,799	Gallagher Insurance Sun Mountain Wellness	1,325 1,800	Mar-23 Dec-22	3.0 Yrs. 3.0 Yrs.	$18.11 PSF $24.00 PSF	Modified Gross Modified Gross	3% annual 3% annual increases
8	Galisteo Professional Office Park Condos 531 Harkle Unit A	1988	Office Condominium	1.6 Miles	2,469	Family Medicine	2,469	Oct-23	3.0 Yrs.	$19.00 PSF	Modified Gross	3% annually
9	The Lofts 3600 Cerrillos Road, Building 700 Santa Fe, NM 87507	2002	Other	1.9 Miles	24,273	Functional Medicine Sungreen Cleaner (Noel Lopez)	1,195 1,100	Sep-22 Feb-22	1.9 Yrs. 0.9 Yrs.	$19.83 PSF $18.00 PSF	Modified Gross Modified Gross	
Subj.	Santa Fe College of Arts (portion of) 1600 St Michaels Dr Santa Fe, NM 87505	1968			98,677					---		

Compiled by CBRE

The rentals utilized represent the best data available for comparison with the subject. They were selected from our research within the greater Santa Fe area, recent leases of industrial and office spaces comparable to the subject. The following table shows a summary of the space allocation for the subject.

MARKET RENT CATEGORIES

Space Allocation	Size
Industrial Space	11,200
Office Space	87,477

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NATIONAL STUDIO SPACE RENT COMPARABLES

CBRE has compiled national rentals for film and television studios showing the space can rent from $25 to $115 per square foot. The wide range in rent for the comparables is mostly attributable to the composition of stage vs office/support space for each comparable. Rents tend to trend at the top range of office rents for the locality. The subject has good linkages, and is operated by a reputable company within the competitive market. However, its studio space is limited, and the size of sound stages available are smaller than typically desired for larger production studio operators. In conclusion, we estimate a stage rent for the subject consistent with the rate indicated by the comparable office spaces.

DISCUSSION/ANALYSIS OF RENT COMPARABLES

Rent Comparable One

This is a 53,668-square foot industrial (warehouse/distribution) facility located at 1000 Siler Park Ln in Santa Fe, New Mexico. The improvements were constructed in 1980 and are. situated on a 4.65-acre site. The clear height of the improvements is 20' and the office finish approximates 33.5%. The property has been leased by HAJOCA, which has been in this location since 1989,

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most recently extended in November, 2022, for a six year term, with a rent currently at $6.13 per square foot, or $328,755 annually.

Rent Comparable Two

This building is on Camino Entrada, just off of Cerrillos Road. It was formerly occupied by United Rentals, as well as Santa Fe Autoworks. It was placed on the market for $12.00 psf NNN in late 2021, and leased in April, 2022. The tenant was not disclosed, nor the lease amount, but market participants believe it is Amazon, being used as a last mile warehouse, and the lease signing was at or near list.

Rent Comparable Three

This comparable represents the renewal lease of a warehouse in the Siler Road industrial area of Santa Fe, NM, which was converted into a brewery and tap room for Second Street Brewery. This property is located just around the corner from the Meow Wolf art complex, a popular tourist attraction. This property had previously been utilized as a mattress warehouse and had minimal office buildout or yard area. This property was purchased by a local broker/investor in February 2015 for $1,000,000 who immediately started marketing it for lease. Second Street Brewery signed a 5-year NNN lease in approximately June 2016 at $120,000 per year, or $6.00 per square foot. This lease did not include any TI allowance and the brewery spent an estimated $1,000,000 on renovations to transform the property into a brewery and tap room. Approximately half of this was for real estate to include an HVAC system, new restrooms, upgraded electrical system, new trench drains, landscaping, and exterior improvements. The remainder represented equipment costs for a 20-barrel brewing system. The lease includes three 5-year renewal options with CPI escalations every three years throughout the initial and renewal terms.

Rent Comparable Four

This rental survey represents the direct lease for 4525 Hwy 14 Rd, Building 2 in Santa Fe County, Santa Fe New Mexico. This is an industrial property type with a single tenancy with a rentable area of 10,000 SF on 0.46 acres of land. This property was on the market for 5 months and was occupied in November of 2018. The reimbursements are on a modified gross basis and the lease is reported to be a 5 year term, occupied by Bimbo Bakeries.

Rent Comparable Five

This is a 23,000-square foot, one-story, suburban office building located at 11 Forest Lane in Santa Fe, New Mexico. The improvements were constructed in 2009 and are situated on a 5.00-acre site. Currently, the property is 100.0% occupied by the United States Department of Agriculture, Forest Service Division. An original 10-year, firm lease term commenced September 17, 2009. Base rent during the original term was flat at $676,890 per year, or approximately $29.43 per square foot, inclusive of amortized tenant improvements, with CPI adjustments to operating expenses of $4.13 per square foot. The lease included two, five-year options to renew

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at $520,950 per year, or approximately $22.65 per square foot, prior to CPI adjustments for operating expenses. The GSA tenant, in a letter dated March 12, 2019, indicated its intention of exercising the first, five-year renewal option. Based on executed Lease Amendment No. PLA047, signed December 16, 2019, the total annual rent for the first option period has been negotiated to $513,570.34 annually, equivalent to $22.33 per square foot, including a base rent of $18.52 per square foot, and CPI adjusted operating expenses of $3.81 per square foot.

Rent Comparable Six

This comparable represents a 20,595-square-foot, Class C multi-tenant office property at 330 Garfield Street, Santa Fe, NM. The 4-story improvements were originally constructed in 1881 and were considered in average condition at the time of our research. The property is currently 94% leased. The most recent leases signed in 2023 are gross leases at $23.70 and $28.00 per square foot, both 36 month leases to new tenants.

Rent Comparable Seven

This comparable represents a 10,799-square-foot, Class office park office property at 400 Kiva Court NE, Santa Fe, NM. The improvements were originally constructed in 2013 and were considered in condition at the time of our research. The property is currently 100% leased. Tenants pays flat rate plus utilities. The most recent leases in the complex range from $18.11 to $24.00 per square foot for new tenants.

Rent Comparable Eight

This comparable represents a 2,469-square-foot, Class B office condominium office property at 531 Harkle, Santa Fe, NM. The 1-story improvements were originally constructed in 1988 and were considered in condition at the time of our research. This is a single-tenant unit, leased to Family Medicine starting in October 2023, at $19.00 per square foot on a modified gross basis.

Rent Comparable Nine

This comparable represents a 24,273-square-foot, Class C+ other office property at 3600 Cerrillos Road, Building 700, Santa Fe, NM. The 3-story improvements were originally constructed in 2002 and were considered in average condition at the time of our research. This is a mixed-use development, consisting of 22 office suites and 18 residential units. The offices are typically small executive units from 150-300 square feet, with one larger tenant occupying 2,290 square feet. The apartments range from 440 square foot efficiency units to 1,400 square foot lofts, averaging 1,000 square feet, typically one-bedroom, all one-bath. Occupancy has ranged from 90% to 97% over the last two years, averaging roughly 90%. Most office spaces are leased from 12 to 36 months, while the residential units are commonly on 6 to 12 month leases. Roughly 50% of the tenants have been in place for 3 or more years. The improvements are in generally good condition, with no deferred maintenance.

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MARKET RENT ANALYSIS

Local industrial space is typically rented on a NNN basis, with comparables ranging from $6.13 to $12.00 per square foot. The range in recent office leases is from $18.00 to $28.00 per square foot, typically on a gross or modified gross basis. The subject compares with the upper portion of the industrial range due to its locational and physical characteristics. The office space is most comparable to the lower portion of the indicated range in the market, primarily attributable to age and condition, as well as the classroom configuration.

MARKET RENT CONCLUSIONS

The following chart shows the market rent conclusions for the subject:

MARKET RENT CONCLUSIONS

Category	Industrial Space	Office Space
Net Rentable Area (SF)	11,200	87,477
Percent of Total SF	11.4%	88.6%
Market Rent ($/SF/Yr.)	$12.00	$19.00
Weighted Average In-place Rent	$0.00	$0.00
Concessions (New Tenants)	2 Months	2 Months
Concessions (Renewals)	0 Months	0 Months
Reimbursements	NNN	Gross
Escalations	2%	2%
Tenant Improvements (New Tenants)	$2.00	$40.00
Tenant Improvements (Renewals)	$0.00	$10.00
Average Lease Term	60 Months	60 Months
Leasing Commissions (New Tenants)	6.00%	6.00%
Leasing Commissions (Renewals)	3.00%	3.00%

Compiled by CBRE

RENT ROLL ANALYSIS

The subject's rent roll is illustrated as follows:

RENT ROLL ANALYSIS FOR SANTA FE COLLEGE OF ARTS (PORTION OF)

Suite No.	Tenant	Tenant Type	Lease Start	Lease Expiration	Term (Mos.)	Size (NRA) SF	% Total	Market Rent $/SF/Yr.	Market Rent $/Yr.	Market Expense Basis	Vacant at Market $/SF/Yr.	Vacant at Market $/Yr.
	Owner-Occupied	Office Space	---	---	---	87,477	88.6%	$19.00	$1,662,063	Gross	---	$1,662,063
	Owner-Occupied	Industrial Space	---	---	---	11,200	11.4%	$12.00	$134,400	NNN	---	$134,400
Vacant Subtotals						98,677	100.0%		$1,796,463		---	$1,796,463
Property Totals - Contract Rent						98,677	100.0%				$18.21	$1,796,463
Property Totals - Market Rent						98,677	100.0%	$18.21	$1,796,463		$18.21	

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OPERATING EXPENSE ANALYSIS

Expense Comparables

The following chart summarizes expenses obtained from recognized industry publications and/or comparable properties. The subject expenses are concluded within the range indicated by the comparables, generally near the upper portion of the range.

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EXPENSE COMPARABLES					
Comparable Number	1	2	3	4	Subject
Location	Central NM	Central NM	Northern NM	Northern NM	Santa Fe, NM
NRA (SF)	145,763	113,698	105,722	31,880	98,677
Year Built	1972	1954	1985	2009	1968
Type	Office Park	Multi Tenant	Multi Tenant	Multi Tenant	Single Tenant
Period	2022	2022	2023	2022	Pro Forma
Revenues	$/SF	$/SF	$/SF	$/SF	$/SF
Potential Rental Income	$22.85	$13.66	$20.00	$19.87	$18.21
Vacancy & Credit Loss	$0.00	$0.00	$0.00	$0.00	($2.73)
Net Rental Income	**$22.85**	**$13.66**	**$20.00**	**$19.87**	**$15.47**
Expense Reimbursements	$0.00	$0.00	$0.21	$1.94	$1.87
Vacancy & Credit Loss	$0.00	$0.00	$0.00	$0.00	$0.00
Subtotal Effective Other Income	**$0.00**	**$0.00**	**$0.21**	**$1.94**	**$1.87**
Effective Gross Income	**$22.85**	**$13.66**	**$20.89**	**$21.81**	**$17.35**
Expenses					
Real Estate Taxes	$1.58	$0.71	$0.58	$1.63	$1.60
Property Insurance	$0.18	$0.12	$0.18	$0.18	$0.15
Common Area Maintenance	$8.40	$4.38	$2.97	$4.88	$4.00
Janitorial	$0.90	$0.52	$0.73	$0.77	$0.75
Management Fee	$0.91	$0.18	$0.77	$1.32	$0.69
Total Operating Expenses	**$11.98**	**$5.91**	**$5.23**	**$8.78**	**$7.20**
Operating Expenses Excluding Taxes	$10.40	$5.20	$4.65	$7.15	$5.59
Operating Expense Ratio	52.4%	43.3%	25.0%	40.2%	41.5%
Management Fee (% of EGI)	*4.0%*	*1.3%*	*3.7%*	*6.0%*	*4.0%*

[2] The median total differs from the sum of the individual amounts.

Compiled by CBRE

OPERATING EXPENSE CONCLUSION

The comparable data and projections for the subject are summarized as follows:

TOTAL OPERATING EXPENSES		
Year	Total	$/SF/Yr
Expense Comparable 1	---	$11.98
Expense Comparable 2	---	$5.91
Expense Comparable 3	---	$5.23
Expense Comparable 4	---	$8.78
CBRE Estimate	**$710,297**	**$7.20**
Compiled by CBRE		

We have concluded $9.51 per square foot for the subject's total operating expenses, which is within the range of the expense comparables.

DIRECT CAPITALIZATION

Direct capitalization is a method used to convert a single year's estimated stabilized net operating income into a value indication. The following subsections represent different techniques for deriving an overall capitalization rate.

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Comparable Sales

Only one income property was used in the sales comparison approach; the rest were owner-occupied. For this reason, additional sales of investment properties were selected from the market, from which applicable capitalization rates (OARs) could be confirmed.

COMPARABLE CAPITALIZATION RATES

Sale	Sale Date	Sale Price $/SF	Occupancy	Buyer's Primary Analysis	Operating Expense Ratio	OAR
4	Apr-21	$141.47	80%	Pro Forma (Stabilized)	41.59	9.13%
Indicated OAR:			85%			**9.13%-9.13%**

Compiled by CBRE

COMPARABLE CAPITALIZATION RATES

Secondary Sale	Sale Date	Sale Price $/SF	Occupancy	Buyer's Primary Analysis	Operating Expense Ratio	OAR
7	Dec-23	$70.85	100%	Trailing Actuals	38.55	8.13%
8	Nov-22	$96.02	94%	Trailing Actuals	n/a	9.27%
9	Sep-22	$188.85	100%	Trailing Actuals	n/a	7.99%
10	Jan-22	$67.33	91%	Pro Forma (Stabilized)	53.42	9.75%
11	Jan-22	$230.13	100%	Trailing Actuals	n/a	8.50%
12	Sep-21	$72.73	83%	Trailing Actuals	46.59	10.53%
13	Apr-21	$117.05	79%	Pro Forma (Stabilized)	37.08	9.52%
Indicated OAR:			85%			**7.99%-10.53%**

Compiled by CBRE

The overall capitalization rates for these sales were derived based upon the actual or pro-forma income characteristics of the property. Primary emphasis has been placed upon the more recent data, which is generally reflective of current market trends, interest rates, and buyer's expectations and motivation in the market. Each of these sales shows a similar tenancy structure with regard to stability and credit rating, whereby little if any adjustments are required when compared with the subject.

Published Investor Surveys

The results of the most recent investor surveys are summarized in the following chart.

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OVERALL CAPITALIZATION RATES		
Investment Type	OAR Range	Average
CBRE Suburban Office		
Class A	6.84% - 7.72%	7.00%
Class B	8.07% - 8.61%	8.21%
Class C	9.39% - 10.03%	9.62%
RealtyRates.com		
Office	5.11% - 12.93%	9.53%
CBD Office	6.02% - 12.93%	9.76%
Suburban	5.11% - 11.67%	8.85%
PwC Suburban Office		
National Data	4.25% - 7.75%	6.00%
Indicated OAR:		**8.01 - 9.53%**
Compiled by CBRE		

Market Participants

The results of recent interviews with knowledgeable real estate professionals are summarized in the following table.

OVERALL CAPITALIZATION RATES				
Respondent	Company	OAR	Income	Date of Survey
Confidential	CBRE	8% - 9%	Pro Forma	Jan-24
Confidential	Colliers	9.0%	Pro Forma	Jan-24
Indicated OAR:				**8.0% - 9.0%**
Compiled by CBRE				

Band of Investment

The band of investment technique has been utilized as a crosscheck to the foregoing techniques. The Mortgage Interest Rate and the Equity Dividend Rate (EDR) are based upon current market yields for similar investments. The analysis is shown in the following table.

BAND OF INVESTMENT					
Mortgage Interest Rate	6.75%				
Mortgage Term (Amortization Period)	25 Years				
Mortgage Ratio (Loan-to-Value)	70%				
Mortgage Constant (monthly payments)	0.08291				
Equity Dividend Rate (EDR)	12.00%				
Mortgage Requirement	70%	x	0.08291	=	0.05804
Equity Requirement	30%	x	0.12000	=	0.03600
	100%				0.09404
Indicated OAR:					**9.40%**
Compiled by CBRE					

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Capitalization Rate Conclusion

The following chart summarizes the OAR conclusions.

OVERALL CAPITALIZATION RATE - CONCLUSION	
Source	Indicated OAR
Comparable Sales	9.13%-9.13%
Comparable Sales (Secondary)	7.99%-10.53%
Published Surveys	8.01 - 9.53%
Market Participants	8.0% - 9.0%
Band of Investment	9.40%
CBRE Estimate	**9.00%**
Compiled by CBRE	

We have also considered recent events and prevailing market conditions with respect to capitalization rates. This includes a combination of inflationary pressures, higher cost of capital (considering interest rates as well as risk spreads), and the recent geopolitical events. While the overall long-term outlook for commercial real estate remains positive, the full effect of these factors may not yet be reflected in transactional data. Overall, we view uncertainty and the higher cost of capital to have an upward influence on capitalization rates which is considered with respect to our conclusion herein.

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Direct Capitalization Summary

A summary of the direct capitalization is illustrated in the following chart.

DIRECT CAPITALIZATION SUMMARY

		$/SF/Yr	Total
Income			
Potential Rental Income		$18.21	$1,796,463
Vacancy & Credit Loss	15.00%	(2.73)	(269,469)
Net Rental Income		**$15.47**	**$1,526,994**
Expense Reimbursements		1.87	184,560
Vacancy & Credit Loss	0.00%	0.00	-
Subtotal Effective Other Income		**$1.87**	**$184,560**
Effective Gross Income		**$17.35**	**$1,711,553**
Expenses			
Real Estate Taxes		$1.60	$158,318
Property Insurance		0.15	14,802
Common Area Maintenance		4.00	394,708
Janitorial		0.75	74,008
Management Fee	4.00%	0.69	68,462
Total Operating Expenses		**$7.20**	**$710,297**
Operating Expenses Excluding Taxes		$5.59	$551,979
Operating Expense Ratio			41.50%
Net Operating Income		**$10.15**	**$1,001,256**
OAR		÷	**9.00%**
As Stabilized Value	**November 15, 2023**		**$11,125,072**
Rounded			**$11,100,000**
Deferred Maintenance			(7,176,661)
As Is Value	**November 15, 2023**		**$3,948,411**
Rounded			**$3,900,000**
Value Per SF			**$39.52**

Matrix Analysis	**Cap Rate**	**Value**
	8.75%	$11,400,000
	9.00%	$11,100,000
	9.25%	$10,800,000

Compiled by CBRE

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Reconciliation of Value

The value indications from the approaches to value are summarized as follows:

SUMMARY OF VALUE CONCLUSIONS				
Appraisal Premise	As of Date	Sales Comparison Approach	Income Approach	Reconciled Value
As Is	November 15, 2023	$4,800,000	$3,900,000	$4,800,000
Compiled by CBRE				

In the sales comparison approach, the subject is compared to similar properties that have been sold recently or for which listing prices or offers are known. The sales used in this analysis are considered comparable to the subject, and the required adjustments were based on reasonable and well-supported rationale. In addition, market participants are currently analyzing purchase prices on similar properties as they relate to available substitutes in the market. Therefore, the sales comparison approach is considered to provide a reliable value indication, and has been given primary emphasis in the final value reconciliation.

The income capitalization approach is applicable to the subject since it is an income producing property leased in the open market. Market participants are primarily analyzing investment properties based on their income generating capability. Therefore, the income capitalization approach is considered a reasonable and substantiated value indicator, but it has been given secondary emphasis in the final value estimate as our analysis pertains to the Fee Simple interest in the property. Based on this analysis, the income approach does not indicate that the use as an income property is feasible.

Based on the foregoing, the market value of the subject has been concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate	November 15, 2023	$4,800,000
Compiled by CBRE			

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Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
   (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
   (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
   (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
   (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
   (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
   (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
   (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
   (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently, nor super-efficiently.
   (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
   (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

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(xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property, nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report and any conclusions stated therein. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or on behalf of the client, property owner or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report and any conclusions stated therein. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including, without limitation, any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. This Report has been prepared in good faith, based on CBRE's current anecdotal and evidence-based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this Report, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections. Further, other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later change or be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge including, but not limited to, environmental, social, and governance principles ("ESG"), beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.

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10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

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ADDENDA

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Addendum A

IMPROVED SALE DATA SHEETS

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Sale | Special - School | No. 1

Property Name	Carrie Steele Pitts Home
Address	577, 585, 667 Fairburn Road NW Atlanta, GA 30331
County	Fulton
Govt./Tax ID	Multiple
Net Rentable Area (NRA)	84,684 sf
Condition	Average
Parking Type/ Ratio	Surface/ 1.31:1,000 sf
Floor Count	1
Total # of Units	0 Units
Average Unit Size	N/A
Average Rent/Unit	N/A
Average Rent/SF	N/A
Year Built/Renovated	1965/ N/A
Land Area Net	14.200 ac/ 618,552 sf
Construction Class/ Type	B/ Average
Exterior Finish	Brick
General Amenities	N/A



Transaction Details

Type	Sale	Primary Verification	PSA
Interest Transferred	Leased Fee	Transaction Date	08/04/2023
Condition of Sale	None	Recording Date	N/A
Remaining Lease Term	N/A	Avg. Credit Rating	N/A
Recorded Buyer	Partnership for Southern Equity, Inc.	Sale Price	$5,200,000
Buyer Type	N/A	Financing	Cash to Seller
Recorded Seller	Carrie Steele-Pitts Home	Cash Equivalent	$5,200,000
Marketing Time	4 Month(s)	Capital Adjustment	$0
Listing Broker	N/A	Adjusted Price	$5,200,000
Doc #	67064/644	**Adjusted Price / sf**	**$61.40**
Buyer's Primary Analysis	N/A	Occupancy at Sale	N/A
Static Analysis Method	N/A	Underwritten Occupancy	Static Analysis-N/A
Source	Static Analysis-N/A	Potential Gross Income	Static Analysis-N/A
NOI / sf	Static Analysis-N/A	Vacancy/Collection Loss	Static Analysis-N/A
IRR	N/A	Effective Gross Income	Static Analysis-N/A
OER	Static Analysis-N/A	Expenses	Static Analysis-N/A
Expenses /sf	Static Analysis-N/A	Net Operating Income	Static Analysis-N/A
Cap Rate	Static Analysis-N/A		

Comments

This comparable represents the sale of the former Carrie Steele Pitts Home campus located at 667 Fairburn Road NW in Atlanta, Georgia. The improvements include a total of 84,684 square feet in 8 buildings situated on a 15.76-gross acre campus. Due to a creek on the property, 14.2 acres are considered usable. The facility includes classrooms, gymnasium, commercial kitchen, cafeteria, offices, indoor pool, athletic field, playground, and 111 parking spaces. The property was listed for $5,000,000 and the broker reported multiple bids which drove up the price. The property was purchased by a non-profit, Partnership for Southern Equity, Inc. for $5,200,000 or $61.40 per square foot in August 2023. The buyer will owner occupy three of the buildings representing 54,816 square feet. A school (Imhotep Academy), which had been leasing space at the property prior to the sale, will continue to lease/operate in four buildings representing 28,794 square feet. The buyer plans to renew the school tenant lease, which is on a month to month basis.

Sale | Special - School | No. 2

Property Name	Former Mount Auburn International Academy
Address	244 Southern Avenue Cinncinati, OH 45219
County	Hamilton
Govt./Tax ID	Multiple
Gross Building Area (GBA)	88,673 sf
Condition	Average
Parking Type/ Ratio	Surface/ N/A
Floor Count	4
Total # of Units	1 Unit
Average Unit Size	88,673 sf
Average Rent/Unit	N/A
Average Rent/SF	N/A
Year Built/Renovated	1895/ N/A
Land Area Net	2.300 ac/ 100,188 sf
Construction Class/ Type	C/ Average
Exterior Finish	Brick
General Amenities	N/A



Transaction Details

Type	Sale	Primary Verification	Costar, Deed
Interest Transferred	Fee Simple	Transaction Date	06/30/2023
Condition of Sale	Average	Recording Date	07/11/2023
Recorded Buyer	GSP Southern Ave LLC	Sale Price	$5,000,000
Buyer Type	Corporation	Financing	Market Rate Financing
Recorded Seller	Cincinnati Property Management of Ohio LLC	Cash Equivalent	$5,000,000
Marketing Time	N/A	Capital Adjustment	$0
Listing Broker	N/A	Adjusted Price	$5,000,000
Doc #	2023-0047573	**Adjusted Price / sf**	**$56.39**
Buyer's Primary Analysis	N/A	Occupancy at Sale	N/A
Static Analysis Method	N/A	Underwritten Occupancy	Static Analysis-N/A
Source	Static Analysis-N/A	Potential Gross Income	Static Analysis-N/A
NOI / sf	Static Analysis-N/A	Vacancy/Collection Loss	Static Analysis-N/A
IRR	N/A	Effective Gross Income	Static Analysis-N/A
OER	Static Analysis-N/A	Expenses	Static Analysis-N/A
Expenses /sf	Static Analysis-N/A	Net Operating Income	Static Analysis-N/A
Cap Rate	Static Analysis-N/A		

Comments

This comparable represents a 88,673 square foot school facility located in Cincinnati, Ohio. The property was originally built in 1895 and in 2022 was operating as the Mount Auburn International Academy The 88,673 square foot building includes a mix of offices , class rooms, gymnasium, cafeteria, & additional storage/maintenance rooms. The property is currently under contract to be purchased. The property was purchased in June 2023 for $5,000,000 or $56.39 per square foot. The property was purchased for use as the Mount Auburn Preparatory Academy charter school.

Sale | Special - Other | No. 3

Property Name	Shellaberger Tennis Center / Studio
Address	1600 1/2 St. Michaels Drive Santa Fe, NM 87505
County	Santa Fe
Govt./Tax ID	910021309
Gross Building Area (GBA)	65,000 sf
Condition	Good
Parking Type/ Ratio	Open Asphalt/ N/A
Floor Count	1
Total # of Units	0 Units
Average Unit Size	N/A
Average Rent/Unit	N/A
Average Rent/SF	N/A
Year Built/Renovated	2002/ 2022
Land Area Net	8.612 ac/ 375,139 sf
Construction Class/ Type	S/ Average
Exterior Finish	Steel
General Amenities	N/A



Transaction Details

Type	Sale	Primary Verification	Buyer, Broker, Appraiser
Interest Transferred	Fee Simple	Transaction Date	10/31/2022
Condition of Sale	None	Recording Date	10/31/2022
Recorded Buyer	Midtown SF Residential QOZB	Sale Price	$6,700,000
Buyer Type	Developer	Financing	Market Rate Financing
Recorded Seller	Rose & Hitman	Cash Equivalent	$6,700,000
Marketing Time	11 Month(s)	Capital Adjustment	$2,500,000
Listing Broker	Barker Realty / Dave Gurule	Adjusted Price	$9,200,000
Doc #	2000583	**Adjusted Price / sf**	**$141.54**
Buyer's Primary Analysis	N/A	Occupancy at Sale	N/A
Static Analysis Method	N/A	Underwritten Occupancy	Static Analysis-N/A
Source	Static Analysis-N/A	Potential Gross Income	Static Analysis-N/A
NOI / sf	Static Analysis-N/A	Vacancy/Collection Loss	Static Analysis-N/A
IRR	N/A	Effective Gross Income	Static Analysis-N/A
OER	Static Analysis-N/A	Expenses	Static Analysis-N/A
Expenses /sf	Static Analysis-N/A	Net Operating Income	Static Analysis-N/A
Cap Rate	Static Analysis-N/A		

Comments

The former Shellaberger Tennis Center was constructed in 2002 tennis facility as a public tennis club on the College of Santa Fe campus. It has 65,000 square feet of gross building area, initially for indoor tennis use. It was marketed for mixed use, potentially residential or office, and sold in May, 2022, closing in October after the initial offer fell through. The closing price was $6,700,000. The buyer considered multiple reconfigurations, and ultimately repurposed the facility as a film soundstage/professional office. According to the new owners the facility required $1,500,000 for the soundstages to be retrofitted and soundproofed, as well as an additional $1,000,000 is needed for electrical upgrades. It has a low land-to-building ratio of 17%, indicating some potential surplus land available for expansion or exterior storage.

Sale | Industrial - WH / Distribution / Logistics | No. 4

Property Name	Blackhall Studios
Address	1415 Constitution Road SE Atlanta, GA 30315
County	DeKalb
Govt./Tax ID	Multiple
Gross Building Area (GBA)	848,239 sf
Condition	N/A
Number of Buildings	24
Parking Type/Ratio	Surface/ 1.89:1,000 sf
Year Built/Renovated	1987/ 2017
Floor Count	1
Occupancy Type	Owner/User
Actual Land to Bldg Ratio	2.70:1
Land Area Net	52.534 ac/ 2,288,383 sf
Shape	Irregular
Zoning	M (Manufacturing)/Soapstone Ridge Historic District
% Office	2%
Clear Ceiling Height	28 - 45 ft
Construction Class/Type	C/ Average
Exterior Finish	Tilt-up Concrete
Rail Access	N/A
Loading	N/A
Fire Protection	Wet system



Transaction Details

Type	Sale	Primary Verification	PSA, Public Records, Seller Statement, Prior Appraisal
Interest Transferred	Mixed Fee/Lease Hold	Transaction Date	04/19/2021
Condition of Sale	Arm's Length	Recording Date	04/21/2021
Remaining Lease Term	N/A	Avg. Credit Rating	N/A
Recorded Buyer	BGP Atlanta I Propco, LLC	Sale Price	$120,000,100
Buyer Type	Private Investor	Financing	Cash to Seller
Recorded Seller	Blackhall Real Estate, LLC	Cash Equivalent	$120,000,100
Marketing Time	N/A	Capital Adjustment	$0
Listing Broker	N/A	Adjusted Price	$120,000,100
Doc #	29294 / 343	**Adjusted Price / sf**	**$141.47**
Buyer's Primary Analysis	N/A	Occupancy at Sale	80%
Static Analysis Method	Pro Forma (Stabilized)	Underwritten Occupancy	N/A
Source	Seller	Potential Gross Income	N/A
NOI / sf	$12.92	Vacancy/Collection Loss	N/A
IRR	N/A	Effective Gross Income	$18,755,000
OER	41.59%	Expenses	$7,799,902
Expenses /sf	$9.20	Net Operating Income	$10,955,098
Cap Rate	9.13%		

Comments

This comparable represents the sale of Blackhall Studios, a movie and film production studio located on two adjacent campuses in southeast Atlanta. The Main Campus is an approximate 411,532-square-foot, state-of-the-art movie and film production studio with nine sound stages and a centralized office, warehouse, and millwork facility, as well as individual office bungalows. These buildings were built in 2017-2018 and are located at 1415 Constitution Road SE. The East Campus, including The Grove, is an approximate 436,707-square-foot, movie and film production studio divided into multiple sound stages, office, and millwork uses. The buildings were constructed in 1987, and renovated, opening in 2017 and 2018. This property is located at 3475, 3495, and 3342 International Park Drive SE. Blackhall has been home to productions for Disney, Warner Brothers, and Universal Studios, as well as Netflix.

Blackhall Studios was sold to Los Angeles based private equity firm Commonwealth Group for a reported price of $120 million. The transaction was structured as an "Asset Purchase Agreement" and included both real property and assignment of leases for buildings and property comprising the East Campus (including The Grove), as well as furnishings and equipment, and assumption of certain liabilities. A detailed allocation was not available, though the recorded price for the fee simple interest transferred was $100 million. The pro forma shown is the seller's operating budget for 2021. It is generally supported by actual 2019 operations, allowing for additional operations. In 2020, revenue was significantly negatively impacted by the COVID-19 pandemic. However, commitments for 2021 had the studio operating at near-full capacity.

Sale | Special - School | No. 5

Property Name	Charter School Campus
Address	4018 South Presa Street San Antonio, TX 78223
County	Bexar
Govt./Tax ID	Multiple
Net Rentable Area (NRA)	68,098 sf
Condition	Average
Parking Type/ Ratio	Open/ 0.98:1,000 sf
Floor Count	3
Total # of Units	0 Units
Average Unit Size	N/A
Average Rent/Unit	N/A
Average Rent/SF	N/A
Year Built/Renovated	1921/ 2017
Land Area Net	7.100 ac/ 309,276 sf
Construction Class/ Type	C/ Good
Exterior Finish	Masonry
General Amenities	N/A



Transaction Details

Type	Sale	Primary Verification	Buyer
Interest Transferred	Fee Simple	Transaction Date	03/18/2021
Condition of Sale	Arms length	Recording Date	03/19/2021
Recorded Buyer	Royal School Systems	Sale Price	$5,750,000
Buyer Type	End User	Financing	Market Rate Financing
Recorded Seller	New Frontiers Charter School, Inc.	Cash Equivalent	$5,750,000
Marketing Time	6 Month(s)	Capital Adjustment	$0
Listing Broker	Oldham Goodwin Group, Inc.	Adjusted Price	$5,750,000
Doc #	71511	**Adjusted Price / sf**	**$84.44**
Buyer's Primary Analysis	Owner/Occupier		
Occupancy at Sale	100%		

Comments

This comparable represents the sale of a 68,098-square foot charter school located at 4018 South Presa Street in San Antonio, Texas. The improvements were originally constructed in 1921, renovated in 2013 and 2017, and are situated on a 7.10-acre site. Amenities include a full kitchen/cafeteria, basketball pavillion and athletic field. The property is presently owner-occupied by New Frontiers Public Schools and operated as the Frank L. Madla Accredited Collegiate Academy. It sold in March 2021 for $5,750,000, or $84.44 per square-foot.

Property Name	Aztec Warrior Studios
Address	1550 Agape Way Decatur, GA 30035
County	DeKalb
Govt./Tax ID	15-196-03-023
Gross Building Area (GBA)	18,458 sf
Condition	Good
Number of Buildings	1
Parking Type/Ratio	Surface/ N/A
Year Built/Renovated	1993/ N/A
Floor Count	1
Occupancy Type	Owner/User
Actual Land to Bldg Ratio	18.17:1
Land Area Net	7.700 ac/ 335,412 sf
Shape	Irregular
Zoning	RM-HD
% Office	N/A
Clear Ceiling Height	ft
Construction Class/Type	C/ N/A
Exterior Finish	N/A
Rail Access	N/A
Loading	N/A
Fire Protection	N/A



Transaction Details

Type	Sale	Primary Verification	Deed, PT61
Interest Transferred	Fee Simple	Transaction Date	07/24/2019
Condition of Sale	Arm's length	Recording Date	N/A
Recorded Buyer	ADA 108 LLC	Sale Price	$1,562,500
Buyer Type	End User	Financing	Not Available
Recorded Seller	Trinity Christian Center of Santa Ana Inc.	Cash Equivalent	$1,562,500
Marketing Time	N/A	Capital Adjustment	$0
Listing Broker	N/A	Adjusted Price	$1,562,500
Doc #	27688/780	**Adjusted Price / sf**	**$84.65**
Buyer's Primary Analysis	Owner/Occupier		
Occupancy at Sale	0%		

Comments

This 18,458 square foot building is located at 1550 Agape Way in Decatur, GA. The improvements were constructed in 1993 and are situated on a 7.70 acre site. The improvements are tilt-up concreate exterior with a brick façade along the front of the building. The property was sold from Trinity Christian Center of Santa Ana who had their broadcasting network at this location, to ADA 108 LLC. The buyer purchased the property as a film production studio. The property is now know as the Aztec Warrior Studios. The property sold for $1,562,500 or $84.65 in July 2019.

Addendum B

RENT COMPARABLE DATA SHEETS

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Rental Survey — Industrial - WH / Distribution / Logistics — No. 1

Property Name	1000 Siler Park Ln
Address	1000 Siler Park Ln Santa Fe, NM 87507
County	Santa Fe
Govt./Tax ID	016001223
Gross Building Area (GBA)	53,668 sf
Condition	Average
Number of Buildings	1
Parking Type/Ratio	Surface/ N/A
Year Built/Renovated	1980/ N/A
Floor Count	1
Occupancy Type	Single Tenant
Actual Land to Bldg Ratio	2.76:1
Land Area Net	3.400 ac/ 148,104 sf
Shape	Irregular
Zoning	I2- General Industrial
% Office	30%
Clear Ceiling Height	20 ft
Construction Class/Type	S/ Average
Exterior Finish	Aluminum
Rail Access	N/A
Loading	N/A
Fire Protection	N/A



Quoted Terms

Reimbursements	N/A	Rent Changes/Steps	N/A
Occupancy	100%	Free Rent	N/A
Tenant Size	N/A	TI Allowance	N/A
Lease Term	N/A	Reimbursement Amount	N/A
Survey Date	05/2023	Total Oper. & Fixed Exp.	N/A
Verification	N/A	Annual Base Rent	per sf

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf	Annual Base Rate per sf
Hajoca	Industrial	53,688	72	Renewal	Nov 2022	NNN	3% / 5 Yr	N/A	N/A	$6.13

Comments

This is a 53,668-square foot industrial (warehouse/distribution) facility located at 1000 Siler Park Ln in Santa Fe, New Mexico. The improvements were constructed in 1980 and are
situated on a 4.65-acre site. The clear height of the improvements is 20' and the office finish approximates 33.5%. The property has been leased by HAJOCA, which has been in this location since 1989, most recently extended in November, 2022, for a six year term, with a rent currently at $6.13 per square foot, or $328,755 annually.

Rental Survey — Industrial - WH / Distribution / Logistics — No. 2

Property Name	N/A
Address	2516 Camino Entrada Santa Fe, NM 87507
County	Santa Fe
Govt./Tax ID	N/A
Gross Building Area (GBA)	13,220 sf
Condition	Average
Number of Buildings	1
Parking Type/Ratio	N/A/ N/A
Year Built/Renovated	2002/ N/A
Floor Count	1
Occupancy Type	Single Tenant
Actual Land to Bldg Ratio	6.43:1
Land Area Net	1.950 ac/ 84,942 sf
Shape	Rectangular
Zoning	C-2
% Office	40%
Clear Ceiling Height	15 ft
Construction Class/Type	S/ Average
Exterior Finish	Steel
Rail Access	N/A
Loading	N/A
Fire Protection	N/A



Quoted Terms

Reimbursements	NNN	Rent Changes/Steps	N/A
Occupancy	100%	Free Rent	N/A
Tenant Size	13,220 sf	TI Allowance	N/A
Lease Term	60 Mo(s).	Reimbursement Amount	N/A
Survey Date	04/2023	Total Oper. & Fixed Exp.	N/A
Verification	Phase One Realty	Annual Base Rent	$12.00 per sf

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf	Annual Base Rate per sf
Amazon	Industrial	13,200	60	New	Apr 2021	NNN	N/A	N/A	N/A	$12.00

Comments

This building is on Camino Entrada, just off of Cerrillos Road. It was formerly occupied by United Rentals, as well as Santa Fe Autoworks. It was placed on the market for $12.00 psf NNN in late 2021, and leased in April, 2022. The tenant was not disclosed, nor the lease amount, but market participants believe it is Amazon, being used as a last mile warehouse, and the lease signing was at or near list.

Rental Survey — Industrial - WH / Distribution / Logistics — No. 3

Property Name	Second Street Brewery
Address	2920 Rufina Street Santa Fe, NM 87507
County	Santa Fe
Govt./Tax ID	1-051-097-131-095
Gross Building Area (GBA)	20,000 sf
Condition	Average
Number of Buildings	1
Parking Type/Ratio	Open Asphalt/ 0.40:1,000 sf
Year Built/Renovated	1971/ N/A
Floor Count	1
Occupancy Type	Single Tenant
Actual Land to Bldg Ratio	2.28:1
Land Area Net	1.048 ac/ 45,629 sf
Shape	Irregular
Zoning	I-2
% Office	8%
Clear Ceiling Height	14 ft
Construction Class/Type	S/ N/A
Exterior Finish	Metal
Rail Access	No
Loading	2 Dock high/1 grade level
Fire Protection	No



Quoted Terms

Reimbursements	NNN	Rent Changes/Steps	CPI/3 Years
Occupancy	100%	Free Rent	0 Mo(s).
Tenant Size	20,000 sf	TI Allowance	$0.00 per sf
Lease Term	60 Mo(s).	Reimbursement Amount	N/A
Survey Date	06/2021	Total Oper. & Fixed Exp.	N/A
Verification	Paul Duran / 505-310-5566	Annual Base Rent	$6.00 per sf

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf	Annual Base Rate per sf
Second Street Brewery	Industrial	20,000	60	Renewal	Jun 2021	NNN	CPI/3 Years	0.00	$0.00	$6.75

Comments

This comparable represents the renewal lease of a warehouse in the Siler Road industrial area of Santa Fe, NM, which was converted into a brewery and tap room for Second Street Brewery. This property is located just around the corner from the Meow Wolf art complex, a popular tourist attraction. This property had previously been utilized as a mattress warehouse and had minimal office buildout or yard area. This property was purchased by a local broker/investor in February 2015 for $1,000,000 who immediately started marketing it for lease. Second Street Brewery signed a 5-year NNN lease in approximately June 2016 at $120,000 per year, or $6.00 per square foot. This lease did not include any TI allowance and the brewery spent an estimated $1,000,000 on renovations to transform the property into a brewery and tap room. Approximately half of this was for real estate to include an HVAC system, new restrooms, upgraded electrical system, new trench drains, landscaping, and exterior improvements. The remainder represented equipment costs for a 20-barrel brewing system. The lease includes three 5-year renewal options with CPI escalations every three years throughout the initial and renewal terms.

Rental Survey — Industrial - WH / Distribution / Logistics — No. 4

Property Name	N/A
Address	4525 Hwy 14 Rd - Building 2 Santa Fe, NM 87507
County	Santa Fe
Govt./Tax ID	N/A
Net Rentable Area (NRA)	10,000 sf
Condition	N/A
Number of Buildings	1
Parking Type/Ratio	Surface/ 2.40:1,000 sf
Year Built/Renovated	N/A/ N/A
Floor Count	1
Occupancy Type	N/A
Actual Land to Bldg Ratio	2.00:1
Land Area Net	0.460 ac/ 20,038 sf
Shape	Rectangular
Zoning	N/A
% Office	N/A
Clear Ceiling Height	ft
Construction Class/Type	C/ N/A
Exterior Finish	N/A
Rail Access	N/A
Loading	N/A
Fire Protection	N/A



Quoted Terms

Reimbursements	Modified Gross	Rent Changes/Steps	N/A
Occupancy	100%	Free Rent	N/A
Tenant Size	10,000 sf	TI Allowance	N/A
Lease Term	60 Mo(s).	Reimbursement Amount	N/A
Survey Date	11/2021	Total Oper. & Fixed Exp.	N/A
Verification	N/A	Annual Base Rent	$10.00 per sf

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf	Annual Base Rate per sf
Bimbo Bakeries	Industrial	10,000	60	New	Nov 2018	Modified Gross	N/A	N/A	N/A	$10.00

Comments

This rental survey represents the direct lease for 4525 Hwy 14 Rd, Building 2 in Santa Fe County, Santa Fe New Mexico. This is an industrial property type with a single tenancy with a rentable area of 10,000 SF on 0.46 acres of land. This property was on the market for 5 months and was occupied in November of 2018. The reimbursements are on a modified gross basis and the lease is reported to be a 5 year term, occupied by Bimbo Bakeries.

Rental Survey — Office - Single Tenant — No. 5

Property Name	US Forest Services Office building
Address	11 Forest Lane Santa Fe, NM 87508
County	Santa Fe
Govt./Tax ID	1047092527317
Net Rentable Area (NRA)	23,000 sf
Condition	Good
Number of Buildings	1
Parking Type/Ratio	Open Asphalt/ 6.30:1,000 sf
Year Built/Renovated	2009/ N/A
Floor Count	1
Occupancy Type	Single Tenant
Land Area Net	5.001 ac/ 217,844 sf
Actual FAR	0.11
Zoning	Planned Development District (PDD)
Construction Class/ Type	D/ Good
External Finish	Stucco
Amenities	N/A



Quoted Terms

Reimbursements	Full Service	Rent Changes/Steps	N/A
Occupancy	100%	Free Rent	N/A
Tenant Size	23,000 sf	TI Allowance	N/A
Lease Term	60 Mo(s).	Reimbursement Amount	N/A
Survey Date	09/2020	Total Oper. & Fixed Exp.	N/A
Verification	N/A	Annual Base Rent	$22.33 per sf

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf	Annual Base Rate per sf
USDA Forest Service	Office	23,000	60	Renewal	Sep 2019	Full Service	N/A	N/A	N/A	$22.33

Comments

This is a 23,000-square foot, one-story, suburban office building located at 11 Forest Lane in Santa Fe, New Mexico. The improvements were constructed in 2009 and are situated on a 5.00-acre site. Currently, the property is 100.0% occupied by the United States Department of Agriculture, Forest Service Division. An original 10-year, firm lease term commenced September 17, 2009. Base rent during the original term was flat at $676,890 per year, or approximately $29.43 per square foot, inclusive of amortized tenant improvements, with CPI adjustments to operating expenses of $4.13 per square foot. The lease included two, five-year options to renew at $520,950 per year, or approximately $22.65 per square foot, prior to CPI adjustments for operating expenses. The GSA tenant, in a letter dated March 12, 2019, indicated its intention of exercising the first, five-year renewal option. Based on executed Lease Amendment No. PLA047, signed December 16, 2019, the total annual rent for the first option period has been negotiated to $513,570.34 annually, equivalent to $22.33 per square foot, including a base rent of $18.52 per square foot, and CPI adjusted operating expenses of $3.81 per square foot.

Rental Survey — Office - Multi Tenant — No. 6

Property Name	University Plaza
Address	330 Garfield Street Santa Fe, NM 87501
County	Santa Fe
Govt./Tax ID	N/A
Net Rentable Area (NRA)	20,595 sf
Condition	Average
Number of Buildings	1
Parking Type/Ratio	On-Street/ N/A
Year Built/Renovated	1881/ 2018
Floor Count	4
Occupancy Type	Single Tenant
Land Area Net	0.283 ac/ 12,310 sf
Actual FAR	1.67
Zoning	BCDSAN
Construction Class/ Type	C/ Average
External Finish	Stucco
Amenities	N/A

Quoted Terms

Reimbursements	N/A	Rent Changes/Steps	N/A
Occupancy	N/A	Free Rent	N/A
Tenant Size	N/A	TI Allowance	N/A
Lease Term	N/A	Reimbursement Amount	N/A
Survey Date	01/2024	Total Oper. & Fixed Exp.	N/A
Verification	N/A	Annual Base Rent	per sf

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf	Annual Base Rate per sf
Fidelity Title	Office	3,104	36	New	Aug 2023	Gross	Flat	N/A	N/A	$23.70
Hunter Custom Homes	Office	2,078	36	New	May 2023	Gross	Flat	N/A	N/A	$28.00

Comments

Rental Survey — Office - Office Park — No. 7

Property Name	Butolph Office Park
Address	400 Kiva Court NE Santa Fe, NM 87505
County	Santa Fe
Govt./Tax ID	N/A
Net Rentable Area (NRA)	10,799 sf
Condition	N/A
Number of Buildings	N/A
Parking Type/Ratio	N/A/ N/A
Year Built/Renovated	2013/ N/A
Floor Count	N/A
Occupancy Type	N/A
Land Area Net	1.580 ac/ 68,825 sf
Actual FAR	0.16
Zoning	N/A
Construction Class/ Type	N/A/ N/A
External Finish	N/A
Amenities	N/A



Quoted Terms

Reimbursements	N/A	Rent Changes/Steps	N/A
Occupancy	100%	Free Rent	N/A
Tenant Size	N/A	TI Allowance	N/A
Lease Term	N/A	Reimbursement Amount	N/A
Survey Date	01/2024	Total Oper. & Fixed Exp.	N/A
Verification	N/A	Annual Base Rent	per sf

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf	Annual Base Rate per sf
Gallagher Insurance	Office	1,325	36	New	Mar 2023	Modified Gross	3% annual increase	N/A	N/A	$18.11
Sun Mountain Wellness	Office	1,800	36	New	Dec 2022	Modified Gross	3% annual increases	N/A	N/A	$24.00
Success Smile Orthodontics	Office	1,950	36	New	May 2022	Modified Gross	N/A	N/A	N/A	$18.46

Comments

Tenants pays flat rate plus utilities.

Rental Survey — Office - Office Condominium — No. 8

Property Name	Galisteo Professional Office Park Condos
Address	531 Harkle Unit A Santa Fe, NM 87505
County	Santa Fe
Govt./Tax ID	N/A
Net Rentable Area (NRA)	2,469 sf
Condition	N/A
Number of Buildings	N/A
Parking Type/Ratio	N/A/ N/A
Year Built/Renovated	1988/ N/A
Floor Count	1
Occupancy Type	N/A
Land Area Net	0.060 ac/ 2,614 sf
Actual FAR	0.94
Zoning	H-Z
Construction Class/ Type	N/A/ N/A
External Finish	N/A
Amenities	N/A



Quoted Terms

Reimbursements	N/A	Rent Changes/Steps	N/A
Occupancy	N/A	Free Rent	N/A
Tenant Size	N/A	TI Allowance	N/A
Lease Term	N/A	Reimbursement Amount	N/A
Survey Date	01/2024	Total Oper. & Fixed Exp.	N/A
Verification	N/A	Annual Base Rent	per sf

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf	Annual Base Rate per sf
Family Medicine	Office	2,469	36	New	Oct 2023	Modified Gross	3% annually	N/A	N/A	$19.00

Comments

Rental Survey — Office - Other — No. 9

Property Name	The Lofts
Address	3600 Cerrillos Road, Building 700 Santa Fe, NM 87507
County	Santa Fe
Govt./Tax ID	1050096363137CS0000
Net Rentable Area (NRA)	24,273 sf
Condition	Average
Number of Buildings	1
Parking Type/Ratio	Open Asphalt/ 5.15:1,000 sf
Year Built/Renovated	2002/ N/A
Floor Count	3
Occupancy Type	Multi-tenant
Land Area Net	1.480 ac/ 64,469 sf
Actual FAR	0.44
Zoning	C-2 General Commercial
Construction Class/ Type	D/ Good
External Finish	Stucco
Amenities	Flat Roofs, On-Site Management, Surface Parking



Quoted Terms

Reimbursements	N/A	Rent Changes/Steps	N/A
Occupancy	N/A	Free Rent	N/A
Tenant Size	N/A	TI Allowance	N/A
Lease Term	N/A	Reimbursement Amount	N/A
Survey Date	10/2022	Total Oper. & Fixed Exp.	N/A
Verification	N/A	Annual Base Rent	per sf

Actual Leases

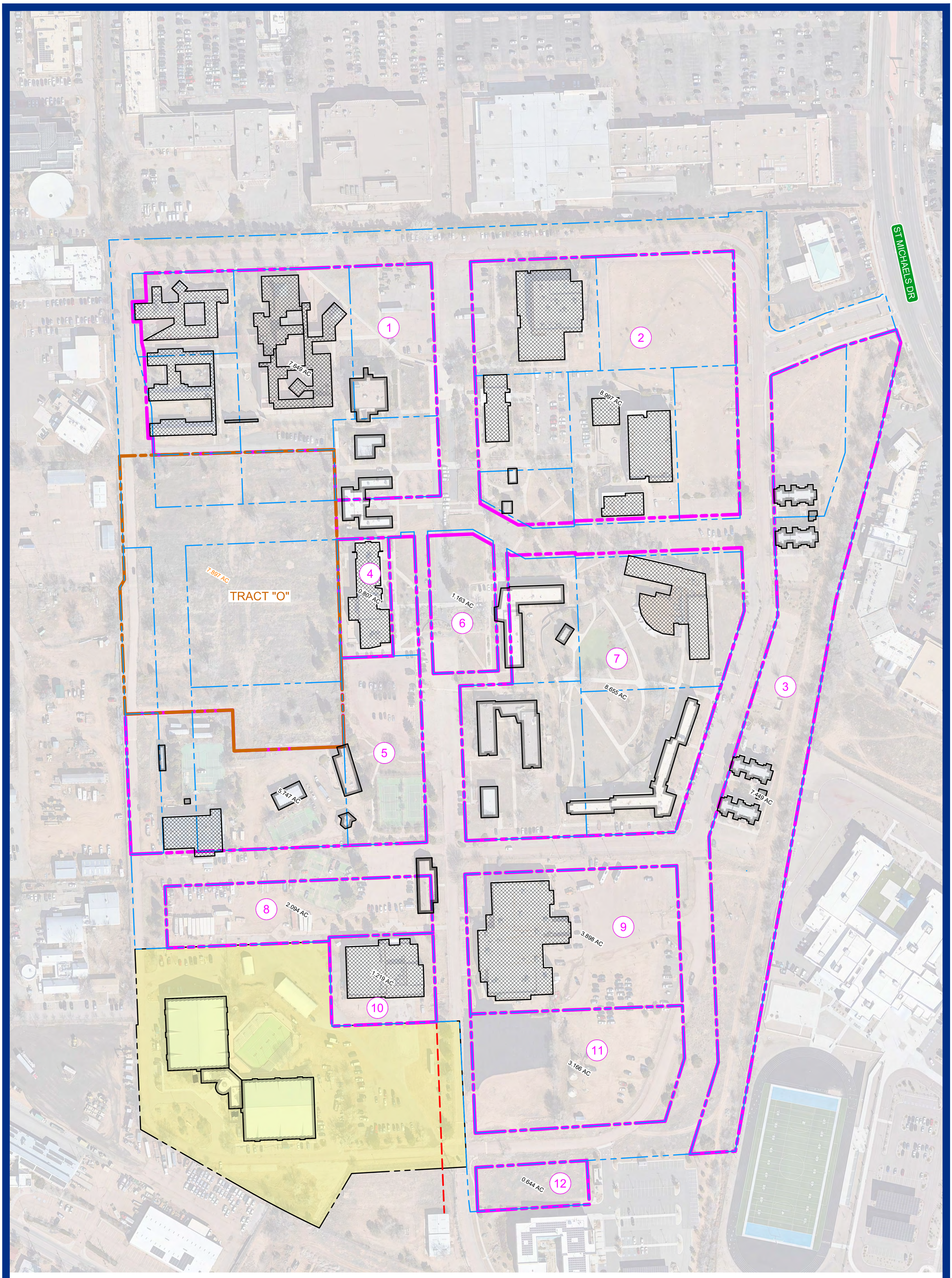
Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf	Annual Base Rate per sf
Functional Medicine	Office	1,195	23	Renewal	Sep 2022	Modified Gross	N/A	N/A	N/A	$19.83
Sungreen Cleaner (Noel Lopez)	Office	1,100	11	Renewal	Feb 2022	Modified Gross	N/A	N/A	N/A	$18.00
Dan Frazier	Office	670	11	New	Nov 2021	Modified Gross	N/A	N/A	N/A	$21.94
Pilar Nieto	Office	703	35	New	Oct 2021	Modified Gross	N/A	N/A	N/A	$18.78

Comments

Addendum C

OPERATING DATA

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ORIGINAL NEW PARCELS

REVISED NEW PARCELS

SHELLABERGER PARCEL

TRACT "O"

TRACT

MIDTOWN SITE LAYOUT

- NEW PARCELS
- SHELLABERGER PARCEL

0 50' 100'

WILSON & COMPANY

M:\MSD\23-600-027-00\2_DISCIPLINES_EXHIBITS\SITE LAYOUT 3.DWG 2/8/2024 8:09 AM

BINDER 2

PROPOSAL FOR REDEVELOPMENT & EXPANSION MIDTOWN STUDIO LOTS RFP 23/35/P

Prepared for the City of Santa Fe
February 28, 2023

MIDTOWN
SANTA FE
PRODUCTIONS

PERE
HOLDINGS

TABLE OF CONTENTS

D. SCHEDULE AND ECONOMIC ANALYSIS PROPOSAL (BINDER 2)

1. Narrative of Schedule and Economic Analysis Proposal

a) Narrative of Economic Assumptions and Purchase Offer

2. Completed Schedule and Economic Analysis Proposal

a) Studio Redevelopment of Existing Properties

b) New Construction of Workforce Housing

c) New Construction Soundstages

d) Development Schedule

e) Construction Costs Support

D. SCHEDULE AND ECONOMIC ANALYSIS PROPOSAL

1. NARRATIVE OF SCHEDULE AND ECONOMIC ANALYSIS PROPOSAL

NARRATIVE OF ECONOMIC ASSUMPTIONS

Key Assumptions

The Offeror's development program for the RFP Lots consists of the following: 1) redevelopment of the existing campus buildings into a full service production studio (Onate will be demolished,) 2) new construction of a 110,000 sf workforce housing development, 3) construction of two new large soundstages totaling approximately 60,000 sf based on market demand. Offeror will also create new retail spaces and a new educational facility in the existing campus buildings. Note that Offeror's valuation for the RFP Lots is based on their current and future development value without the addition of Shellaberger's soundstages. Offeror's Midtown Santa Fe Productions opportunity fund will use its own equity to acquire the RFP Lots and is required to invest such funds within 6 months of its 2023 March 15th corporate tax filing date, or by September 11th.

To value the land assets for each development program, Offeror has applied a direct cap rate to stabilized net income. It has then deducted the costs of development (excluding land) plus a 20% profit margin on equity to arrive at a residual asset/land value. Offeror has not used a discounted cash flow analysis because discount rates are unusually high, future cap rates are uncertain, and the interest rate environment is unpredictable. The resulting margin of error would distort a residual land valuation. All revenue and operating expense assumptions are assumed to be 2023/2024 fiscal year. Following are assumptions for each of the three main development programs:

NARRATIVE OF ECONOMIC ASSUMPTIONS (Contd pg 2)

Adaptive Reuse of Garson Studios, Benildus, Driscoll and Alumni

Operating revenue assumptions include a $3/sf/month rental rate for studio space, a $2/sf/month rental rate for office support and a $1.5/sf/month rental rate for storage and mill space. This analysis assumes a 70% occupancy rate for soundstages and a 60% occupancy rate for support space in the current configuration. It will be difficult to drive higher production occupancy in the office/support buildings at Benildus, Driscoll or Alumni only utilizing Garson one medium and two small stages. Without a large production in occupancy, which requires multiple large stages, there will be only correspondingly moderate demand for accessory office or support space.

In terms of operating costs for the existing studio properties, Offeror has created a zero-base budget in the absence of historical operating statements for the buildings, based on its recent experience at the Shellaberger. The payroll budget assumes that the studio complex will employ a staff consisting of: 1) general manager, 2) a stage manager, 3) maintenance person, 4) two porter/grounds keepers, and 5) night security for a total annual payroll of $400,000. All employees will be local hires and will receive health benefits and 401k. Note that the operating expenses required to manage this spread-out collection of smaller buildings makes the campus costlier to operate than a single large studio building. In the past, security, maintenance, payroll, management, utility, property management and landscape costs were paid by the city through its general operating budget. In the future, the Offeror will need to pay for these expenses as well as full real estate taxes.

NARRATIVE OF ECONOMIC ASSUMPTIONS (Contd pg 3)

The capitalization rate used to value the assets is 8%, reflecting the risk of the asset class and the restrictive zoning. As stated in the project summary, productions cannot typically be booked far in advance and they utilize short term leases. And because the RFP Lots have been zoned to permit only film production, when the market changes over time, the buildings may experience increased vacancy and financial downside. That increases the investment risk profile and decreases the valuation of the land.

It is the Offeror's plan to renovate the buildings utilizing its own opportunity fund equity and minimal debt. After the studio property is renovated and achieves stabilized operating income (and provided interest rates decrease,) Offeror will refinance the property with permanent debt. The proforma assumes a refinance at stabilization at 50% loan-to-cost at 6.5% interest and 30 year amortization.

The property assessment reports for Benildus Hall, Driscoll Hall and Garson Studio prepared by Wilson Companies on behalf of the city indicate an aggregate deferred maintenance of approximately $5.7m. That budget does not include the capital costs to separate the properties from the campus' private utility grid and bring public utilities to each of the properties. Offeror has assumed another $300,000 for that activity and have an overall renovation budget of approximately $6m of hard costs plus $1m in soft costs.

Based on the above assumptions and the following financial analysis, the adaptive Reuse of the existing campus buildings as a studio will generate annual real estate taxes of $65,000 and a residual land/existing building value of approximately $2,640,000.

NARRATIVE OF ECONOMIC ASSUMPTIONS (Contd pg 4)

Development of Workforce Housing

Offeror proposes to develop a 125 unit workforce housing project consisting of 15% workforce housing rental units and 85% market rate rental. The building will also include a furnished transient housing component with fully furnished apartments that can function as short term residential or hotel units for the production industry.

Current operating revenue assumptions include a $2/sf/month rental rate for workforce housing and $3/sf/month rental rate for residential market rate rentals. This analysis assumes a 95% occupancy rate for both workforce and market rate housing.

Offeror assumes a fully staffed multifamily operating expense budget that is equal to approximately 35% of revenue.

The attached letter from Jayne Construction from Albuquerque who has built many multifamily buildings in NM indicated cost of construction at $235,000/unit. Although this cost is 10-15% higher than Albuquerque and other parts of the United States, this development is economically feasible provided permanent interest rates decline in the future.

Based on the above assumptions and the following financial analysis, the adaptive Reuse of the existing campus buildings as a studio will generate annual real estate taxes of $200,000 and a residual land value of approximately $2,200,000.

NARRATIVE OF ECONOMIC ASSUMPTIONS (Contd pg 5)

Development of New Soundstages

Offeror proposes to develop two new 20,000 sf soundstages and approximately 27,000 sf of office support space. Current operating revenue assumptions include a $3.5/sf/month rental rate for studio space, a $2.25/sf/mo rental rate for office support and a $1.75/sf/month rental rate for storage and mill space. This analysis assumes an 80% occupancy rate for soundstages and 80% occupancy rate for office/support space in the current configuration. The cap rate has been reduced to 7% reflecting the fact that the studios will be state of the art and can attract larger productions.

In terms of operating costs for the new studio properties, Offeror assumes the addition of a new stage manager and maintenance person who will be supported by the existing staffing at the campus studio properties as well as customary studio real estate operating expenses.

The following letter from Klinger Construction in Albuquerque recently budgeted the expansion of Santa Fe Studios and estimated the cost of a tilt up concrete and steel industrial building at $327 psf in 2023. Unfortunately this high construction cost budget plus the required soft costs and financing costs, make this building economically infeasible to construct in the near future.

Based on the above assumptions and the following financial analysis, the adaptive Reuse of the existing campus buildings as a studio will generate annual real estate taxes of $150,000 and a residual land/existing building value of approximately ($13,270,000.) This large valuation deficit means that the project would not be economically feasible unless construction costs decrease, rents increase, occupancy increases and cap rates decrease.

NARRATIVE OF ECONOMIC ASSUMPTIONS (Contd pg 6)

Purchase Offer/Valuation Summary

The aggregate of the above residual property/land value is $4,840,000. Based on this aggregate and the potential for a positive future value for the new soundstage sites, Offeror proposes to pay a total consideration of $6,500,000 in the form of a fully amortizing land lease over 10 years at $650,000 per annum. When combined with enhanced real estate taxes (some of which will start in 2027,) this nets approximately $915,000 per annum for the city.

Santa Fe Midtown - Garson Theater

PROBABLE COST ESTIMATE 12/27/22

WILSON & COMPANY

ITEM	UNITS	COST/UNIT	COST	COMMENTS
A. ARCHITECTURAL				
Install missing splash blocks	8	$100.00 EA	$800.00	Recommended
Reseal/Spot Repair sealants and flashings	LS	-	$8,000.00	Req. to prevent further damage
Inspect and repair exterior precast joints	LS	-	$14,000.00	Req. to prevent further damage
Repainting and patching finishes	32,588 SF	$0.90 /SF	$29,329.57	Recommended
Replace and repair floor finishes	32,588 SF	$5.00 /SF	$162,940.00	Recommended
Repair and patch exterior finishes	32,588 SF	$0.75 /SF	$24,441.00	Req. to prevent further damage
Upgrade door hardware to ADA-compliance	93	$750.00 EA	$69,750.00	Req. per 2015 IBC
Repair / Replace damaged glazing & skylights	LS	-	$8,000.00	Req, to prevent further damage
Repair / Replace ceilings	32,588 SF	$2.00 /SF	$65,176.00	Recommended
Provide accessible ramps to spaces (when possible)	LS	-	$6,000.00	Req. per 2015 IBC
Provide permanent ADA seating in main theater	LS	-	$24,000.00	Recommended
Install Elevator / Lift to second floor	LS	-	$80,000.00	Requirement TBD on building use
		SUBTOTAL	**$492,436.57**	
B. ELECTRICAL				
Replace light fixtures with LED	32,588 SF	$6.50 SF	$211,822.00	Recommended
Upgrade electrical system (including any HVAC upgrades)	32,588 SF	$10.00 SF	$325,880.00	Req. TBD on building use
		SUBTOTAL	**$537,702.00**	
C. SITE				
Landscaping/Irrigation (dependent on scope).	-	-	-	Recommended
Repair Concrete Sidewalks/Steps/Ramps	500 SY	$30.00 /SY	$15,000.00	Req. for accessibility and safety
Repave & Restripe parking	5,718 SY	$55.00 /SY	$314,490.00	Recommended
		SUBTOTAL	**$329,490.00**	
D. MECHANICAL				
Fire Sprinkler System throughout	32,588 SF	$12.00 /SF	$391,056.00	Req. TBD on building use
General HVAC Maintenance and Repairs	32,588 SF	$4.00 /SF	$130,352.00	Required
Repair Fire Water connection	LS	$15,000.00	-	Required
		SUBTOTAL	**$521,408.00**	
SUBTOTAL			**$1,881,036.57**	
Contingency		10.00%	$188,103.66	
NMGRT - Santa Fe		8.3125%	$156,361.16	
TOTAL ESTIMATED COST			**$2,225,501.39**	

The following is a general estimate of costs. It is intended as a tool to assist the City of Santa Fe with decision making and should not be viewed as a detailed cost estimate.

Santa Fe Midtown - Driscoll Fitness Center

PROBABLE COST ESTIMATE 1/11/23

WILSON & COMPANY

ITEM	UNITS	COST/UNIT	COST	COMMENTS
A. ARCHITECTURAL				
Reseal/Spot Repair sealants and flashings	LS	-	$12,000.00	Req. to prevent damage
Replace / Repair floor finishes	22,712 SF	$5.00 /SF	$113,560.00	Recommended
Repainting and patching finishes	22,712 SF	$0.90 /SF	$20,440.80	Recommended
Replace missing splashbocks	6	$100.00 EA	$600.00	Recommended
Repair and patch exterior finishes	22,712 SF	$0.75 /SF	$17,034.00	Req. to prevent further damage
Repair/ Replace Ceiling Tiles	8,600 SF	$2.00 /SF	$17,200.00	Recommended
Replace walkoff mat at entry	LS	-	$400.00	Req. for safety
Lobby Restroom Renovations for full ADA	120 SF	$400.00 /SF	$48,000.00	Req. per 2015 IBC
Lockerroom Renovations for full ADA (showers & locker area)	1,200 SF	$100.00 /SF	$120,000.00	Req. per 2015 IBC
		SUBTOTAL	**$349,234.80**	
B. ELECTRICAL				
Replace light fixtures with LED	22,712 SF	$6.50 SF	$147,628.00	Recommended
Upgrade electrical system (including HVAC items)	22,712 SF	$12.00 SF	$272,544.00	Req. TBD on building use
		SUBTOTAL	**$420,172.00**	
C. SITE				
Landscaping/Irrigation (dependent on scope).	-	-	-	Recommended
Concrete Sidewalk repair/replacement	160 SY	$30.00 /SY	$4,800.00	Recommended
Parking repaving and restriping	2,365 SY	$55.00 /SY	$130,075.00	Recommended
		SUBTOTAL	**$134,875.00**	
D. MECHANICAL				
General HVAC maintenance and repairs	22,712 SF	$8.00 /SF	$181,696.00	Recommended
		SUBTOTAL	**$181,696.00**	
SUBTOTAL			**$1,085,977.80**	
Contingency		10%	$108,597.78	
NMGRT - Santa Fe		8.3125%	$90,271.90	
TOTAL ESTIMATED COST			**$1,284,847.48**	

The following is a general estimate of costs. It is intended as a tool to assist the City of Santa Fe with decision making and should not be viewed as a comprehensive cost

Santa Fe Midtown - Benildus Hall

PROBABLE COST ESTIMATE 1/11/23

ITEM	UNITS	COST/UNIT	COST	COMMENTS
A. ARCHITECTURAL				
Reseal/Spot Repair sealants and flashings	LS	-	$10,000.00	Req. to prevent damage
Replace / Repair floor finishes	27,757 SF	$2.00 /SF	$55,514.00	Recommended
Repainting and patching finishes	27,757 SF	$0.90 /SF	$24,981.30	Recommended
Replace missing splashbocks	8	$100.00 EA	$800.00	Recommended
Repair/ Replace Ceiling Tiles	27,757 SF	$2.00 /SF	$55,514.00	Recommended
Modify Handrails	40 LF	$25.00 /LF	$1,000.00	Req. per 2015 IBC
Update door Hardware	4	$750.00 EA	$3,000.00	Req. per 2015 IBC
		SUBTOTAL	**$150,809.30**	
B. ELECTRICAL				
Replace light fixtures with LED	27,757 SF	$6.50 SF	$180,420.50	Recommended
Upgrade electrical system (including any HVAC work)	27,757 SF	$12.00 SF	$333,084.00	Req. TBD on building use
		SUBTOTAL	**$513,504.50**	
C. SITE				
Landscaping/Irrigation (dependent on scope)	-	-	-	Recommended
Repair paving/sidewalks (at main entrance)	100 SY	$30.00 SF	$3,000.00	Req. for accessibility and safety
Repave & Restripe parking	3,800 SY	$55.00 SF	$209,000.00	Recommended
		SUBTOTAL	**$212,000.00**	
D. MECHANICAL				
General HVAC Maintenance	27,757 SF	$22.00 /SF	$610,654.00	Recommended
Repair RTU-3	LS	$4,000.00	-	
Repair RTU-4	LS	$4,000.00	-	
Repair / Replace HVAC Controls	LS	-	-	
		SUBTOTAL	**$610,654.00**	
SUBTOTAL			**$1,486,967.80**	
Contingency		10.00%	$148,696.78	
NMGRT - Santa Fe		8.3125%	$123,604.20	
TOTAL ESTIMATED COST			**$1,759,268.78**	

The following is a general estimate of costs. It is intended as a tool to assist the City of Santa Fe with decision making and should not be viewed as a comprehensive cost estimate.

TECHNICAL MEMORANDUM

Wilson & Company Inc

City of Santa Fe
Midtown Engineering Support

To:	Lee Logston, Project Manager City of Santa Fe	**Date:**	08/11/2022 (rev. 8/25/22)
From:	Ross Gabaldon, PE	**Prepared by:**	Ross Gabaldon, PE
TM No.:	WWW-01	**Reviewed by:**	Brian Ambrogi, PE
Subject:	Technical Memorandum- Existing Water and Sewer Infrastructure		

SECTION 1: SUMMARY

The purpose of this report is to evaluate the existing water and sewer utility system's current capacity and determine if the existing water and sewer systems are able to satisfy the demands of the proposed new development for the Santa Fe Midtown area. The following options will be evaluated to determine the most critical infrastructure upgrades necessary to support the Midtown development:

- Sewer System
  - Existing Conditions – Evaluate the present-day flows and available capacity of the existing system
  - Full build-out scenario – Evaluate infrastructure upgrades necessary to the existing system to accommodate full build-out demands and prioritize recommended improvements to align with the respective phases of development.
- Water System
  - Existing Conditions – Evaluate the present-day flows and available capacity of the existing system
  - Full build-out scenario – Evaluate infrastructure upgrades necessary to the existing system to accommodate full build-out demands and prioritize recommended improvements to align with the respective phases of development.

The water and sewer systems were modeled in WaterCAD Connect Edition Update 2, Version 10.02.01.06 and SewerCAD Connect Edition Update 2, Version 10.02.00.55 (respectively) to determine the impact the future demands will have on pressure and flow on the water system and capacity on the sewer system. All assumptions for sewer and water flow rates are shown in **Table 1A and 1B** (attached)

SECTION 2: INTRODUCTION

This technical memorandum was developed in conjunction with the City of Santa Fe and Opticos Design to determine the water and sewer demand of a proposed re-development of the existing Midtown College Campus and evaluate the impacts these new demands would have on infrastructure capacity and sizing. The proposed project location can be found in **Figure 1**, see

Figure 2 for a more detailed layout of the proposed improvement area (definitions for lot codes can be found in **Table 1A and 1B**). Generally, the project is contained within the old community college campus, located near the intersection of Cerillos Rd. and St. Michaels Dr.

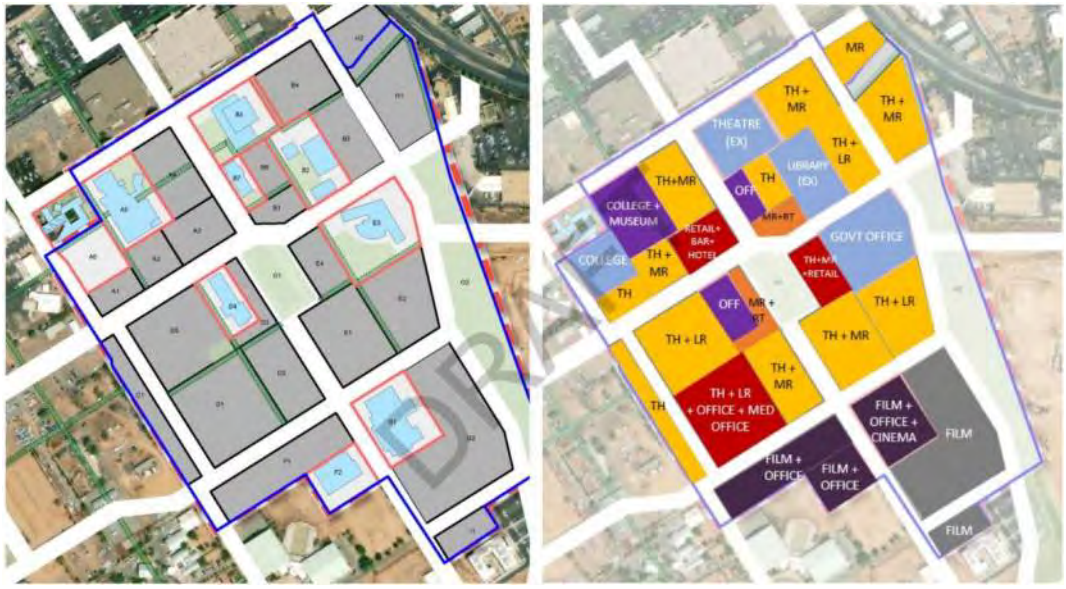


Figure 1: Project Location Map

SECTION 3: DESIGN CRITERIA / ASSUMPTIONS

General:

The proposed redevelopment of the campus consists of a variety of parcels, each parcel will be used for multifamily dwellings, commercial, office, or mixed use. See **Figure 2** below for a detailed layout of the various parcels as developed by Opticos Design.



(2-A) *(2-B)*

Figure 2 (A) Land Use Division (B) Land Use Category, See Table 1A & 1B for key

Wilson & Company has developed individual water and sewer demands for each parcel based on land-use data provided by Opticos Design and the City of Santa Fe. Water and sewer demands were calculated based on the use and on a per capita daily demand.

Water Base Flow Assumptions:

Residential

- Residents Per Unit (residential) = 3.41 Persons
- Usage Rate (residential) = 70 GPCPD (gallons per capita per day)

$$Base\ Demand = Residents * Usage * No.of\ Units$$

Office/Commercial

- Occupancy = 0.0032 Occupants / SqFt
- Usage Rate = 25 GPCPD

$$Base\ Demand = Occupancy * Usage * Area$$

Restaurant/Bar

- Occupancy = 330 Customers/day
- Usage Rate = 7 GPCPD

A peaking factor was applied to all water base flows, to determine the flow at the peak hour of the day. A peaking factor of 1.4 was used throughout the system. This peaking factor is used in similar sized developments in New Mexico and is also used by the City of Albuquerque for new xeriscaped residential and commercial developments.

$$Peak\ Flow = Base\ Flow * 1.4$$

Sewer Base Flow Assumptions:

Sewer flows are assumed to consist of 95% of the water base flow for residential and commercial applications. It is assumed that all landscaping will be xeriscaped and require low or no water. Irrigation flows for parks are accounted for separately in the model.

$$SAS\ Flow = Water\ Base\ Flow * 0.95$$

Peaking factors were also applied to the sewer flows. A separate peaking factor for residential and commercial has been used, with a higher peaking factor used for commercial/restaurants as compared to the residential peaking factor. A 1.3x peak factor was used for residential and a 1.6x peaking factor was used for all other parcels in this study. These peaking factors are used in similar sized developments in New Mexico and is also used by the City of Albuquerque for new xeriscaped residential and commercial developments.

$$SAS\ Peak\ Flow = 1.3(residential)\ or\ 1.6(commercial) * SAS\ Base\ Flow$$

SECTION 4: DESIGN ANALYSIS – WATER LINE

WATER SYSTEM DESIGN CRITERIA:

The water system was evaluated in two ways, to determine the capability of the existing system.

- Peak Flow Condition: The system is evaluated at peak flow, to determine if any pipes require upsizing
- Fire Flow condition: The system is run with fire flows (determined per IFC, maximum 2,000 GPM for the area), with the base water demand (not peak) also applied. No special requirements beyond IFC code from the Fire Marshall were specified.

For the initial model run, the system was run at peak flow, with no fire flow. In this condition, the existing system was found to be adequate to handle the peak flows for the area. The system was also evaluated at the base flow + fire flow and was found adequate in this scenario as well. Based on the calculated base and peak flows the existing water system was found to be capable of handling the proposed future demands of the development. As there is no justification to increase capacity of the existing system, no alternatives beyond simple pipe re-routing were analyzed in this report.

Option 1- Additional Waterline
This option is necessary to redirect existing water lines that are currently in the footprint of the future development. These redirected lines will be constructed in the new roadway and in the right of way. All new water lines will be a one to one replacement of existing lines, with no size increases.

As stated previously the existing water system currently will be able to meet the demands required of the future development. The system will have the adequate flows for base and peak demands and meet the required fire flow for the area. These scenarios were evaluated using WaterCAD analysis and design. See **Exhibit 3** for the results of the water modelling, anticipated flows, pipe diameter, and fire flow requirements. See **Exhibit 4** for a layout of the proposed vs. existing pipe line layout.

Additionally, this system was evaluated for fire flows. Based on information provided by the city, hydrants are tested in groups, rather than individually. Hydrant coverage and area flow availability can be seen on **Exhibit 5.** Flows in this exhibit are divided by block, and an average flow rating for any group of hydrants can be obtained by dividing the available flow in the block by the desired number of hydrants. The coverage area for each hydrant is also shown.

ASSUMPTIONS (All water lines):

- Water lines are adequately sized to provide for current and future demands (per modelling results)
- The required minimum fire flow of 2000 GPM will be met by all improvements
- The water analysis using WaterCAD is only taking into account the future development of the proposed project area, not pass-through demands for adjacent areas outside the project area. Evaluation of pass-through flows that would impact the overall City system were beyond the scope of this study.
- Relocated Lines will be installed in new roadways, no asphalt cost included in estimates

Option 1 Pros:
Waterlines will be relocated into accessible Public Right-of-Ways to eliminate future conflicts with area development. Connections along the north end and West of the property will be greatly improved by having a pipe located in the public ROW to connect to.

Option 1 Cons:
The costs incurred for the additional waterline and installation are estimated at $820,180.

Option 2- Do Nothing
Water lines currently interfere with planned development. Additionally, the water line running along the north of the property is within the shopping center parking lot which will present design difficulties and disruption to existing business. Design standards do not allow for the placement of permanent structures on top of utility lines. All areas with new water lines in this alternate will be designated as a public right-of-way.

Option 2 Pros:

Existing infrastructure is already sufficient for flows. The do-nothing scenario would require no costs to the City or future developers.

Option 2 Cons:
There can be no development on top of the existing waterlines. The new development would need to work around the existing water lines and provide easements. Connecting to the existing water line along the back of the cerillos road shopping center would cause design difficulties and disruption to the existing businesses currently served from this water line. This alternate is not recommended

SECTION 5: DESIGN ANALYSIS –SEWER LINE

SEWER SYSTEM ANALYSIS

The existing sewer system divides the existing flow into two sewer sheds, a northern connection point along Cerrillos Road, and a southern connection at Siringo Road. A field visit was performed by Wilson & Company to the proposed site and the existing sewer system was inspected. During inspection, the sewer system connected to the south at Siringo Road was found to exceed the design capacity, and surcharging manholes. The northern connection had a large underutilized sanitary sewer between the manhole on the south end of the breezeway at the Tony Anaya building to Cerillos Road. South of the Tony Anaya building the existing sewer system was in poor condition and undersized, and will need to be replaced.

Due to the poor condition of the Siringo Road sewer and the available capacity between the Tony Anaya Building and Cerillos Road, it was determined that all flow in the area could be successfully re-routed to the Cerillos Road connection point, immediately to the south of the Tony Anaya Building. Replacement of the Siringo Road sewer line with a larger line was briefly considered, but determined to be cost prohibitive due to the length and location of pipe that would need to be replaced.

The total sewer base flow for future development was calculate to be 301 GPM and the peak flow was determined to be 426 GPM.

Option S1 Sewer Redesign
Due to issues with capacity of the southern sewer line it is recommended that the existing system within the campus be replaced with the intent of directing all flow towards the north, connecting to the main line on Cerrilos Rd. This diversion of flow will help alleviate the surcharging issues on the Siringo Road Sewer by diverting some of the existing flows to the north. The design analysis in Sewer CAD was used to design the proposed sewer lines with adequate slopes, depths, and capacity to accommodate the full build-out flow condition. **Exhibit 1** illustrates the proposed sewer line improvements. Due to the change of direction of the sewer, the existing sewer lines cannot be re-used, and it is recommended that all sewer lines in the improvement area be replaced with new lines. See **Exhibit 1** for the results of the sewer modelling, including depths, slopes, pipe diameters, and anticipated flows. See **Exhibit 2** for a layout of the proposed system compared to the existing system.

Option S1 Assumptions:

- Sewer is sized to service all lots of the proposed development
- Sewer shall provide gravity service to all of the proposed development
- Velocity in sewer lines shall be less than 10 ft/sec, and greater than 2.2 ft/sec
- The sewer analysis using SewerCAD is only taking into account the future development of the proposed project area, and not the city at-large
- Sewer design flow shall be at 50% full
- The 30" Silar Road interceptor is in need of repair, and it is assumed that this interceptor will be re-lined (Via CIPP) under this project

Option S1 Pros:

Option S1 will follow the existing and proposed roadways allowing sewer pipes found to be under existing facilities to be abandoned. This option also helps to alleviate the flow on the southern sewer that presently exceeds capacity. New sewers will be able to be installed in optimal locations to avoid existing utilities and provide service to buildings.

Option S1 Cons:

Construction costs for the project will be an extra cost versus using the existing system, however the existing system is currently overloaded and cannot be used for future midtown development. Current underground composition is unknown, and conditions may present the need for rock or undesirable material excavation. A geotechnical investigation is recommended before proceeding. Pavement cuts will be required for sections that will be under existing roadways. This option is an estimated $1.1 million in capital cost.

Option S2 – Do Nothing

When Wilson and Company and City of Santa Fe officials inspected manholes in May of 2022 it was discovered that sewer lines were full and flowing over the bench along the Siringo sewer. The additional demand from the development could cause additional surcharging of the manholes, overflows, and sewer backups affecting customers and residents. Continuing with the development without the sewer redesign is not a viable option.

Option S2 Assumptions:

- Existing sewers will be used
- Existing sewers are currently over capacity (field observation)
- Existing sewers are currently in poor condition, and run underneath existing buildings
- Lines will be installed in new roadways, no asphalt cost included in estimates

Option S2 Pros:

This option unfortunately does not have any benefits if chosen. Future development of the area would create demands the existing system cannot handle leading to potential environmental hazards.

Option S2 Cons:

The extra demands on the sewer system will likely lead to sewer backups affecting residents and businesses. The existing sewer system is not in ideal locations and will likely still need relocation

to fit within public right-of-way. This option was not evaluated further since the existing system is over capacity.

SECTION 6: RECOMMENDATION OF ALTERNATIVE

It is the opinion of the Engineer that Option 1 be selected for the water line, and Option 1 be selected for the sewer line. These options both allow for the full build out of future development while providing sufficient capacity and locating all new utilities in the public right-of-way. Additionally, Option 1 will improve existing conditions on the sewer lines, by re-directing flows away from an over-capacity sewer line. Approximate costs of the recommended alternates are listed below, see **Table 2** for a more detailed breakdown of the costs for each alternative.

	RECOMMENDED ALTERNATIVE	**ALTERNATIVE COST**
WATER	WATER OPTION 1	$ 820,180.33
SEWER	SEWER OPTION 1	$ 1,105,233.70
	SUBTOTAL PROJECTED COST:	**$ 1,925,414.03**
	NMGRT @ 8.625%:	**$ 166,066.96**
	20% CONTINGENCY:	**$ 385,082.81**
	GRAND TOTAL:	**$ 2,476,563.80**

5.4 Development Standards + Regulating Plan

This Section demonstrates where form-based development standards and allowed uses apply within the Midtown Site.

Development Standards Approach

To deliver the vision described in the Plan, each development parcel on the Midtown Site shall be controlled by a combination of Sub-zone Standards that control use and Facade Zone Standards that control building massing, and design. Both sets of standards have been coordinated and must be satisfied for each development parcel on the Midtown Site.

Sub-zone Standards. These standards apply to the entirety of each site onto which they are mapped, and control allowed uses.

Facade Zone Standards. These standards apply to the edges of each site that abut public rights-of-way, civic spaces, or public access easements such as paseos. They control elements such as setbacks, height stepbacks and required frontage types.

Regulating Plan

Figure 5.4.1 (Development Standards Regulating Plan) identifies the applicable Sub-zone Standards and Facade Zone Standards for each development site in the Midtown Site.

Where development sites are combined, the applicable standards identified in the Regulating Plan must be met.

Where the location of flexible rights-of-way and easements—such as paseos and living alleys—as identified by Figure 5.2.1 (Thoroughfare Regulating Plan), is adjusted, the applicable Facade Zone Standards indicated in Figure 5.4.1 (Development Standards Regulating Plan) shall apply to the right-of-way or easement in its new location, unless the new location represents a substantial change in context which merits a change in Facade Zone type, to be determined by the Land Use Director.

Where Civic Spaces are established, such as those identified by Figure 5.3.1 (Civic Space Regulating Plan), the Facade Zone(s) mapped at the location of the Civic Space in Figure 5.4.1 (Development Standards Regulating Plan) shall govern development along all edges of the Civic Space that are not bounded by thoroughfares.

5.5 Sub-zone Standards

This Section refines the palette of uses allowed in base zoning and the Midtown LINC Zoning Area by establishing an allowed palette of uses for the Midtown Site.

Use Standards

Table 5.5.A (Allowed Uses) sets forth the uses allowed and prohibited according to the Sub-zones established by Section 5.4 (Development Standards Regulating Plan) and are not impacted by adjacent Facade Zones (see 5.6 Facade Zone Standards). These regulations are based on the patterns of development and physical activities that comprise the principal and accessory uses of land, rather than on whether the activity is conducted for profit, not for profit or other purposes. Any specific use type not listed or included in the Table 5.5.A (Allowed Uses) is prohibited unless the Land Use Director determines that it is to be included in an existing use category.

The Midtown Site Sub-zones

The following Sub-zones apply in the Midtown Site:

- Mixed-Use Neighborhood (MU–N) provides for a variety of housing options.
- Mixed-Use Commercial (MU–C) provides opportunities for limited commercial uses such as retail, dining and entertainment while providing a variety of housing options on upper floors and along pedestrian paseos.
- Mixed-Use Office (MU–O) provides opportunities for service commercial uses as a transition between film production uses and residential uses.
- Mixed-Use Film (MU–F) provides for film production activities focused on the Garson Studios.
- Community-Oriented (CO) provides for civic uses such as libraries, education, performing arts, and other uses that serve the community.
- Open Space (OS) provides for publicly-accessible civic and open space.

Addendum E

CLIENT CONTRACT INFORMATION

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VALUATION & ADVISORY SERVICES

Proposal and Contract for Services

CBRE

CBRE, Inc.
2575 East Camelback Road
Ste 500
Phoenix, AZ 85016
www.cbre.us/valuation
Jo Dance, MAI, CCIM
Managing Director

December 6, 2023

Phillip Gesue
Midtown Santa Fe Productions QOF, LLC
1 Worth St, Suite 3F
New York, NY 10013
Phone: 917-892-0060
Email: pgesue@pereholdings.com

RE: Assignment Agreement | CB23US105690
Santa Fe College of Arts (portion of)
1600 St Michaels Dr
Santa Fe, NM 87505

Dear Mr. Gesue:

We are pleased to submit this proposal and our Terms and Conditions for this assignment.

PROPOSAL SPECIFICATIONS

Purpose:	To estimate the Market Value of the referenced real estate
Premise:	As Is
Rights Appraised:	Fee Simple
Intended Use:	Acquisition/Disposition/Exchange Due Diligence
Intended User:	The intended user is **Phillip Gesue & Midtown Santa Fe Productions QOF, LLC** ("Client"), and such other parties and entities (if any) expressly recognized by CBRE as "Intended Users" (as further defined herein).
Reliance:	Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

Scope of Inspection: A full interior and exterior inspection of the property will be conducted and arranged with the property contact and performed by CBRE Valuations.

If this expected property inspection is not possible due to unforeseen issues (such as lack of on-site personnel cooperation, physical obstructions, or appraiser/property contact health and safety concerns), the client will be promptly advised. The client may continue this assignment based on other inspection options agreed upon by CBRE and client or provide CBRE with a written notice to cancel. If CBRE determines that a credible appraisal result cannot be achieved due to inspection limitations, it will promptly provide the client with a written cancellation of this assignment.

Valuation Approaches: The Cost and Sales Comparison Approaches to value will be considered.

Report Type: Restricted Appraisal Report
Appraisal Standards: USPAP
Appraisal Fee: $6,000.00. If cancelled by either party before a completion, the fee will be based on CBRE's hourly rates for the time expended; plus actual expenses.
Expenses: Fee includes all associated expenses
Retainer: A retainer of $6,000.00 is due prior to commencement of the outlined services.
Please remit retainer payments via wire to:

Name: Wells Fargo
ABA No.: 121000248
Swift ID: WFBIUS6S
Name on Account: CBRE Valuation Wire Receipts
General Account No.: 4121248561
Address: 420 Montgomery Street
San Francisco, CA 94104
Bank Contact: Michele Polcari
Telephone Number: (310) 606-4792

Please include the invoice number when submitting payment.

For additional payment remittance options, contact CBRE VAS Accounts Receivable - 901-620-3232 | **CBREVASAR@cbre.com**

Payment Terms: The full appraisal fee is considered earned upon delivery of the draft report.

Delivery Instructions:	CBRE encourages our clients to join in our environmental sustainability efforts by accepting an electronic copy of the report. An Adobe PDF file via email will be delivered to pgesue@pereholdings.com. The client has requested 0 bound final copy (ies).
Delivery Schedule:	
Preliminary Value:	Not Required
Draft Report:	15 business days after the Start Date
Final Report:	Upon Client's request
Start Date:	The appraisal process will start upon receipt of your signed agreement, the retainer, and the property specific data.
Acceptance Date:	These specifications are subject to modification if this proposal is not accepted within 5 business days from the date of this letter.

When executed and delivered by all parties, this letter, together with the Terms and Conditions and the Specific Property Data Request attached hereto and incorporated herein, will serve as the Agreement for appraisal services by and between CBRE and Client. Each person signing below represents that it is authorized to enter into this Agreement and to bind the respective parties, including all intended users, hereto.

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

CBRE, Inc.
Valuation & Advisory Services



Jo Dance, MAI, CCIM
Managing Director
As Agent for CBRE, Inc.
T +1 6027355686
Jo.Dance@cbre.com

PROPERTY NAME	PROPERTY LOCATION	REPORT TYPE	APPRAISAL FEES
Santa Fe College of Arts (portion of)	1600 St Michaels Dr, Santa Fe, NM 87505	Restricted Appraisal Report	$6,000.00
Assignment Total:			$6,000.00

AGREED AND ACCEPTED

FOR PHILLIP GESUE & MIDTOWN SANTA FE PRODUCTIONS QOF, LLC ("CLIENT"):

phillip gesue	12.20.2023
Signature	Date
Phillip Gesue	
Name	Title
917-892-0060	pgesue@pereholdings.com
Phone Number	E-Mail Address

ADDITIONAL OPTIONAL SERVICE

Assessment & Consulting Services: CBRE's Assessment & Consulting Services group has the capability of providing a wide array of solution-oriented due diligence services in the form of property condition and environmental site assessment reports and other necessary due diligence service (seismic risk analysis, zoning compliance service, construction risk management, annual inspections, etc.).

Initial below if you desire CBRE to contact you to discuss a proposal for any part or the full complement of consulting services, or you may reach out to us at **ACSProposals@cbre.com**. We will route your request to the appropriate manager. For more information, please visit www.cbre.com/assessment.

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an agreement for appraisal services (the "Agreement") between CBRE, Inc. (the "Appraiser") and the client signing this Agreement, and for whom the appraisal services will be performed (the "Client"), and shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the state where the appraisal office is located for the Appraiser executing this Agreement.
2. Client shall be responsible for the payment of all fees stipulated in the Agreement. Payment of the appraisal fee and preparation of an appraisal report (the "Appraisal Report, or the "report") are not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the Appraisal Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft report is requested, the fee is considered earned upon delivery of the draft report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed report. In such event, the Client is obligated only for the hourly rate of the time and expenses incurred (including travel expenses to and from the engagement site), with a minimum charge of $500. Additional copies of the Appraisal Reports are available at a cost of $250 per original color copy and $100 per photocopy (black and white), plus shipping fees of $30 per report.
3. If Appraiser is subpoenaed or ordered to give testimony, produce documents or information, or otherwise required or requested by Client or a third party to participate in meetings, phone calls, conferences, litigation or other legal proceedings (including preparation for such proceedings) because of, connected with or in any way pertaining to this engagement, the Appraisal Report, the Appraiser's expertise, or the Property, Client shall pay Appraiser's additional costs and expenses, including but not limited to Appraiser's attorneys' fees, and additional time incurred by Appraiser based on Appraiser's then-prevailing hourly rates and related fees. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Appraisal Report), meeting participation, and Appraiser's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided upon request. In the event Client requests additional appraisal services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed report has been delivered to Client at the time of such request.
4. Appraiser shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 5 days written notice.
5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the office is located for the Appraiser executing the Agreement. In the event either party institutes legal action against the other to enforce its rights under this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and expenses. Each party waives the right to a trial by jury in any action arising under this Agreement.
6. Appraiser assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for Appraiser to prepare a valid report. Client acknowledges that such additional expertise is not covered in the Appraisal fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.
7. In the event of any dispute between Client and Appraiser relating to this Agreement, or Appraiser's or Client's performance hereunder, Appraiser and Client agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by an arbitrator may be entered in any court of competent jurisdiction. Depositions may be taken and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the state where the office of the Appraiser executing this Agreement is located. The arbitrator shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar damages. The prevailing party in the arbitration proceeding shall be entitled to recover its expenses from the losing party, including costs of the arbitration proceeding, and reasonable attorney's fees. Client acknowledges that Appraiser is being retained hereunder as an independent contractor to perform the services described herein and nothing in this Agreement shall be deemed to create any other relationship between

Client and Appraiser. This engagement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal Report discussed herein.

8. All statements of fact in the report which are used as the basis of the Appraiser's analyses, opinions, and conclusions will be true and correct to Appraiser's actual knowledge and belief. Appraiser does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to Appraiser by Client or others. TO THE FULLEST EXTENT PERMITTED BY LAW, APPRAISER DISCLAIMS ANY GUARANTEE OR WARRANTY AS TO THE OPINIONS AND CONCLUSIONS PRESENTED ORALLY OR IN ANY APPRAISAL REPORT, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE EVEN IF KNOWN TO APPRAISER. Furthermore, the conclusions and any permitted reliance on and use of the Appraisal Report shall be subject to the assumptions, limitations, and qualifying statements contained in the report.
9. Appraiser shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the Property analyzed.
10. Client shall provide Appraiser with such materials with respect to the assignment as are requested by Appraiser and in the possession or under the control of Client. Client shall provide Appraiser with sufficient access to the Property to be analyzed, and hereby grants permission for entry unless discussed in advance to the contrary.
11. The data gathered in the course of the assignment (except data furnished by Client) and the report prepared pursuant to the Agreement are, and will remain, the property of Appraiser. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the Appraiser-Client relationship by improperly disclosing any proprietary information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the report and related data as may be required by statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable Appraiser to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.
12. Unless specifically noted, in preparing the Appraisal Report the Appraiser will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, "Hazardous Material) on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there is no major or significant deferred maintenance of the Property that would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, at Client's discretion and direction, and are not covered as part of the Appraisal fee.
13. In the event Client intends to use the Appraisal Report in connection with a tax matter, Client acknowledges that Appraiser provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Appraisal Report or otherwise disagree with Client's tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Appraisal Report. Client agrees that Appraiser shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other compensation from Appraiser relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.
14. Appraiser shall have no liability with respect to any loss, damage, claim or expense incurred by or asserted against Client arising out of, based upon or resulting from Client's failure to provide accurate or complete information or documentation pertaining to an assignment ordered under or in connection with this Agreement, including Client's failure, or the failure of any of Client's agents, to provide a complete copy of the Appraisal Report to any third party.
15. LIMITATION OF LIABILITY. EXCEPT TO THE EXTENT ARISING FROM SECTION 16 BELOW, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATE, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL OR INDIRECT DAMAGES, AND AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO APPRAISER UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS ($10,000). THIS LIABILITY LIMITATION SHALL NOT APPLY IN THE EVENT OF A FINAL FINDING BY AN ARBITRATOR OR A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.

16. Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report , in whole or in part, in any offering or other material intended for review by other parties) except to (i) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (ii) any third party service provider (including rating agencies and auditors) using the Appraisal Report in the course of providing services for the sole benefit of an Intended User, or (iii) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, in no event shall the receipt of an Appraisal Report by such party extend any right to the party to use and rely on such report, and Appraiser shall have no liability for such unauthorized use and reliance on any Appraisal Report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.

17. Furthermore, Client shall indemnify, defend and hold each of the Indemnified Parties harmless from and against any Damages in connection with (i) any transaction contemplated by this Agreement or in connection with the appraisal or the engagement of or performance of services by any Indemnified Party hereunder, (ii) any Damages claimed by any user or recipient of the Appraisal Report, whether or not an Intended User, (iii) any actual or alleged untrue statement of a material fact, or the actual or alleged failure to state a material fact necessary to make a statement not misleading in light of the circumstances under which it was made with respect to all information furnished to any Indemnified Party or made available to a prospective party to a transaction, or (iv) an actual or alleged violation of applicable law by an Intended User (including, without limitation, securities laws) or the negligent or intentional acts or omissions of an Intended User (including the failure to perform any duty imposed by law); and will reimburse each Indemnified Party for all reasonable fees and expenses (including fees and expenses of counsel) (collectively, "Expenses") as incurred in connection with investigating, preparing, pursuing or defending any threatened or pending claim, action, proceeding or investigation (collectively, "Proceedings") arising therefrom, and regardless of whether such Indemnified Party is a formal party to such Proceeding. Client agrees not to enter into any waiver, release or settlement of any Proceeding (whether or not any Indemnified Party is a formal party to such Proceeding) without the prior written consent of Appraiser (which consent will not be unreasonably withheld or delayed) unless such waiver, release or settlement includes an unconditional release of each Indemnified Party from all liability arising out of such Proceeding.

18. Time Period for Legal Action. Unless the time period is shorter under applicable law, except in connection with paragraphs 16 and 17 above, Appraiser and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement or the Appraisal Report, (b) any services or appraisals under this Agreement or (c) any acts or conduct relating to such services or appraisals, shall be filed within two (2) years from the date of delivery to Client of the Appraisal Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

Addendum F

QUALIFICATIONS

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VALUATION & ADVISORY SERVICES / WEST DIVISION

Ian Valenzuela, MAI

Vice President, Albuquerque, NM
6100 Uptown Boulevard, Albuquerque, NM 87110
T +1 505 837 4931
M +1 505 710 0080
F + 505 837 4994
E ian.valenzuela@cbre.com

Professional Experience

Ian Valenzuela is a Vice President with the CBRE Valuation & Advisory Group. Ian has over 28 years of experience as a real estate appraiser, receiving his General Appraiser Certification in 2000, and the MAI designation from the Appraisal Institute in 2014. Ian has extensive experience in the New Mexico commercial real estate market, and has a comprehensive understanding of market trends and analysis. Ian has worked on a wide variety of valuation projects throughout New Mexico for a broad spectrum of property types including: self-storage, multi family, right of way, office, industrial, retail, residential and commercial subdivisions, auto dealerships, service stations, restaurants, hotels and motels, mixed-use properties and specialty property types such as car washes, recreational properties, worship facilities, and government offices. Assignments have included market value appraisals, market rent studies, ad veloram tax appraisals, right of way valuation, and highest and best use analysis. Ian has worked for private local appraisal firms including Roos and Owens Appraisal Service in Rio Rancho, NM, and American Property Consultants in Albuquerque, NM, as well as the Sandoval County Assessor's Office, and as a Senior Appraiser at Grubb & Ellis / Collier's International.

Ian's background in and experience and Appraisal allows him to provide his clients with the most in-depth, up-to-date information on how market conditions will affect the value of their property. He is an expert at leveraging the full portfolio of CBRE resources to ensure that his clients have all the information needed to make an informed decision.

Ian has a bachelor's degree in University Studies, with an emphasis in real estate and statistics, from the University of New Mexico. His professional education consists of classes from the Appraisal Institute including: General Applications, Apartment Appraisal, Advanced Income Capitalization, Report Writing & Valuation Analysis, Highest and Best Use/ Market Analysis, Advanced Applications, Comparative Analysis, Marketability Studies, Real Estate Finance Statistics & Modeling, Advanced Spreadsheet Modeling, Condemnation Appraising, Case Studies in Complex Valuation, Property Rights & Implications in Valuation. Ian received the MAI designation from the Appraisal Institute in 2014.

Clients Represented

- New Mexico DOT
- Greater ABQ Housing
- Main Bank
- Bank 34
- City of Rio Rancho
- City of Albuquerque
- City of Gallup
- Bernalillo County
- Sandoval County
- McKinley County
- Pinnacle Bank
- U.S. Bank
- Bank of New Mexico
- Nat Hispanic Cult. Ctr.
- First Citizens Bank
- Bank of the West

Affiliations / Accreditations

- Appraisal Institute,
  - Designated Member (MAI)
  - President of the Rio Grande Chapter- 2023
- Certified General Real Estate Appraiser
  - New Mexico NO.01734-G

Education

- University of New Mexico, Albuquerque, Bachelor of University Studies

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THIS IS TO CERTIFY THAT

Ian R. Valenzuela

Real Estate Appraisers Board

is licensed / registered by the New Mexico Regulation and Licensing Department in accordance with provisions of laws in the State of New Mexico

License / Registration No.	License / Registration Type
01734-G	General Certified Appraiser

Issue Date	Expiration Date
12/19/2000	4/30/2025

The bearer is prohibited by law from using this identification card to give the impression that they are in any way connected with a governmental agency

Signature of holder

Ian R. Valenzuela
6212 Christy Ave. NE
Albuquerque, NM 87109

State of New Mexico

NMRLD
NEW MEXICO
REGULATION &
LICENSING DEPARTMENT

Real Estate Appraisers Board

HEREBY CERTIFIES THAT

Ian R. Valenzuela

HAVING GIVEN SATISFACTORY EVIDENCE OF THE COMPLETION OF PROFESSIONAL AND OTHER REQUIREMENTS PRESCRIBED BY LAW IS GRANTED A LICENSE TO PRACTICE IN THE STATE OF NEW MEXICO

General Certified Appraiser

License No. 01734-G Issued 12/19/2000 Expires 4/30/2025

THIS LICENSE SHOULD BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS OR AS REQUIRED BY LAW

APPRAISAL OF
1600 ST. MICHAELS DRIVE
MIDTOWN STUDIOS (PERE)
SANTA FE, NM 87505

DATE OF THE REPORT
MARCH 4, 2024

EFFECTIVE DATE OF VALUATION
NOVEMBER 15, 2023

PREPARED FOR
RICHARD BROWN
200 LINCOLN AVENUE
SANTA FE, NEW MEXICO 87504

HIPPAUF DRY CONNELLY
REAL ESTATE APPRAISERS AND CONSULTANTS

HIPPAUF DRY & CONNELLY
REAL ESTATE APPRAISERS AND CONSULTANTS

Peter H. Hippauf, Emeritus
Michael Dry, MAI
Tim Connelly, MAI

404 Brunn School Rd., Bldg. B
Santa Fe, New Mexico 87505
(505) 988-8059
FAX: (505) 988-5743
www.hippauf.com

March 4, 2024

Richard Brown
c/o Lee Logston
200 Lincoln Avenue
Santa Fe, New Mexico 87504

RE:	Appraisal of 1600 St. Michaels Drive, Santa Fe, NM 87505

Dear Mr. Logston;

Pursuant to your request, I have completed the appraisal of the above referenced property. The depth of discussion and supporting documentation contained in this report are specific, expressed requirements of the client. This appraisal was prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) 2024 and is subject to the assumptions and limiting conditions described in the report.

Based on the data and analyses contained in this report, it is my opinion the most probable fee simple market value (subject to extraordinary assumptions, easements and restrictions of record) in the subject property 'as is' as of November 15, 2023 is:

FINAL VALUE

Subject: Midtown Studios Pere		
Market Value	**Fee Simple**	**Eleven Million Four Hundred Thousand Dollars $11,400,000**

Extraordinary Assumptions
The property is subject to at least two City of Santa Fe Resolutions (No. 2018-54 and 2022-12), which result in the proposed, and now assumed, rezoning from a R-5 Residential Zone to a C-2 General Commercial District. If this assumption should prove to be inaccurate, the subject's value could be impacted.
The property has had two Phase 1 and one Phase 2 Environmental Site Assessment Reports completed and it is assumed any and all environmental concerns were addressed. If this assumption should prove to be inaccurate, the subject's value could be impacted.
The subject has excess land. No survey or engineering report has been provided to the appraiser to calculate the excess land. The appraiser has utilized lot coverage ratios in order to produce an amount of excess land. If this assumption should prove to be inaccurate, the subject's value could be impacted.
According to the appraiser the Driscoll structure should be converted into a soundstage with the remaining space used as supportive office. There have been some structural issues identified that could make the conversion of the building inappropriate. If the structure is found to be structurally adequate or financially feasible to be renovated to be adequate, the results of this appraisal are subject to change.
Note: If these assumptions should prove inaccurate, the subject's value could be impacted.

The attached appraisal report contains 107 pages plus addenda. If I can be of any further service with this appraisal or another matter, please do not hesitate to contact me.

Respectfully submitted,



Tim Connelly, MAI
N. M. General Certificate #3225G

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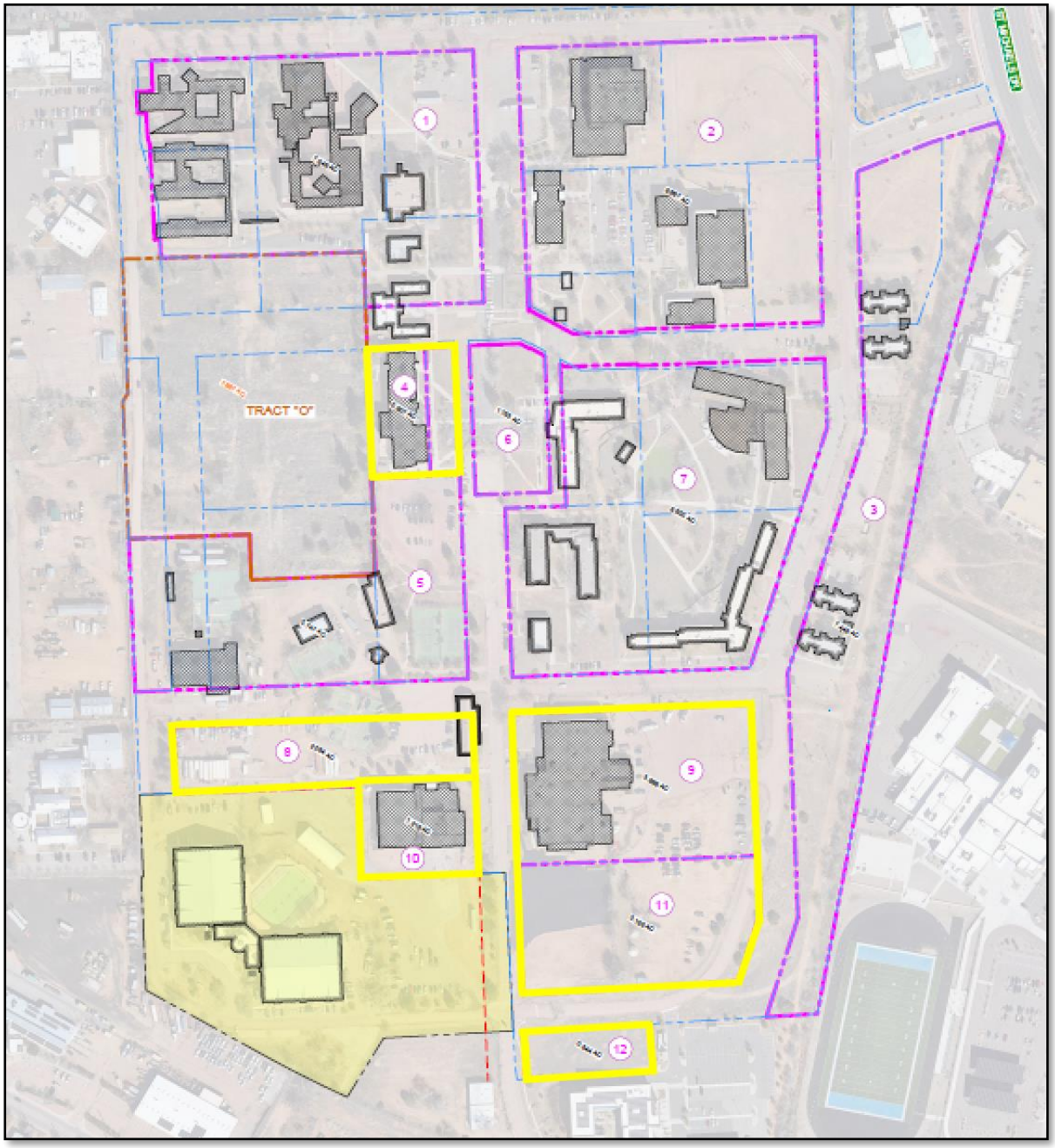
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SUMMARY OF SALIENT FACTS, DATA AND CONCLUSIONS

Summary		
Property Location	1600 St. Michaels Drive, Santa Fe, NM 87505	
Client	Richard Brown	
Current Use	Commercial – Mixed Use	
Owner of Record	City of Santa Fe	
Highest and Best Use	'As Is': Commercial – with all structures related to film and media production.	
Dates	Effective Date of Valuation	November 15, 2023
	Date of Report	March 4, 2024
Purpose of the Appraisal	Market value estimate for potential lease/sale	
Intended Use of the Appraisal	Asset valuation for negotiation of potential lease/sale	
Intended User of the Appraisal	City of Santa Fe, Office of Economic Development	
Land Area	533,153 square feet or 12.24 acres ±	
	Source: Request for Fee Proposal: Land Valuation for Development and Appraisal of City-Owned Real Estate	
Gross Building Area	**Unit**	**Size (Square feet)**
	Garson Studios	49,200
	Driscoll	22,200
	Benildus Hall	27,757
Legal Use	Zoning: C-2 (General Commercial District) & Midtown Local Innovation Corridor (Midtown LINC) Overlay District	

1600 St. Michaels Drive, Midtown Studios Pere



The subject is approximated on the aerial photograph by representatives from the City of Santa Fe

VALUE INDICATIONS

Component	Value
Benildus Hall - Office	$2,590,000
Garson Studios – Soundstage/Office	$6,100,000
Driscoll – (future) Soundstage/Office	$950,000
Excess land	$1,760,000
Final Value	**$11,400,000**

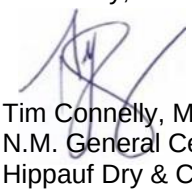
Extraordinary Assumptions
The property is subject to at least two City of Santa Fe Resolutions (No. 2018-54 and 2022-12), which result in the proposed, and now assumed, rezoning from a R-5 Residential Zone to a C-2 General Commercial District. If this assumption should prove to be inaccurate, the subject's value could be impacted.
The property has had two Phase 1 and one Phase 2 Environmental Site Assessment Reports completed and it is assumed any and all environmental concerns were addressed. If this assumption should prove to be inaccurate, the subject's value could be impacted.
The subject has excess land. No survey or engineering report has been provided to the appraiser to calculate the excess land. The appraiser has utilized lot coverage ratios in order to produce an amount of excess land. If this assumption should prove to be inaccurate, the subject's value could be impacted.
According to the appraiser the Driscoll structure should be converted into a soundstage with the remaining space used as supportive office. There have been some structural issues identified that could make the conversion of the building inappropriate. If the structure is found to be structurally adequate or financially feasible to be renovated to be adequate, the results of this appraisal are subject to change.
Note: If these assumptions should prove inaccurate, the subject's value could be impacted.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment. I completed real estate consulting work on a neighboring property of the subject. This work was completed for parties that are the potential purchaser of the subject of this report.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*
- I have made a personal inspection of the property that is the subject of this report
- I have personal knowledge of all comparable properties referenced within this report
- The use of this appraisal report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives
- Suzanna Denison provided significant real property appraisal assistance to the person signing this certification. Suzanna assisted with the property inspection, introduction and description sections and overall formatting of the report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives
- As of the date of this report, Tim Connelly has completed the continuing education program for Designated Members of the Appraisal Institute
- As of the date of this report, Tim Connelly has completed the requirements for the continuing education program of the State of New Mexico Real Estate Appraisers Board for General Certification.
- Tim Connelly has the education, knowledge, experience, resources, and geographic competency to appraise a property of this type in this location
- My certification and any professional designations are currently valid, in good standing and not subject to any restrictions or pending actions/sanctions
- The appraisal has been completed in accordance with the Clients Engagement Requirements

Certified by,



Tim Connelly, MAI
N.M. General Certificate #03225G
Hippauf Dry & Connelly
404 Brunn School Road, Building B
Santa Fe, NM 87505
EIN #82-3614121

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been prepared with the following specific assumptions:

1. It is assumed that the supporting documentation provided for the appraisal is correct.
2. I have relied on information prepared by licensed professionals in making certain decisions in the process of this appraisal. I have accepted this information as accurate, based on the fact that they represent matters beyond my expertise as an appraiser along with the fact that they were prepared by recognized professionals.

This report has been made with the following general assumptions:

3. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
4. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
5. Responsible ownership and competent property management are assumed.
6. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
7. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging engineering studies that may be required to discover them.
9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the report.
10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconforming use has been stated, defined, and considered in the report. Please refer to the discussion of zoning found within the report.
11. It is assumed that all required licenses, permits, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
12. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
13. Unless otherwise stated in this report, the existence of hazardous substances, including, without limitation, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to my attention nor did I become aware of such during the inspection. I have no knowledge of the existence of such materials on or in the property unless otherwise stated. However, I am not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such condition, or for any expertise or engineering knowledge required to discover them.
14. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.

The report has been prepared with the following limiting conditions:

15. The conclusions expressed in this appraisal report apply only as of the stated date of the appraisal and I assume no responsibility for economic or physical factors occurring at some

later date which may affect the opinions stated herein.

16. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization.
17. By reason of the assignment, I am not required to give consultation, testimony, or be in attendance in court or any other hearing with reference to the property unless written contractual arrangements have been previously made relative to such additional services.
18. Disclosure of the contents of the report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
19. Neither all, nor any part of this report, or copy thereof shall be used for any purposes by anyone other than the client to which the report is addressed without the prior written consent of the appraiser, nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, or any other means of communication (including without limitation prospectus, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the appraiser.

Extraordinary Assumptions
The property is subject to at least two City of Santa Fe Resolutions (No. 2018-54 and 2022-12), which result in the proposed, and now assumed, rezoning from a R-5 Residential Zone to a C-2 General Commercial District. If this assumption should prove to be inaccurate, the subject's value could be impacted.
The property has had two Phase 1 and one Phase 2 Environmental Site Assessment Reports completed and it is assumed any and all environmental concerns were addressed. If this assumption should prove to be inaccurate, the subject's value could be impacted.
The subject has excess land. No survey or engineering report has been provided to the appraiser to calculate the excess land. The appraiser has utilized lot coverage ratios in order to produce an amount of excess land. If this assumption should prove to be inaccurate, the subject's value could be impacted.
According to the appraiser the Driscoll structure should be converted into a soundstage with the remaining space used as supportive office. There have been some structural issues identified that could make the conversion of the building inappropriate. If the structure is found to be structurally adequate or financially feasible to be renovated to be adequate, the results of this appraisal are subject to change.
Note: If these assumptions should prove inaccurate, the subject's value could be impacted.

INTRODUCTION

Appraisal Report: This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice 2024. The report and the level of information in the report are based on the needs of the client.

Property Identification: The subject of the appraisal is comprised of commercial – mixed use of offices, film studios, and a former gymnasium/fitness center located on multiple tracks located at 1600 St. Michaels Drive, Santa Fe, NM 87505. This is a portion of the property formerly known as the Santa Fe University of Art & Design.

Property Ownership and History:

Property	Current Owner
1600 St. Michaels Drive	City of Santa Fe
Comments	
The subject property is currently vested in the name of City of Santa Fe, who acquired title to the property in September 2009.	

The subject property has a longstanding history in the City of Santa Fe. Originally founded as St. Michael's College in 1859 by four brothers of the De La Salle Christian order as a Catholic facility, it grew to include secondary and higher education. In 1947, the property expanded when an adjacent portion of the abandoned Bruns Army Hospital, including army barracks used during World War II, was purchased by the College of Christian Brothers of New Mexico. In 1966, the subject was renamed the College of Santa Fe and in 1985, the Santa Fe Art Institute opened on the campus.

In September of 2009, the City of Santa Fe purchased the college from the Christian Brothers for $19,500,000 and signed a 26-year lease with the for-profit educational company Laureate Education, who relaunched the school as Santa Fe University of Art and Design. During the summer of 2018, the Santa Fe University of Art and Design gave notice that they would be vacating the facility due to financial difficulties.

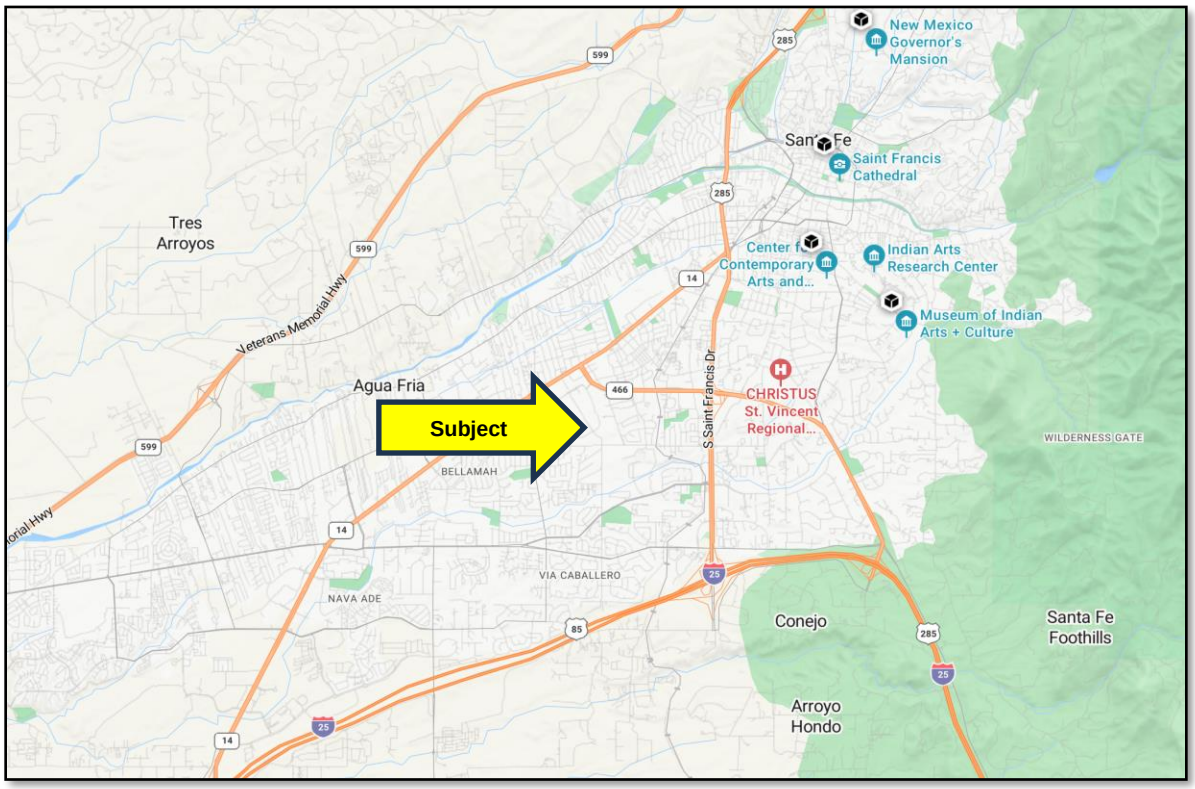
Since 2020, the City of Santa Fe has initiated large-scale redevelopment plans for the subject property and film studio production began in earnest with most useable buildings leased with annual terms for film productions. In March of 2022, the adjacent

8.6-acre Shellaberger Tennis Center was purchased for $6.7 million by PE Real Estate Holdings and converted into sound stages and film production warehouses.

In February of 2023, a community development plan to address affordable housing, arts, film, and library with educational programming was approved after a series of public meetings. In March of 2023, the Midtown Studios Film Productions/PE Real Estate Holdings, the current tenants, submitted a proposal for redevelopment and expansion of the subject property as a “Studio Village” through a Request for Proposals initiated from the City of Santa Fe. It is the understanding of this appraiser that the sole bidder in this project is now in negotiations with the City to purchase the property that is the subject of this report. A copy of the Purchase Agreement was not provided to the appraiser.

Location Of The Property: 1600 St. Michaels Drive, Santa Fe, NM 87505 –
The subject property is located on south side of St. Michaels Drive and on the north side of Siringo Road, having access from these streets. The subject is on the west side of Llano Street, on the east side of Camino Carlos Ray and on the southeast side of Cerrillos Road but does not have access from these streets. The subject is located on the former campus of the private Santa Fe University of Art and Design and surrounded by public property including elementary, mid-school and high schools and City and State public buildings within Santa Fe, NM.

Location Map



Type and Definition of Value: The purpose of the appraisal is to provide the appraiser's best estimate of the market value of the subject property as of the effective date. The market value definition is defined by FIRREA:

Market Value Definition
The most probable price which a property should bring in a competitive and open market under conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
1. Buyer and seller are typically motivated; 2. Both parties are well informed or well advised, and each acting in what they consider their own best interests; 3. A reasonable time is allowed for exposure in the open market; 4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[1]

Intended Use of the Appraisal: The intended use of the appraisal is to assist the client with asset valuation for negotiation of potential lease/sale.

Intended User of the Report: The report is intended for use by the client, City of Santa Fe, Office of Economic Development. Any other party who chooses to rely on this report is advised the appraiser is not obligated to any party other than the original intended user, nor does reliance on the report by a party other than the original intended user result in such party becoming an intended user of the report.

Interest Valued: The subject is comprised of commercial – mixed use of offices, film studios, and a former gymnasium/fitness center that are available to be leased. Over the past several years the leases have short terms because the owner is attempting to sell the property subject to a development plan. As such, this appraisal will produce a final value, subject to fee simple ownership.

Definition: Fee Simple Interest
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[2]

Effective Date of Value: The effective date of the fee simple market value of the subject property 'as is' is November 15, 2023, which is the date the property was inspected.

[1] Department of Treasury, 12 CFR 34

[2] The Appraisal Institute, The Dictionary of real Estate Appraisal, 7th ed., (Chicago: Appraisal Institute, 2022), p. 73

Date of the Report: March 4, 2024

Legal Description: A survey on the subject has not been completed. The subject is a portion of the former College of Santa Fe, Located within Section 34, T17N, R9E within the City and County of Santa Fe, New Mexico

Property Taxes: The subject property is owned by the City of Santa Fe and is not subject to property taxation. If the property is conveyed to private ownership, it will be subject to property taxes.

Scope Of The Appraisal: This appraisal was prepared in accordance with the *Uniform Standards of Professional Appraisal Practice 2024* and instructions accompanying the definition of market value promulgated by the FDIC. The written reporting format for this assignment is defined by U.S.P.A.P. as an appraisal report. Preparation of the appraisal involved the following:

Subject Property	
Midtown Studios (Pere) located at 1600 St. Michaels Drive	
The subject property is comprised of several structures over 12+ acres of land.	
Scope of Work	
1. Inspected the site and the improvements	
2. Gathered and confirmed information on comparable improved commercial sales, rents, operating expenses and capitalization rates. Additionally, collected comparable estimates for demolition. ***Note: Sales were viewed by the appraisers in this firm and confirmed with a party knowledgeable regarding the transactions.***	
○ Valuation – based on the highest and best use. Confirmed and analyzed the data and applied the following approaches: ○ Sales Comparison Approach (buildings and excess land) ○ Income Approach: Direct Capitalization • Cost Approach: <u>not</u> developed due to age of improvements/speculative depreciation ○ Reconciled these approaches to a final estimate of market value	
Extraordinary Assumptions and Hypothetical Conditions	
Extraordinary assumptions	Yes - used in this report
Hypothetical conditions	Not used in this report

Definition: Extraordinary Assumption
An assignment-specific assumption, as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property, or conditions external to the property, such as market conditions or trends, or about the integrity of data used in an analysis. (USPAP, 2020-2023 ed.)[3]

Currently, the City of Santa Fe GIS Zoning Map shows that the subject is zoned as an R-5 Residential Zone. However, there are at least two City of Sante Fe Resolutions (No. 2018-54 and 2022-12), in which direct the City Zoning to rezoned the subject to a C-2 General Commercial District.

Extraordinary Assumption
The property is subject to at least two City of Santa Fe Resolutions (No. 2018-54 and 2022-12), which result in the proposed, and now assumed, rezoning from a R-5 Residential Zone to a C-2 General Commercial District. If this assumption should prove to be inaccurate, the subject's value could be impacted.

The subject has had two Phase 1 Environmental Site Assessment Reports, where several Recognized Environmental Conditions were concluded and then addressed by a Phase 2 Environmental Site Assessment Report. The results of those Phase 2 procedures were negative of any environmental impact.

Extraordinary Assumption
The property has had two Phase 1 and one Phase 2 Environmental Site Assessment Reports completed and it is assumed any and all environmental concerns were addressed. If this assumption should prove to be inaccurate, the subject's value could be impacted.

Currently, there is no known survey of the subject property. As such, the appraiser has used lot coverage ratios to calculate the excess land amount.

Extraordinary Assumption
The subject has excess land. No survey or engineering report has been provided to the appraiser to calculate the excess land. The appraiser has utilized lot coverage ratios in order to produce an amount of excess land. If this assumption should prove to be inaccurate, the subject's value could be impacted.

[3] Ibid., p. 68

No items of personal property are included in this appraisal. Aside from a casual inspection of the property, the appraisal included no assessment of potential environmental hazards.

The appraisal is prepared based on this assumption.

To the Best of my Knowledge, this Report Complies with:
• The Office of the Comptroller of the Currency Regulation 12 CFR Part 34 minimum standards. • The Appraisal Guidelines of Richard Brown • The New Mexico Real Estate Appraiser Laws • Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation 2020-2023 • Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute

The final determination as to the level and degree of compliance of this report with regard to the foregoing policies and guidelines is the responsibility of any person relying on this report. The appraisal is performed according to Title XI of the Federal Financial Institution Reform Recovery and Enforcement Act (FIRREA). The appraisal is also subject to the appraiser's Certification and Statement of Assumptions and Limiting Conditions which accompany this report.

Marketing Time and Exposure Time:

The marketing/exposure time discussion follows.

Marketing Time Definition
An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal. (Advisory Opinion 7 and Advisory Opinion 35 of the Appraisal Standards Board of The Appraisal Foundation address the determination of reasonable exposure and marketing time.)[4]
Exposure Time Definition
1. The time a property remains on the market. 2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (USPAP, 2020-2023 ed.)[5]

In a stable market the marketing time and the exposure time should be the same. The Santa Fe market had been in a state of varying levels of decline for several years after the recession, with some of the market exhibiting tepid performance and some of the market exhibiting significant shifts. Those shifts could cause a difference in the marketing time and exposure time. However, based on economic data over the past few years, the market appears to have stabilized with less evidence of shifts in the market that could cause a difference in the marketing or exposure time. Therefore, they have been assumed to be the same in this analysis.

Marketing time will be affected by the supply and demand factors within the marketplace. Typically, support for a marketing time is sought from the known marketing time of similar properties.

Subject Property: 1600 St. Michaels Drive
The subject property is comprised of commercial – mixed use of offices, film studios, and a former gymnasium/fitness center.

[4] Ibid., p. 116
[5] Ibid., p. 68

Due to the limited number of sales of this property type, the search was extended to all commercial sales in Santa Fe. The MLS commercial improved sales in Santa Fe since 2016 and the current MLS listings are detailed in the following table.

COMMERCIAL SALES/LISTING TABLE

Sales							
		Median			**Average**		
Year	**Sales**	**SP**	**DOM**	**SP/LP**	**SP**	**DOM**	**SP/LP**
2023: (thru 11/23/23)	29	$825,000	345	95%	$842,552	123	94%
2022	49	$907,000	90	93%	$1,355,150	241	95%
2021	51	$603,000	110	97%	$892,640	158	95%
2020	40	$460,000	91	95%	$825,531	194	93%
2019	40	$461,750	131	96%	$876,824	189	89%
2018	34	$510,000	107	91%	$829,485	185	90%
2017	39	$468,592	327	94%	$688,567	350	86%
2016	38	$570,000	237	99%	$787,965	311	88%
Listings							
	Listings	**Median**			**Average**		
Year		**LP**	**DOM**	**SP/LP**	**LP**	**DOM**	**SP/LP**
Active	50*	$955,000	1138	n/a	$1,577,874	227	n/a
*Pending:6 current listings							
Source: Santa Fe Area Multiple Listing Service							

The data shows absorption of commercial real estate has been relatively stable from 2016 through 2020 with an increase in 2021 and 2022. There is a 12.2 months' supply based on the 2022 sales and current listings. The median and average market exposure among the sales in the last five years ranged from three to eight months.

Conclusion: Due to the subject's location in the fast-growing southwest sector of the city, the subject property is marketable; however, there are several structures and a larger than normal amount of land. If the subject property was actively marketed at or near the appraised value, the marketing time/exposure time is estimated to be three months to two years.

Marketing & Exposure Times	
1600 St. Michaels Drive	Estimated to be three months to two years if actively marketed at or near the current market value. The most likely buyer is a national investor.

DESCRIPTION OF REAL ESTATE APPRAISED
Location Description – City

Santa Fe is a small city located in the Sangre de Cristo Mountains of northern New Mexico. It is the oldest state capital in the U.S., having been established in 1610, and it is known for its historic, cultural and artistic heritage. In general, the population continues to increase. Below is data from the last three census from the U.S. Census Bureau:

Population Growth: City and County of Santa Fe

Area	2000	2010	Change/ Census Year	2020	Change/ Census Year
City of Santa Fe	62,203	67,947	9.23%	87,505*	28.78%*
Santa Fe County	129,292	144,170	11.5%	154,823	7.39%
*Includes city's annexation of 13,000+ residents effective January 1, 2014					

Economic indicators such as gross receipts tax, lodger's tax, and real estate sales all grew into the mid-2000's. Gross receipts posted their first decline in fiscal year 2008/2009, with onset of the recession, but they have increased each year since 2010/2011, and in fiscal year 2017/2018 they topped the pre-recession high of 2007/2008. Gross receipts for the fiscal year of 2019 increased approximately 15% from 2018 and decreased approximately 8.1% in 2020 from 2019. For the fiscal year of 2021, gross receipts increased 12.2% from 2020 and in fiscal year 2022, gross receipts decreased 21.4% from 2021. The lodger's tax for the city's hotel/motel rooms has followed the same general pattern; it was up 11% for the 2016/2017 fiscal year compared to the prior fiscal year. It increased 15.2% in 2018 and 14.0% in 2019 and then decreased 68.9% in 2020. In fiscal year 2021, lodger's tax increased 163.9% from 2020. Occupancy increased 2.2% in 2018, compared to 2017 and it decreased slightly by .6% in 2019 from 2018. The occupancy rate decreased from 69.9% in 2019 to 35.9% in 2020 and then increased to 58.8% in 2021 and to 66.8% in 2022. The average daily rate decreased from $146.87 in 2019 to $111.66 in 2020 and then increased to $169.79 in 2021 and to $198.72 in 2022. The decreases in 2020 are likely the result of the Covid-19 health crisis.

The Santa Fe economy is based primarily on tourism and government employment. While neither government nor tourism produces high incomes, the

government sector had been fairly stable until 2020 due to the Covid-19 health crisis. With the tourism declines experienced during the 2008 recession, Santa Fe remained one of the premier tourist destinations in the country according to national surveys. In 2022, the annual average employment for state government within the public sector was up 500 jobs or 0.9% and federal government employment was unchanged from the previous year's employment level. Employment in local government was up 2,800 jobs or 2.9% for 2022 (annual average).

Since 1850, the population in Santa Fe County has continued to increase. The median household income was $64,423 in 2021, higher than the median of $54,020 for New Mexico. With a median home price in 2021 of $315,100, the cost of a home is higher than the median for the state of $184,800. Slightly over 12% of the population lives below the poverty line, compared to 18.4% overall in New Mexico (2021 figures most recent available). The annual unemployment rates not seasonally adjusted for Santa Fe County and New Mexico since 2013 are listed in the following table.

UNEMPLOYMENT RATE TABLE

Area	Annual Unemployment Rate (Not Seasonally Adjusted)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
New Mexico	4.0%	6.8%	8.4%	5.0%	4.9%	6.1%	6.7%	6.6%	6.6%	6.9%
Santa Fe County	3.6%	6.2%	8.3%	4.2%	4.1%	5.0%	5.3%	5.4%	5.4%	5.6%

Source: New Mexico Workforce Connection

The unadjusted unemployment rate for the City/County of Santa Fe was 3.4% for September 2023 (the latest data available), which is down 0.6% from the previous month, August 2023, and 0.5% lower than the previous year, September 2022. The city/county rate is lower than the state average of 3.5% and lower than the national average of 3.6% for September 2023. The rates for the city/county, state and national average all decreased slightly from August 2023.

Residential real estate sales volume (single family, condo, duplex, townhouse, x-plex) in the Santa Fe area (MLS Areas 001, 002, 003, 003N, 003S, 004N, 004S, 013) topped out in 2005, and the number of sales in 2018 was the highest since 2006, having increased each year since 2009 until 2014 and fluctuated thereafter; 2018 sales volume increased approximately 8.8% from 2017. The 2019 sales volume declined 3.4% from 2018, the 2020 sales volume declined 1.7% from 2019, the 2021 sales volume increased 15.4% from 2020 and the 2022 sales volume declined 51% from 2021.

Median sale price peaked in 2007 and for 2019 it was the same as the top of the market. It increased 1.7% for 2019, 15% for 2020, 9.3% for 2021 and 14.94% for 2022. Both median and average residential sale prices have remained relatively stable from 2011 through 2015 and subsequently increased each year. The median and average sale prices from 2016 through 2022 are shown in the following table.

Median and Average Residential Sales Prices

Year	2022	2021	2020	2019	2018	2017	2016
Median Sale Price	$500,000	$435,000	$398,000	$345,900	$340,000	$300,000	$290,000
Average Sale Price	$688,637	$608,316	$533,850	$472,703	$456,428	$418,063	$393,008
Note: MLS Areas 001, 002, 003, 003N, 003S, 004N, 004S & 013; Single Family, Condo, Duplex, Townhouse & X-plex							

The total number of building permits in Santa Fe for single unit homes and multi-unit homes are shown in the following chart.

Building Permits for Single Unit/Multi-Unit Privately Owned Housing Units

Year	Single Unit Homes	Multi-Unit Homes	Total
2019	344	245	589
2020	279	298	577
2021	228	612	840
2022*	178	300	478
*Preliminary			
Source: US Census Bureau			

The most current data available for commercial building permits is 2015. In 2015 there was 192,000 square feet of new commercial development (the ten-year annual average is approximately 100,000 square feet), compared to the prior two years new construction of 141,000 square feet (2014) and 144,000 square feet (2013).

Conclusion: The economic outlook for Santa Fe and the surrounding metro area is moderate as of the effective appraisal date. Commercial properties are oversupplied, while there is an undersupply among residential properties. Most of the residential markets are appreciating. Absorption of commercial real estate has been relatively stable from 2015 through 2020, then increased in 2021 and decreased slightly in 2022. All the data indicates a generally level economy in the area, and there is no reason to believe the foreseeable future will change greatly.

Location Description – Neighborhood

Subject Neighborhood
The subject's immediate neighborhood may be described as the commercial corridor extending along St. Michaels Drive from its intersection with Cerrillos Road to the St. Francis Drive overpass.

The subject is located within the Midtown development near the physical center of Santa Fe, southwest of St. Michaels Drive in a secondary location surrounded by property owned by the City of Santa Fe, the State of New Mexico and private ownership on the south and on the west side by Santa Fe Public Schools. The Midtown Campus is currently undergoing planning for redevelopment. The subject lies within the transition from the commercial/institutional use along St. Michael's Drive to the Bellamah tract home neighborhood south of Siringo Road.. St. Michaels Drive is a primary commercial arterial within southern Santa Fe, connecting the eastern portion of the city and western portion of the city. The area along St. Michaels Drive in the subject's neighborhood consists primarily of commercial development and institutional development backed by mixed commercial/industrial and residential to the south. The commercial retail development is primarily concentrated on St. Francis Drive and Cerrillos Road.

Immediately surrounding the subject, the land use is almost entirely institutional, including the former Santa Fe University of Art and Design, a public library and middle school farther to the southeast, three New Mexico state office/warehouse facilities to the southwest and an elementary school to the southwest and a park farther to the west/southwest. The largest public high school also lies directly southeast of the subject, at the southeast corner of Siringo Road and Yucca Street. Retail uses along St. Michael's Drive include several small to large sized strip retail centers, car dealerships, banks, restaurants, various local retail businesses and offices. The St. Michael's commercial corridor has been targeted by the City for redevelopment with higher density commercial and possibly multi-family development through planning and zoning.

Conclusion: The defined neighborhood encompasses an active retail commercial area in Santa Fe. This is a very viable area economically, and the outlook for the future is good.

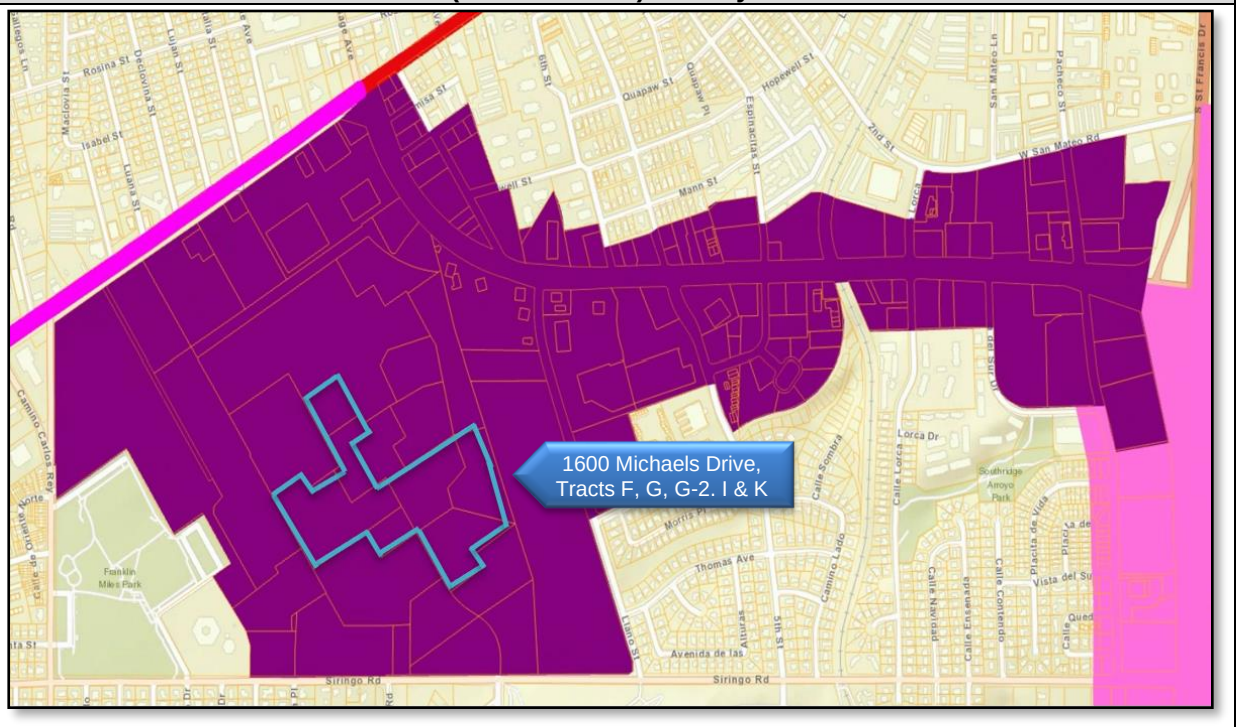
Legal Use of the Property

Although the subject property has operated as an educational and film production property, it has been zoned R-5 Residential. More recently, through a City of Santa Fe Resolution 2018-54 and 2022-12, the property is in the formal process of being rezoned to C-2, which will be the base zoning considered in this report. In addition to this base zoning the subject is located within the Midtown Local Innovation Corridor (Midtown LINC) Overlay District and the Opportunity Zone: Census Tract 11:03 Midtown Campus Area. Each of these distinct regulations are exhibited below and in the following pages.

Subject Zoning	
C-2 (General Commercial District)	
Purpose: General Commercial Districts	
The C-2 General Commercial District includes areas along *streets* carrying large volumes of traffic where commercial uses are appropriate. Regulations are designed to guide future additions or changes so as to discourage extension of existing and formation of future strip *commercial development* , to preserve the carrying capacity of the *streets* and to provide for *off-street parking* and loading.	
Source: Santa Fe Land Development Code (14-4.3 Definitions)	
Zoning Detail: C-2 (General Commercial District) (Note 1)	
Minimum District and Lot Size	None; open space requirements see Section 14-7.5(D)(8)(c)
Maximum Height of Structures	45 feet
Minimum Setback Requirements (See Note 1 below for additional setback regulations)	Front: 15 feet Side: 0 feet Rear: 10 feet (See Note 2 for setback abutting residential district)
Maximum Lot Coverage (%) See Note 8 for non-residential open space requirements	60%
Notes [From Section 14-7.3-1] 1. Additional regulations, see also: Section 14-5 Overlay Districts and official zoning map. Provisions of overlay districts, including historic, escarpment or neighborhood districts may override standards in this table; Section 14-8.4(J)(3), fifteen-foot buffer required nonresidential uses adjacent to residential uses; Section 14-8.4(I)(2)(d), five-foot planting strip where parking lot abuts street required yard; Section 14-8.2(D)(4)(e)(i), setback from shoulder of arroyo, stream of watercourse; and Section 14-7.1(D), required yards. 2. Additional regulations: Rear yard ten feet, except on the rear of a lot abutting a residential district, in which case there shall be a required rear yard of not less than twenty-five feet or twenty percent of the depth of the lot, whichever is the least. See also Section 14-8.4(J)(3) Landscape Buffer for Nonresidential Uses, fifteen-foot buffer required for nonresidential uses adjacent to residential uses. 8. See Section 14-7.5(D) for amount of open space required for non-residential uses. From Section 14-7.5(D)(8)(c) (8) Open Space Requirements (c) C-2 District - *Open space* is required for each ground-floor *dwelling unit* at a minimum of two hundred fifty (250) square feet. *Dwelling units* located above the ground floor are not required to provide *open space* .	
Source: Santa Fe Land Development Code (14-7.3 Definitions)	

Extraordinary Assumption
The property is subject to two City of Santa Fe Resolutions (2018-54 and 2022-12), which resulted in the proposed, and now assumed, rezoning to C-2 General Commercial District. If this assumption should prove to be inaccurate, the subject's value and/or marketability could be impacted.

Midtown Local Innovation Corridor (Midtown LINC) Overlay District



Purpose: Midtown Local Innovation Corridor (Midtown LINC) Overlay District

The purpose and intent of the Midtown Local Innovation Corridor (LINC) Overlay District is to:

(a) Strengthen and animate the built environment and the business and population links within the demographic and geographic center of the city between the existing employment centers of the Santa Fe University of Art and Design and surrounding uses to the west and the Christus St. Vincent Regional Medical Center and related medical uses to the east;

(b) Incentivize multi-family residential development, complementary non-residential uses, and an enlivened, street-oriented pedestrian environment by freeing development capacity of existing under-developed land and buildings for these targeted uses, while allowing existing uses to continue as redevelopment occurs;

(c) Allow for innovative development and redevelopment of the district while providing buffering between the district and existing residential development outside of the district by the application of amended land development regulations and fees and by establishing conditions precedent for future infrastructure enhancements and the application of other redevelopment and financing tools;

(d) Promote a more healthy, safe, and enjoyable environment within the city's midtown area through the enhancement of pedestrian and bicycle accessibility and safety, landscaping and other street-related amenities and the eventual reduction of traffic speeds and provision of on-street parking, bicycle lanes, and improved crosswalks; and

(e) Provide flexibility in sign design and location so as to maintain effective communication, business identification and wayfinding for existing buildings whose visibility may be reduced by new development.

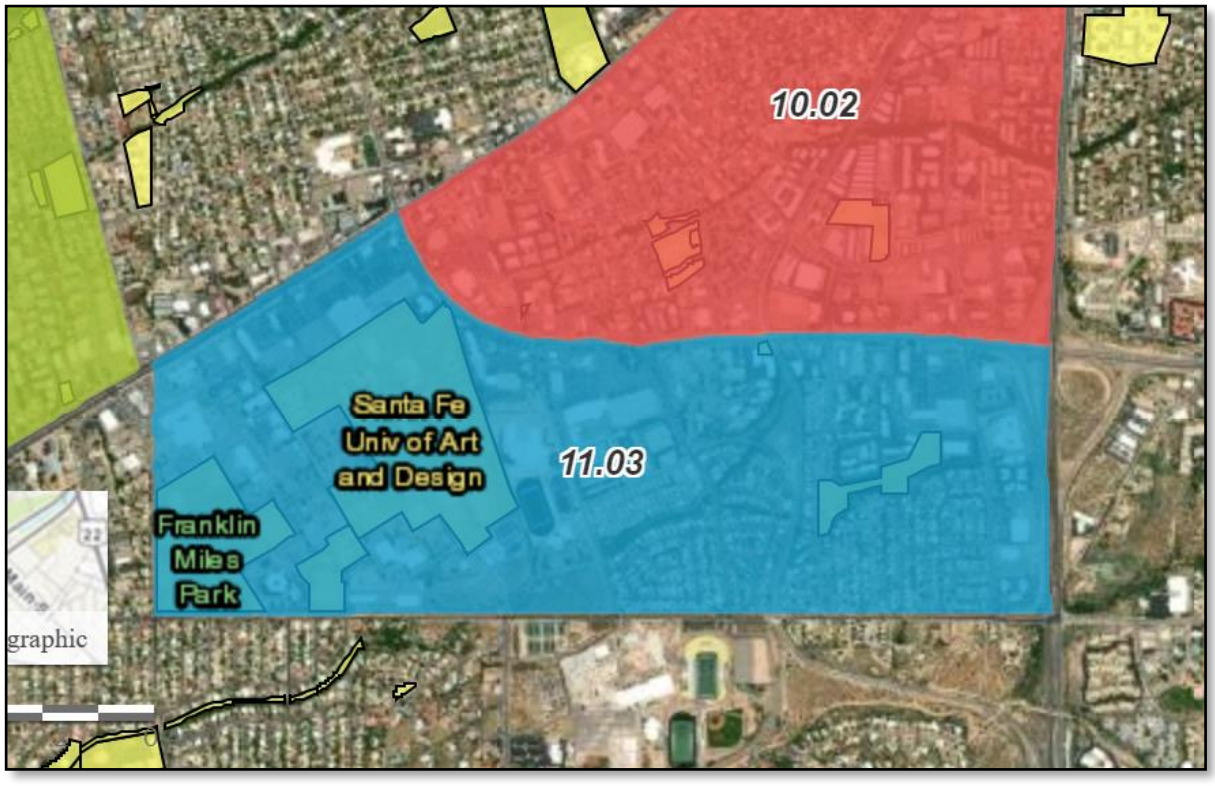
Source: City of Santa Fe Ordinance No. 2019-19

The LINC establishes standards for “qualifying projects” that meet the City’s objectives for redevelopment of the corridor. The LINC allows for a greatly expanded range of uses and qualifying projects are subject to relaxed standards for setbacks, height restrictions, landscaping and parking standards and also qualify for certain fee

waivers and/or reductions (construction permit fees, impact fees, water UECs, etc.). Importantly, qualifying projects of a certain size can be approved through administrative review, rather than going through a more traditional review and hearing at the Planning Commission.

Opportunity Zone: Census Tract 11:03 Midtown Campus Area

Additional: Opportunity Zone-Census Tract 11.03: Midtown Campus Area
Federal Opportunity Zones (QOZ's) are a new community development program established by Congress in the Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low-income urban and rural communities nationwide. The QOZ program provides a tax incentive for investors to re-invest their unrealized capital gains into Opportunity Funds (QOF's) that are dedicated to investing into QOZ's designated by the chief executives of every U.S. state and territory.
Governor Martinez approved the subject census tract for designation to the US Treasury. Finally, designation approval was received by U.S. Treasury in June 2018.



Source: *https://www.santafenm.gov/opportunity_zones_in_santa_fe*

Resolution No. 2022-12

This Resolution was passed February 23, 2022 and set in-motion the steps the City of Santa Fe would take towards the reuse and redevelopment of the former College of Santa Fe, which is now referred to as the "Midtown Property". This resolution was the direct ascendant of Resolution No. 2018-54, which established to City's public policy

goals for the City owned property. As No. 2022-12 pertains to the subject property, the following actions were stated:

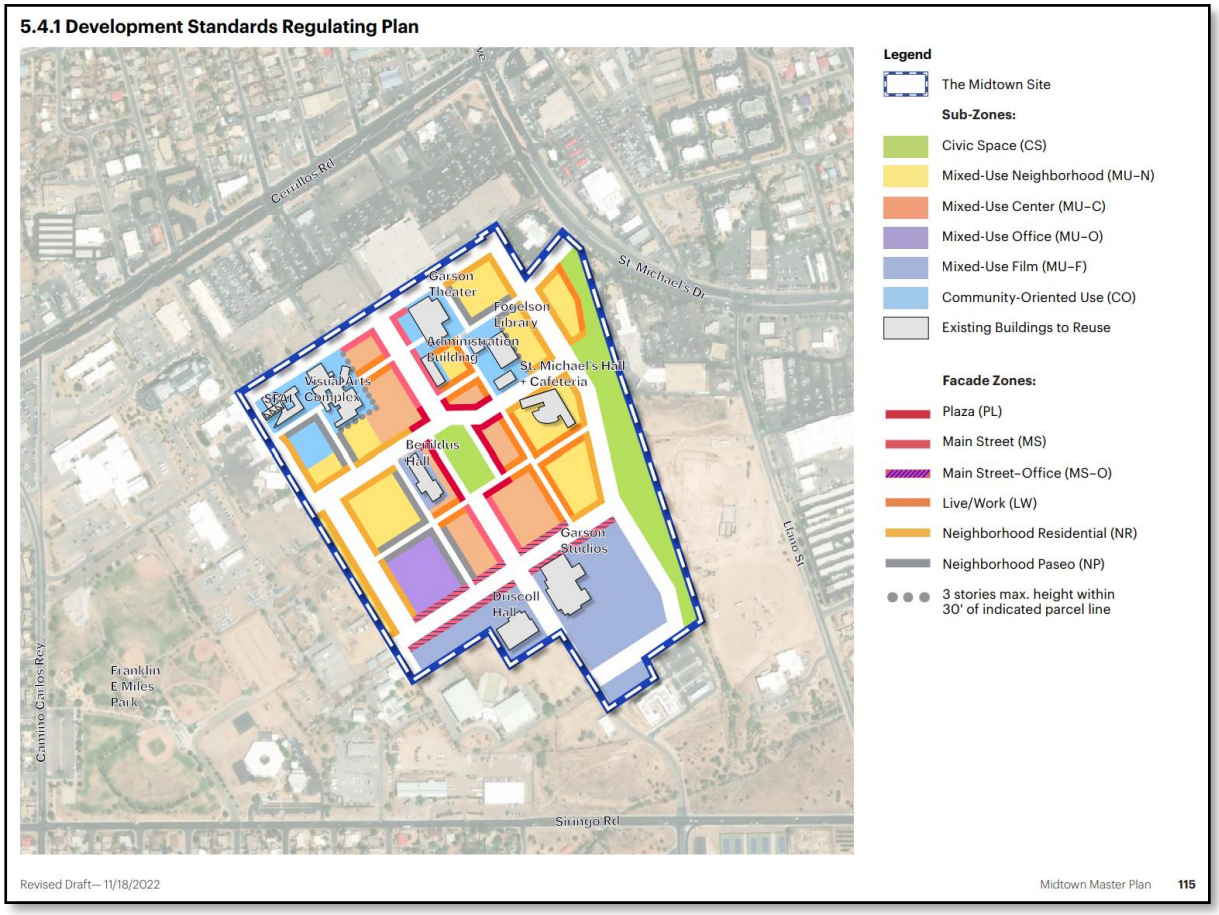
- Rezone the entire campus to C-2 commercial.
- Issue an RFP for the redevelopment, expansion, and operation of the Garson Studios for the purpose of creating a full-service studio for film or multimedia.

Midtown Proposed Master Plan

The City of Santa Fe's proposed Midtown Master Plan (the Midtown Land Development Plan), dated November 21, 2022, provided new development standards for the subject property in Chapter 5. The development standards are comprised of sub-zone (controls use) and façade (controls building masing and design) standards. The sub-zones support the objectives of the Census Tract 11:03 Midtown Campus Area Opportunity Zone and Midtown LINC Overlay District, as well as Resolution No. 2022-12, which rezones the subject to a C-2 General Commercial District to allow for commercial, retail and residential uses. The subject is covered within two sub-zones, namely the mixed-use film (for film production activities focused in the Garson Studios) and mixed-used office (for service commercial uses between film production and residential uses). These two sub-zones require that the subject's use will be for film and media purposes.

See the Development Standards Regulating Plan below for an illustration of the subject's film and office mixed-use sub-zones designations.

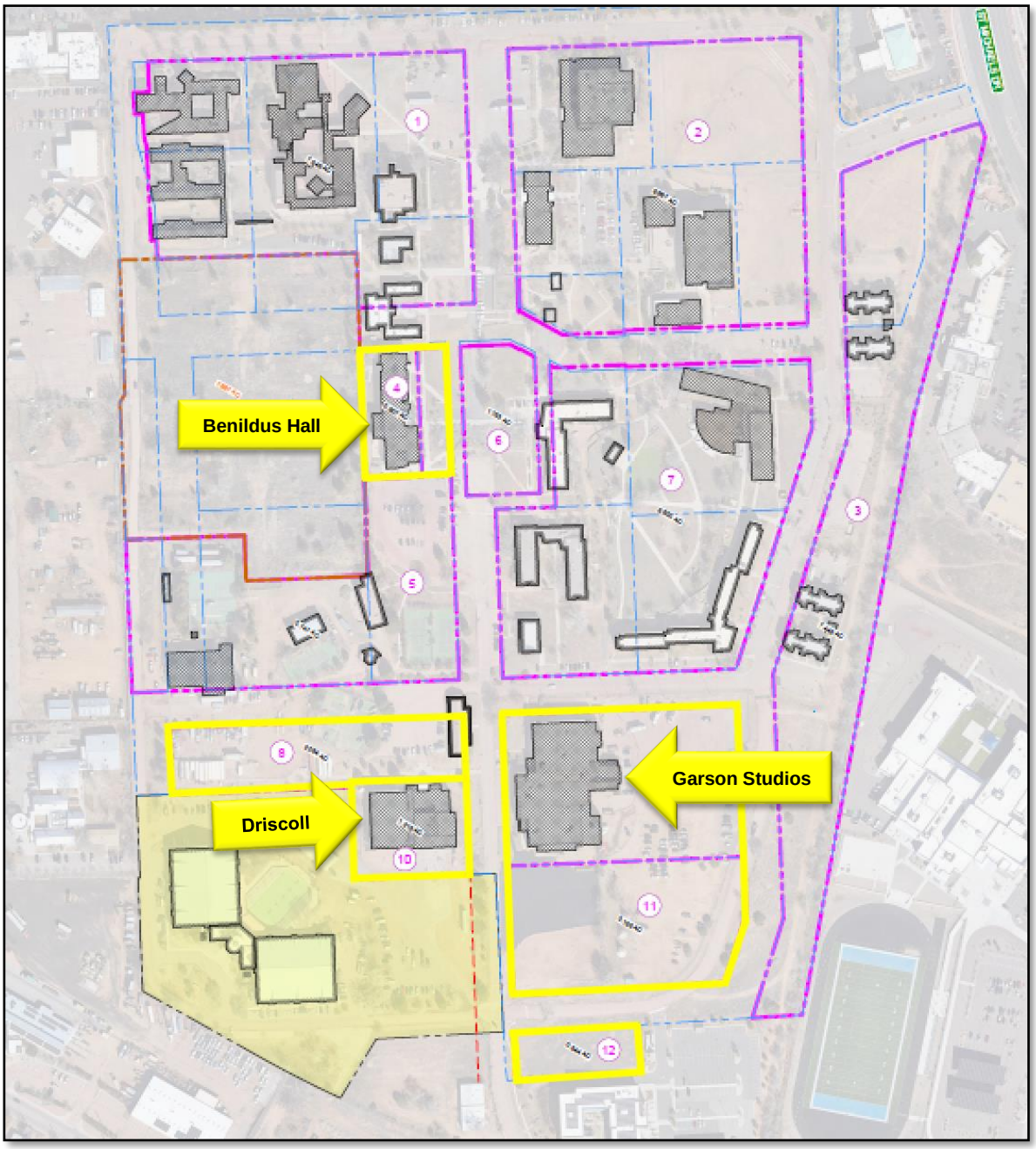
Midtown Proposed Master Plan



Source: City of Santa Fe Midtown Proposed Master Plan (11/21/2023)

Property Description
Site

Site: 1600 St. Michaels Drive
The subject site consists of 12.24 acres ±.



The subject is approximated on the aerial photograph by representatives from the City of Santa Fe

Site Details: Midtown Studios Pere	
Size	Total Site Size: 533,153 square feet or 12.24 acres ± Source: Client
Shape/Topography	Irregular/At street grade
Frontage	Alumni Drive on the east, south and west site boundaries
Access	Alumni Drive, a paved 2-lane street which lacks curbs, gutters, or sidewalks

Easements/ Encroachments	Plat or title work not provided
Legal Use	Zoning: C-2 (General Commercial District) & Midtown Local Innovation Corridor (Midtown LINC) Overlay District
Flood	Flood Zone X: Site is located in an area of minimal flood hazard. Flood Insurance Rate Maps 35049C0411E dated 12/4/2012 and 35049C0413E dated 12/4/2012.
Utilities	All/public (water, sewer, electricity, natural gas, telephone, internet)
Soil	A soil survey was not provided, and it is not known if one has been prepared. Construction on neighboring properties and on the subject appears to be stable. For the appraisal, it is assumed that soils are adequate to support construction. However, no warranties are made or implied by the appraiser.
Comments	No external obsolescence was noted

Environmental Site Assessment

The subject property has had two Phase 1 Environmental Site Assessment (ESA) Reports completed in the last several years. In April of 2021 the City of Santa Fe completed the first Phase I report. This report, done by Souder, Miller & Associates, covered the entire 64.22 acres campus property. The second Phase I report was done by Western Technologies in September of 2023. This report covered the 12.24 acres ± that is the subject of this report.

Central to both reports was the Recognized Environmental Conditions (REC) exhibited within the findings. These REC included:

- Adjacent property chlorinated solvent groundwater contamination.
- Vehicle maintenance stains visible, requiring Phase 2 soil samplings.
- Existing Aboveground Storage Tanks (AST) in use with no apparent spills/stains.
- Former Underground Storage Tanks (UST) removed with no apparent spills/stains.
- Backfill with demolition debris, requiring a Phase 2 ESA, which identified Asbestos-Containing Materials (ACM)

According to Tim Farrell, a Property Development Manager for the City of Santa Fe, these RECs were addressed by Western Technologies who completed a Phase 2 ESA Report where soil samples (borings) and analysis were conducted. The results of those procedures were negative of any environmental impact.

Extraordinary Assumption
The property has had two Phase 1 and one Phase 2 Environmental Site Assessment Reports completed and it is assumed any and all environmental concerns were addressed. If this assumption should prove to be inaccurate, the subject's value could be impacted.

Excess Land Calculation

Excess Land – Definition
Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately.[6]

No planning or engineering has been provided to produce an exact amount of excess land on the subject. The subject site has a number of existing structures that have immediate use/utility, as well as a number of buildings that should be razed and removed. All commercial structures have requirements/needs for parking, landscaping/open space and emergency needs. Based on the nature of the filming industry a larger than normal amount of ancillary lands are needed; however, the subject's cumulative land size allows for parking "spill-over" situations.

Benildus Hall (former education use – currently rented as professional office) is a structure that is are common in Santa Fe and there is considerable data to produce an estimate for needed ancillary lands. Because of the project design, Benildus does not have adequate parking. In order to provide the needed parking, the owner and the prospective buyer have agreed to a proposed land lease in the area immediately south of the structure. As such, the land calculated for Benildus Hall is comprised of a small lot under the structure and a small lot immediate to the east of the structure, which total 53,078 square feet.

The lot coverage ratios for the Garson Studios and Driscoll buildings are uncommon because they have soundstages, which require parking for large trucks and temporary trailers, as well as professional office space. Excess parking for the Garson Studios is evident due to the additional parking lease, even though the amount of parking area is not specified in the lease. Based on interviews with subject representatives and tenants, the lot ratio at Garson Studios appears to be 25%. Because the Driscoll Building is considered a "smaller" version of Garson Studios, the same lot coverage is applied.

[6] Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed., (Chicago: Appraisal Institute, 2022), p. 66

The calculation for the lands needed for each of the useable structures on the subject is exhibited below with the final estimate of the subject's excess land. It is noted that the amount of land connected to Benildus (53,078 sf) is subtracted from the total site size.

Component	Bldg. size	Land Size needed	480,075 sf Site
Garcon Studios	49,200 sf	196,800 sf	(196,800)
Driscoll	22,200	88,800 sf	(88,800)
		Excess Land Total	**195,275 square feet**

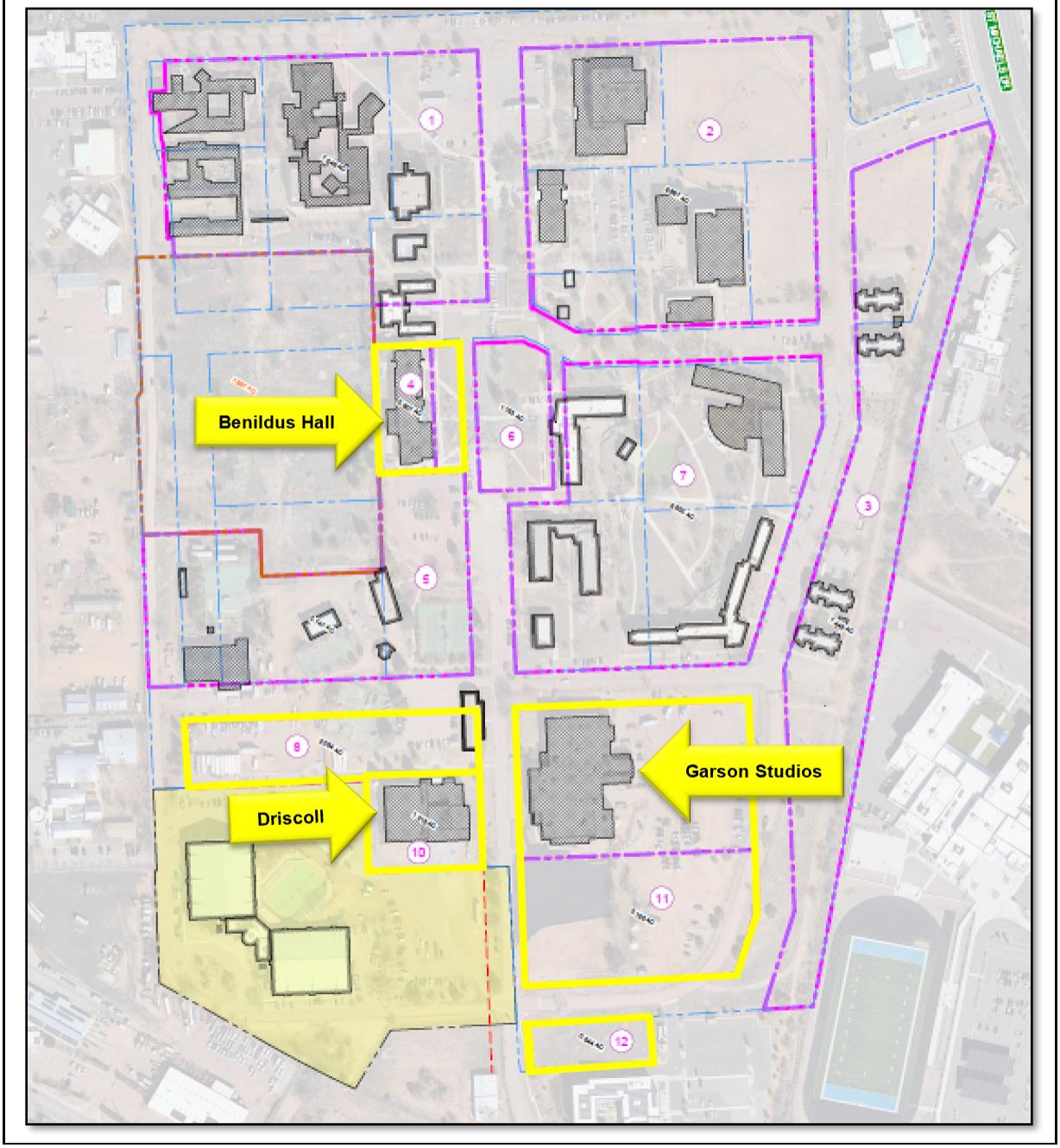
The subject's excess land is estimated to be 195,275 square feet in size.

Extraordinary Assumption
The subject has excess land. No survey or engineering report has been provided to the appraiser to calculate the excess land. The appraiser has utilized lot coverage ratios in order to produce an amount of excess land. If this assumption should prove to be inaccurate, the subject's value could be impacted.

Improvements

Subject: Midtown Studios Pere

The subject improvements are comprised of three buildings.



Garson Studios: Building Details	
Current Use	Three sound stages/professional offices/theater
Building Type	Steel constructed with wood framing
Building Areas	Gross: 49,200 square feet Three sound stages (A: 14,000 sf; B: 7,500 sf; and C: 2,100 sf) The Screen Theater: 2,000 sf Professional offices: 23,600 sf
Number of Stories	Two
Basic Structure	Steel/concrete/wood-framed building on a slab
Foundation	Masonry
Exterior Wall Cover	Stucco
Roof	Built-up composition
Interior Wall Cover	Drywall and acoustical panels with sound proofing in the sound stages
Flooring	Carpet and wood over concrete slab
Ceiling	Suspended acoustical tile and exposed
HVAC	Roof mounted HVAC system
Restrooms/Plumbing	Multiple with male and female locker rooms
Lighting	Fluorescent and recessed
Utilities	Full/public (water, sewer, electricity, natural gas, telephone)
Age	Constructed in 1991 *Estimated effective age: 22 years (based on observation/level of maintenance)* *Remaining economic life: 28 years*
Quality/Condition	Average *Property has been maintained on a regular basis since its construction*
Parking	Adequate for current use
Comments	Property was constructed for film production. Sound stages have upgraded electric and structural reinforcement from ceilings. Ready to rent
Deferred Maintenance	A Facility Assessment Report was completed by Wilson Company on January 4, 2023, to ascertain the cost to address the building's deferred maintenance. According to the report the cost is $2,696,459.

Garson Studios: Photos





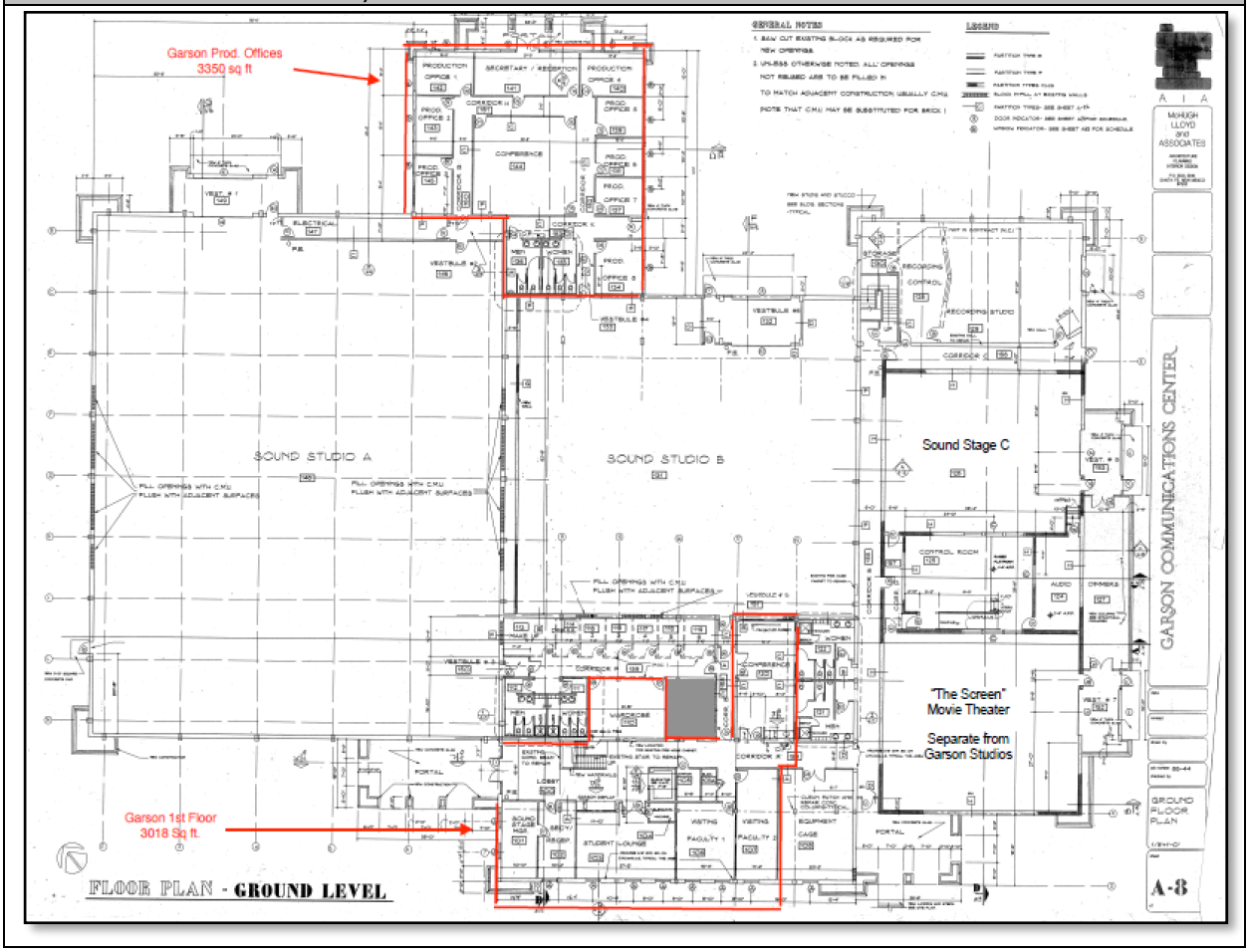




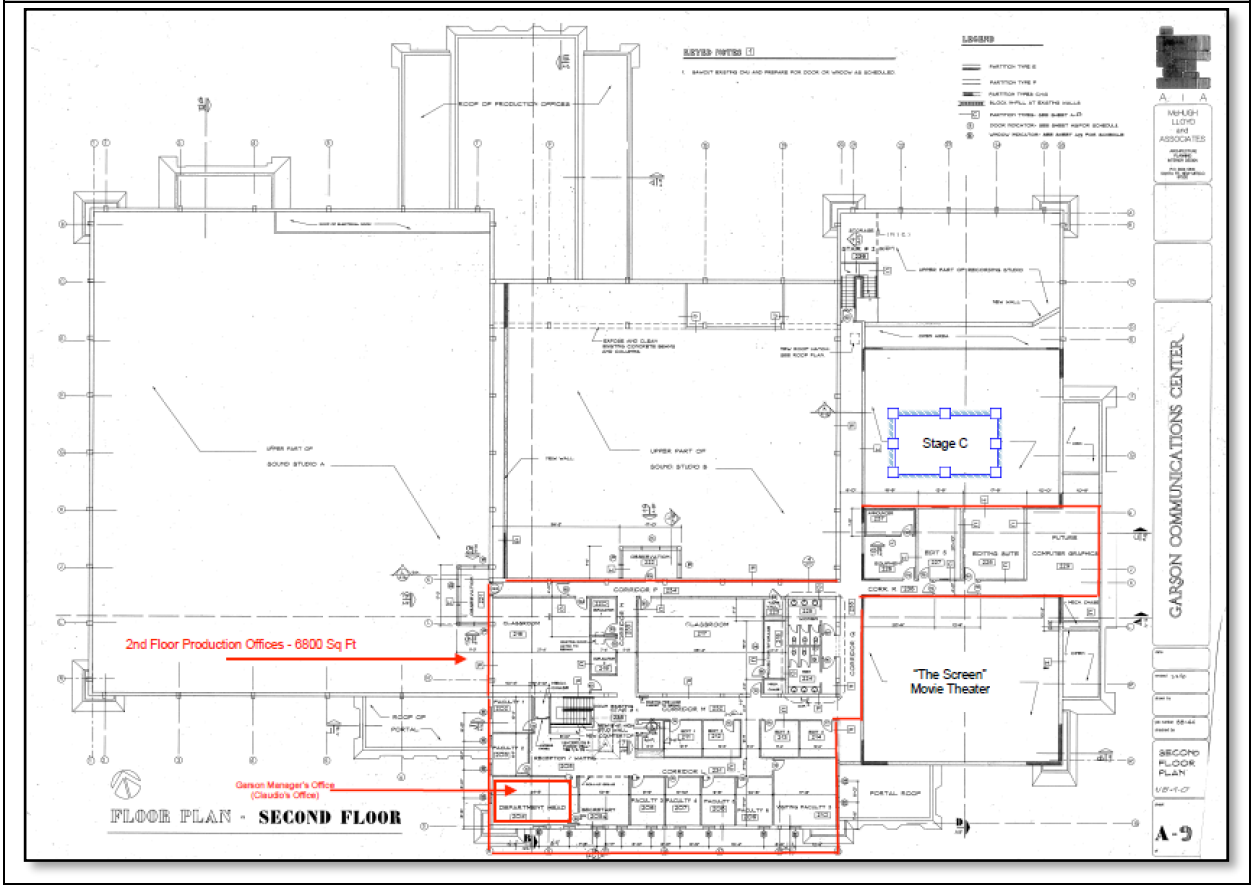




Garson Studios: Floor Plan, 1st Floor



Garson Studios: Floor Plan, 2nd Floor



Driscoll: Building Details	
Historic/Current Use	Former athletic complex with large gymnasium/vacant
Building Type	Steel
Building Areas	Gross: 22,200 square feet
Number of Stories	One
Basic Structure	Steel and wood-framed building on a slab
Foundation	Masonry
Exterior Wall Cover	Stucco
Roof	Built-up composition
Interior Wall Cover	Drywall and wood panels
Flooring	Carpet and wood over concrete slab
Ceiling	Suspended acoustical tile and exposed
HVAC	Roof mounted HVAC system
Restrooms/Plumbing	Multiple with male and female locker rooms
Lighting	Fluorescent and recessed
Utilities	Full/public (water, sewer, electricity, natural gas, telephone)
Age	Constructed in 1993 *Estimated effective age: 22 years (based on observation/level of maintenance)* *Remaining economic life: 28 years*
Quality/Condition	Average *Property has been maintained on a regular basis since its construction*
Parking	Adequate for current use
Comments	Large gymnasium that has the beginning of a renovation to become a sound stage. Large (exercise rooms) located on the eastern portion of the building can be converted into offices.
Deferred maintenance	A Facility Assessment Report was completed by Wilson Company on January 11, 2023, to ascertain the cost to address the building's deferred maintenance. According to the report the cost is $1,284,847.

A draft report completed by Robert Wichmann (High Desert Structural Engineering, LLC. phone - 505-473-7373) was completed for the prospective buyer of the subject. According to this draft report, the roof over the gymnasium portion of this structure "does not appear to meet design criteria". Upon interviewing Mr. Wichmann, the appraiser learned that he had not had an opportunity to inspect the building plans (not provided) and as such, did not sign or stamp his report. **Without further (engineering) study,** this structure is inappropriate for sound stage development because of the need for suspended apparatus found in soundstages.

Extraordinary Assumption
According to the appraiser the Driscoll structure should be converted into a soundstage with the remaining space used as supportive office. There have been some structural issues identified that could make the conversion of the building inappropriate. If the structure is found to be structurally adequate or financially feasible to be renovated to be adequate, the results of this appraisal are subject to change.

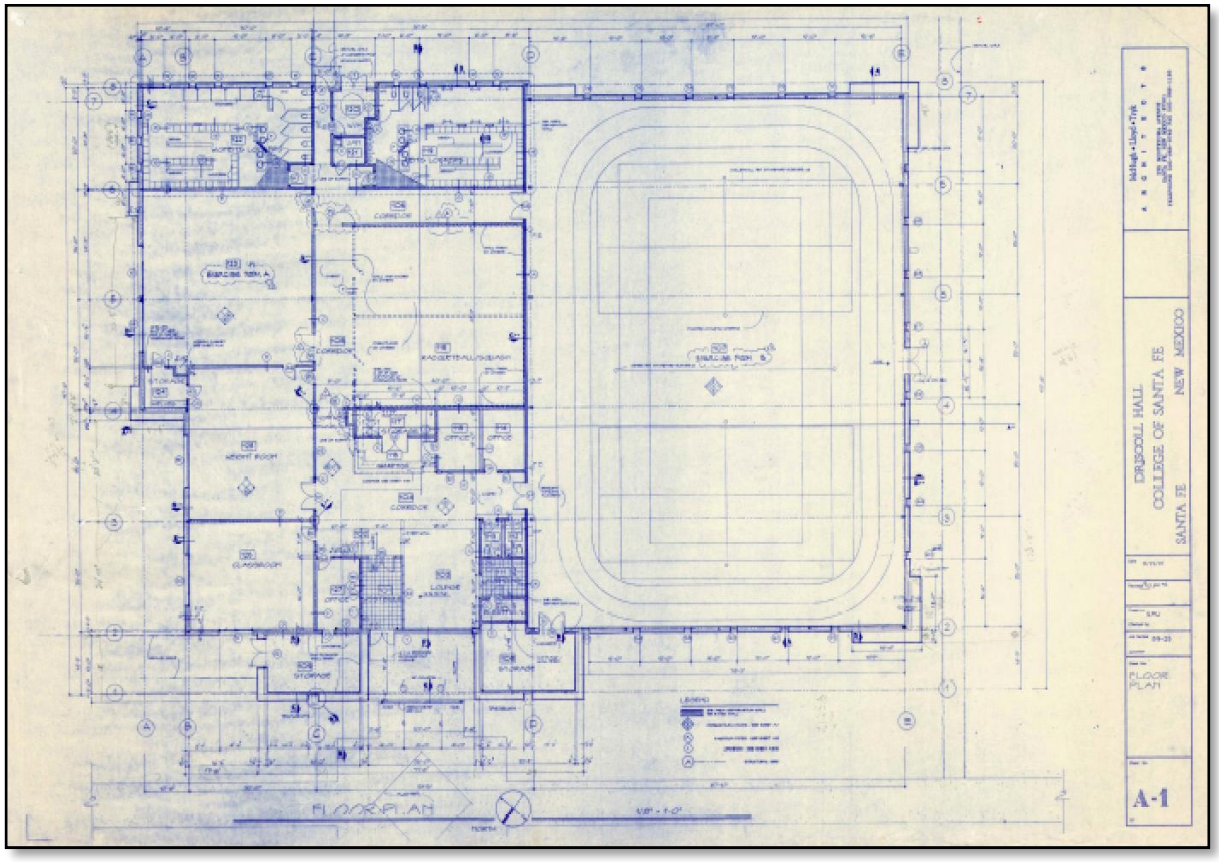
Driscoll: Photos





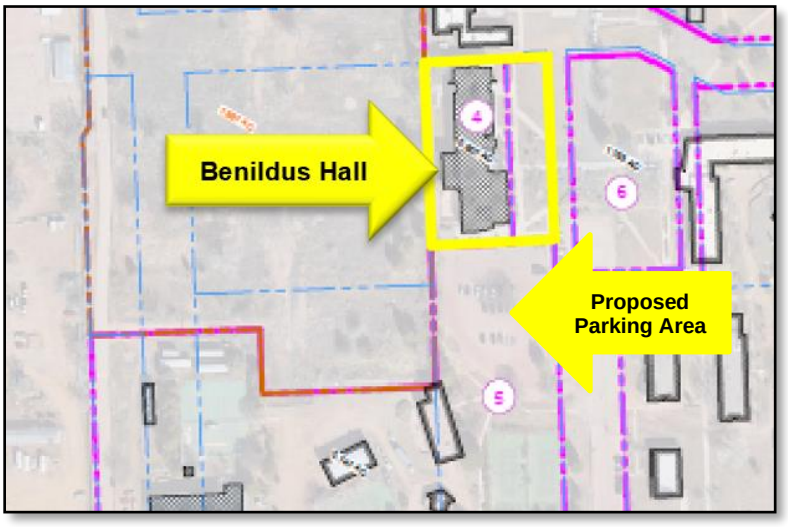



Driscoll: Floor Plan



Benildus Hall: Building Details	
Current Use	Professional offices related to film production – formerly used as academic/classroom facility
Building Type	Steel with Masonry
Building Areas	Gross: 27,757 square feet
Number of Stories	Two
Basic Structure	Reinforced concrete perimeter/column pad footing
Foundation	Masonry
Exterior Wall Cover	Stucco, stone and brick
Roof	Built-up composition
Interior Wall Cover	Drywall and suspended
Flooring	Carpet and terrazzo
Ceiling	Suspended acoustical tile and suspended
HVAC	Roof mounted HVAC system
Restrooms/Plumbing	Multiple with male and female locker rooms
Lighting	Fluorescent and recessed
Utilities	Full/public (water, sewer, electricity, natural gas, telephone)
Age	Constructed in 1963 and addition constructed in 2005 *Estimated effective age: 18 years (based on observation/level of maintenance)* *Remaining economic life: 32 years*
Quality/Condition	Average plus *Property has been maintained on a regular basis since its construction*
Parking	Not adequate for current use
Deferred maintenance	A Facility Assessment Report was completed by Wilson Company on January 11, 2023, to ascertain the cost to address the building's deferred maintenance. According to the report the cost is $1,759,269.

For purposes of project design, this property does not have enough adequate property for parking. As such, the Property owner has entered into a "proposed" lease agreement for parking (+/- 60 spaces) located to the immediate south of the building.

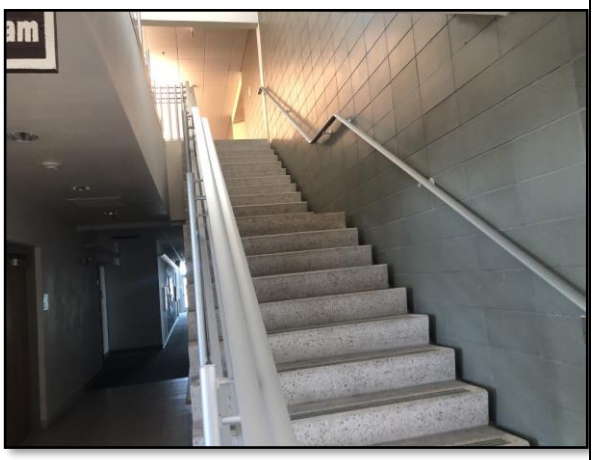


Benildus Hall: Photos





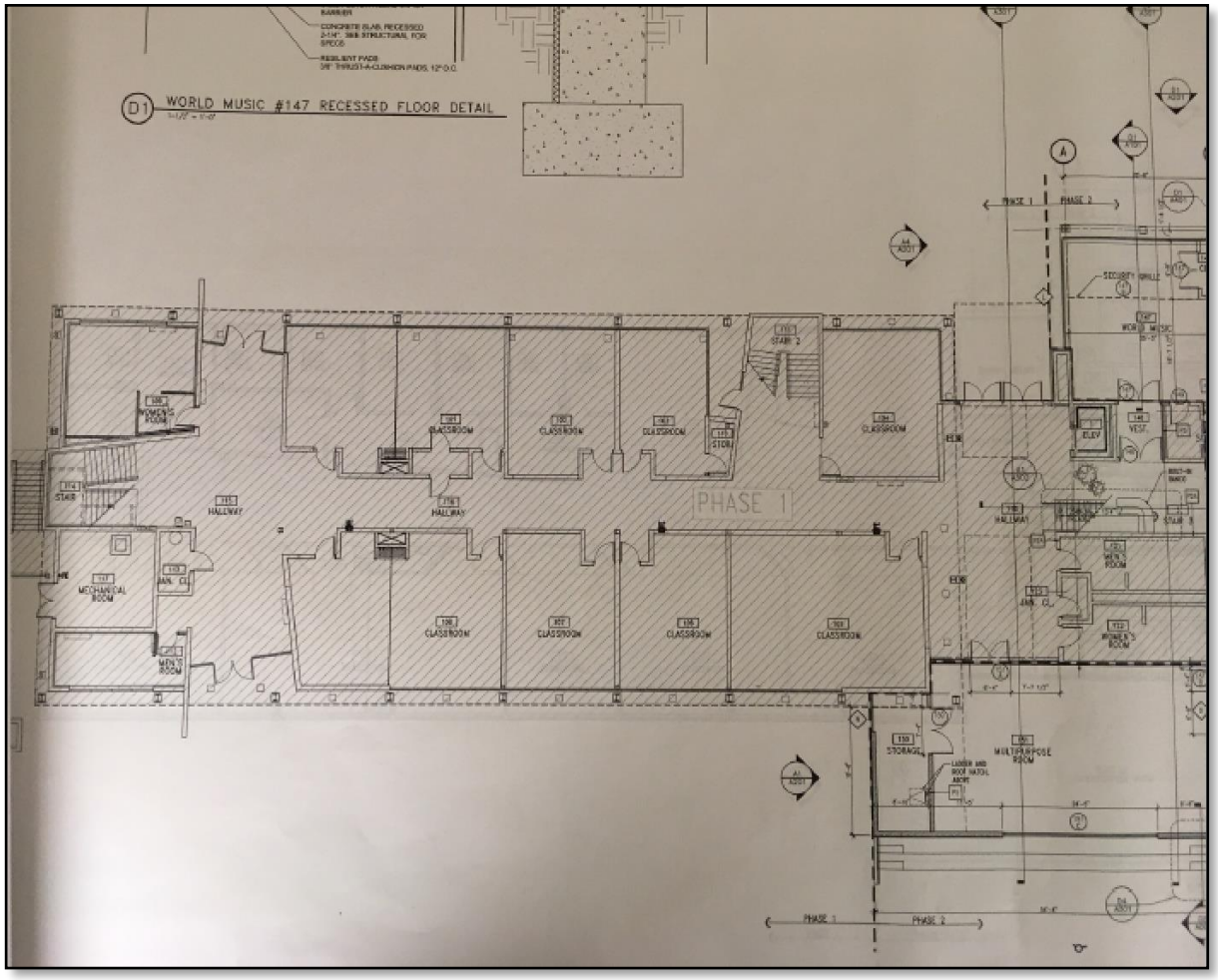




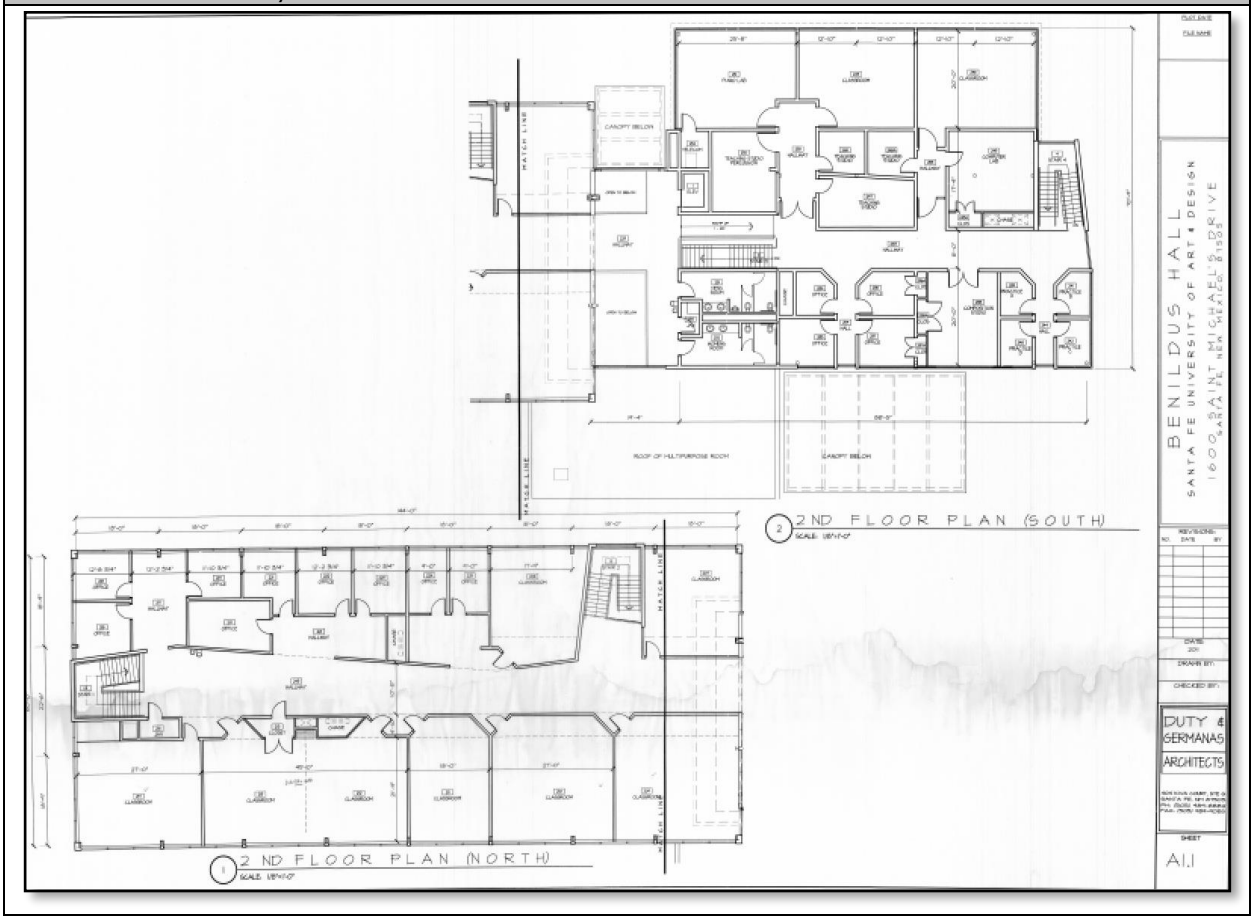




Benildus: Floor Plan, 1st Floor



Benildus: Floor Plan, 2nd Floor



HIGHEST AND BEST USE

Highest and Best Use is Defined as:
1. The reasonably probable use of the property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. 2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS). 3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) 4. [For Fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary) The highest and best use of nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis. (FASB 820-10-35-10E)[7]
Highest and Best Use Criteria
A) Is the use physically possible? B) Is the use legally permissible? C) Is the use financially feasible? D) Is the use maximally productive?

In addition to the four tests, appropriate use is included. It is not a specific test for highest and best use, but a test that is a function of the four tests. The highest and best use of a property is typically determined both as if vacant and as improved.

Highest and Best Use As Vacant

Highest and Best Use of Land as Though Vacant is:
Highest and best use of land as though vacant is based on the assumption the parcel of land is vacant or can be made vacant by demolishing any improvements.

[7] Ibid., p. 88

Legally Permissible: As shown in the "legal Use" section of this report, a C-2 (General Commercial District) is assumed as the subject's base zoning. This zoning allows various commercial uses - retail, service, institutional, office, hotel/motel, restaurant, and some limited light industrial uses. Residential use is primarily only allowed as an ancillary use for the owner/occupant of the commercial use. The current uses on the subject are considered legal.

In addition to the base zoning, the subject has two overlay districts. The first overlay district is the Midtown Local Innovation Corridor (LINC). The LINC establishes standards for "qualifying projects" that meet the City's objectives for redevelopment of the corridor. The LINC allows for a greatly expanded range of uses and qualifying projects are subject to relaxed standards for setbacks, height restrictions, landscaping and parking standards and also qualify for certain fee waivers and/or reductions (construction permit fees, impact fees, water UECs, etc.). Importantly, qualifying projects of a certain size can be approved through administrative review, rather than going through a more traditional review and hearing at the Planning Commission. Overall, this will make any expansions within the subject property larger, easier to be approved and cheaper to develop.

The second overlay is the Opportunity Zone, Midtown Campus Area. This Federal Opportunity Zones (QOZ's) are a new community development program established by (US) Congress in the Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low-income urban and rural communities nationwide. The QOZ program provides a tax incentive for investors to re-invest their unrealized capital gains into Opportunity Funds (QOF's) that are dedicated to investing into QOZ's designated by the chief executives of every U.S. state and territory. Governor Martinez approved the subject census tract for designation to the US Treasury. Finally, designation approval was received by U.S. Treasury in June 2018. Ultimately, this will allow for future owners of the property to receive tax incentives to upgrade existing structures.

Lastly, The City of Santa Fe's proposed Midtown Master Plan (the Midtown Land Development Plan), dated November 21, 2022, provided new development standards for the subject property in Chapter 5. The development standards are comprised of sub-zone (controls use) and façade (controls building masing and design) standards. The

sub-zones support the objectives of the aforementioned Census Tract 11:03 Midtown Campus Area Opportunity Zone and Midtown LINC Overlay District, as well as Resolution No. 2022-12, which rezones the subject to a C-2 General Commercial District to allow for commercial, retail and residential uses. The subject is contained within two sub-zones, namely the mixed-use film (for film production activities focused in the Garson Studios) and mixed-used office (for service commercial uses between film production and residential uses). These two sub-zones require that the subject's use will be for film and media purposes.

Based on the legal restraints (zoning plus overlays), the subject's land use will be commercial as it accompanies film and media production. As such, this is the only land use option considered.

Highest and Best Use of Land as Though Vacant is:
Commercial – with all structures related to film and media production.

Highest and Best Use as Improved

Definition: Highest and Best Use of Property As Improved
The use that should be made of a property as it exists

This analysis considers the property with its existing structures. The property has an old history and many of the structures are beyond their economic life. Because we know the land use will be film production, one must consider whether the existing building has any current/future use as it relates to film production. Further, there are times when existing building can be renovated to create better utility. The following building are considered useable and income producing:

- Bendilus
- Garson Studios
- Driscoll

Except for the Benildus Hall, all of these structures have land for parking, landscaping and emergency needs. The buyer and sellers of the project have entered into a land lease agreement to account for parking at Benildus Hall. As such, the needed lands take up much of the subject's land; however, there is excess land. This is where the landowner can construct new buildings where there are existing/future utility needs, for example, housing, additional soundstages, or storage buildings (as they relate to film

production).

Highest and Best Use of Land as Improved is:
Commercial – with all structures related to film and media production. Benildus, Garson Studios, and Driscoll with excess land.

VALUATION

The valuation process is the procedure by which an estimate of value is determined for the subject. The property is appraised as its highest and best use: commercial film production property with (future) income producing residential. Because this property is unique to Santa Fe, sales of similar properties are not present. To produce a value for the subject, the (contributory) components of the subject property are valued separately and combined to produce a final value.

In general, the structures will be analyzed for needed lands for each structure and parking. Ideally, each of the structures will have a sales comparison and income approach performed and reconciled to produce a contributory value for each of the four structures. A sales comparison approach for the Garson Studios or Driscoll building is not performed. Per the discussion in the Site Description section of this report (page 27), the subject has excess land. The excess land portion of the subject will be valued "as if vacant" by using a sales comparison approach.

Each of the structures on the subject was constructed years ago and as such, reports have been produced that address the deferred maintenance of the buildings. Except for newly built or fully renovated buildings – all commercial properties have deferred maintenance. There are three methods appraisers can use to account for deferred maintenance. The first, and most ideal method, is to commission a single company (like the company commissioned to perform the deferred maintenance analysis on the subject's structures) to perform deferred maintenance analysis on the subject and all the comparables used. This provides an equal and most consistent analysis; however, this is not cost effective or appropriate when comparables are not in proximity or will not provide access for an inspection.

A second method of incorporating deferred maintenance reports into an appraisal is to understand that deferred maintenance is "baked-in" to all the comparable data. As a building ages, its parts get older and maintenance expenses increase until renovation occurs. Renovations will "reset' the effective age of a building. This is why appraisers will give a 100-year-old structure an effective age of 20 years. It's likely this same building has been renovated several times over its 100-year life. In this method the

appraiser seeks to find comparable buildings (in both the sales comparison and income approaches) that have similar effective ages as the subject. Adjustments are made within the separate valuations (sales and income) to accommodate for differences between the effective ages – this is the primary accounting for deferred maintenance (often characterized as a condition adjustment). It is inappropriate to incorporate a deferred maintenance amount (for example as provided by Wilson Company) using this method. By doing this the appraiser is accounting for the subject's deferred maintenance twice in the same analysis.

The third method of incorporating deferred maintenance reports into an appraisal is to initially value the subject "as if" the property is totally renovated and secondly, apply the deferred maintenance amount (supplied by a profession company – in this case, the Wilson Company) to the produce the "as is" value.

In the case of this appraisal, the third method was employed for the valuation of Benildus and Garson Studios. Both the client and the proposed buyer made this appraiser aware of the deferred maintenance reports completed on the subject properties and asked to have the deferred maintenance estimates incorporated into the report. Issues (building structure) have arisen that are in potential conflict with this appraiser's original understanding of the Driscoll structure (discussed on page 33). As such, the appraiser has decided to use this the second method described above until the structure can be properly studied and assessed by a certified engineer.

Building	Methodology	Page
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Benildus - Sales Comparison Approach

Definition: Sales Comparison Approach
The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.[8]

The sales comparison approach is based on the premise that a well-informed buyer would pay no more for an existing property than it would cost to buy a similar substitute property. While there are seldom exact duplicate properties available to a buyer, the prices paid for similar properties are indicative of value. In this approach to value, a common denominator is used in comparing sales to the subject. In this case, the price per square foot of the improvements is used. This figure was found by dividing the sale price by the size of the improvements. The subject is appraised to its highest and best use: commercial professional office tenancy as it relates to the film production industry.

It should be noted that this analysis is performed "as if" all the deferred maintenance on the subject is repaired – the subject is completely renovated.

The sales comparables are summarized in the following chart and described individually on the pages following the chart.

COMMERCIAL SALES CHART

No.	Location	Date of Sale	Sales Price	SF	$/SF
1	1474 Rodeo Road	11/2018	$13,025,000	79,679	$163.47
2	1 Plaza La Prensa	11/2018	$5,775,000	52,253	$110.52
3	2945 Rodeo Park Drive East	12/2018	$2,100,000	23,285	$90.19
4	2044 & 2048 Galisteo	03/2019	$1,952,000	18,444	$105.83
5	2056 Galisteo	08/2019	$2,550,000	14,500	$175.86
6	525 Camino de Los Marquez	07/2021	$7,915,000	38,259	$206.88
7	2504 Camino Entrada	12/2021	$3,786,720	30,922	$122.46

Additional Sales

In addition to the comparables, two large office buildings (single tenant) sold recently.

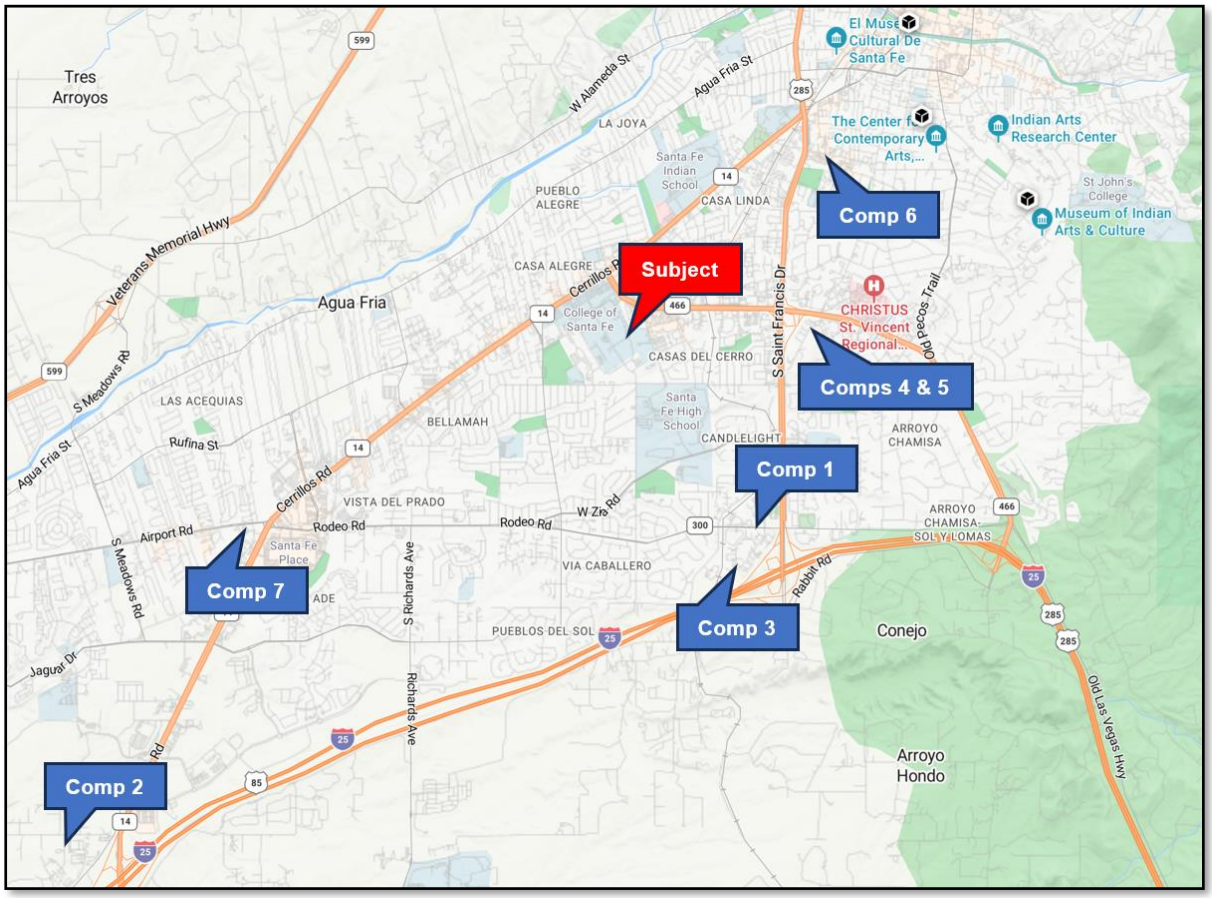
- 2009 S. Pacheco: 39,110 square feet
- 2025 S. Pacheco: 38,976 square feet

These buildings were most recently occupied by governmental entities. However, they are located in the Midtown Linc overlay and Opportunity Zone (Census tract 11.03: Midtown Campus Area) and were purchased for redevelopment (likely apartments/residential). They are older and are considered in fair to average condition.

[8] Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed., (Chicago: Appraisal Institute, 2022), p. 170

Due to the purchase for redevelopment to another use, age/condition and location in the Midtown Linc overlay, they are not included in this analysis.
Note: based on changes in the market, these properties were maintained as office buildings and not subsequently redeveloped.

Sales Comparables Map



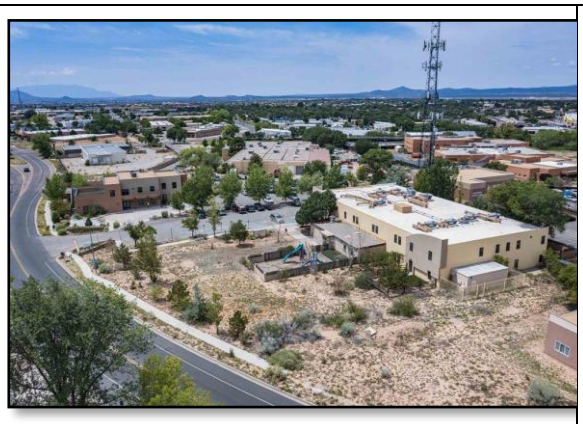
Sales Comparables - Details		
1		▪ **Location: 1474 Rodeo Road** ▪ Grantor: 1474 Rodeo Investors LLC ▪ Grantee: Boyd State Santa Fe, LLC ▪ Date of Sale: 11/2018 ▪ Sales Price: $13,025,000 ▪ Terms: cash/cash equivalent ▪ Land area: 193,007 square feet ▪ Gross building area: 79,679 square feet (3 story) ▪ Net Operating Income (NOI): $1,121,000 o Capitalization Rate: 8.6% ▪ Price per SF: $163.47 ▪ Age: 22 years (Effective age equivalent) ▪ Comments: average quality professional office building – tenancy primarily GSA. ~96% occupancy
2		▪ **Location: 1 Plaza La Prensa** ▪ Grantor: Santa Fe Natural Tobacco Company, Inc ▪ Grantee: NM Portfolio LLC ▪ Date of Sale: 11/2018 ▪ Sales Price: $5,775,000 ▪ Terms: cash/cash equivalent ▪ Land area: 254,390 square feet ▪ Gross building area: 52,253 square feet ▪ Net Operating Income (NOI): n/a - vacant ▪ Price per SF: $110.52 ▪ Age:14 years ▪ Effective age: 12 years ▪ Comments: average quality professional office building previously occupied by the owner. Property has been vacant for multiple years. The buyer has proposed updating building for a tentative GSA lease. The update budget is $1,719,298.

Sales Comparables - Details		

3		▪ **Location: 2945 Rodeo Park Drive East**
		▪ Grantor: 86th Street Associates LLC
		▪ Grantee: Manifest West LLC
		▪ Date of Sale: 12/2018
		▪ Sales Price: $2,100,000
		▪ Terms: cash/cash equivalent
		▪ Land area: 65,537 square feet
		▪ Gross building area: 25,109 square feet
		  o Net Rentable: 23,285 square feet (used in the analysis)
		▪ Net Operating Income (NOI): $226,115
		  o Capitalization rate: 10.8%
		▪ Price per SF: $90.19
		▪ Age:14 years
		▪ Effective age: 14 years
		▪ Comments: average quality professional office building that is subject to leases. New Lease signed immediately prior to sale. Net income and resulting capitalization rate are estimated based on new lease. A portion of the property has been vacant for multiple years.
		▪ ~94% occupancy (includes new lease)

4		▪ **Location: 2044 & 2048 Galisteo** ▪ Grantor: Francesca ▪ Grantee: Galisteo Drive, LLC ▪ Date of Sale: 03/2019 ▪ Sales Price: $1,952,000 ▪ Terms: cash/cash equivalent ▪ Land area: 62,378 square feet ▪ Gross building area: 18,444 square feet ▪ Net Operating Income (NOI): $200,275 o Capitalization Rate: 10.3% ▪ Price per SF: $105.83 ▪ Age: built in 1995 – estimated effective age of 20 years ▪ Comments: average quality professional office building – tenancy primarily GSA. ▪ ~84% occupancy

Sales Comparables - Details		
5		▪ **Location: 2056 Galisteo** ▪ Grantor: Sophia Santa Fe ▪ Grantee: Santa Fe Drive LLC ▪ Date of Sale: 08/2019 ▪ Sales Price: $2,550,000 ▪ Terms: cash/cash equivalent ▪ Land area: 50,074 square feet ▪ Gross building area: 14,500 square feet ▪ Net Operating Income (NOI): $263,925 o Capitalization Rate: 10.4% ▪ Price per SF: $175.86 ▪ Age: built in 2002 – estimated effective age of 15 years ▪ Comments: average quality professional office building/special use – tenancy primarily GSA/magistrate court. 100% occupancy
6		▪ **Location: 525 Camino de Los Marquez** ▪ Grantor: YMC New Mexico Properties, LLC ▪ Grantee: BJ North County Dental Center LLC ▪ Date of Sale: 07/2021 ▪ Sales Price: $7,915,000 ▪ Terms: cash/cash equivalent ▪ Land area: 107,100 square feet ▪ Gross building area: 38,259 square feet ▪ Net Operating Income (NOI): $607,638 o Capitalization Rate: 7.7% ▪ Price per SF: $206.88 ▪ Age: built in 1965 and renovated in 1980, 2013 and 2020 – estimated effective age of 15 years ▪ Comments: average to good quality professional office building – tenancy GSA (NM Environment Department). Note: purchaser was an out of state investor ▪ 100% occupancy

7		▪ **Location: 2504 Camino Entrada** ▪ Grantor: Yellow Brick Properties LLC ▪ Grantee:Vicki Yeomans, Betty Beachum and others ▪ Date of Sale: 11/30/2021 ▪ Sales Price: $3,786,720 ▪ Terms: cash/cash equivalent ▪ Land area:99,143 square feet ▪ Gross building area: 2 buildings, 22,996 sf and 7,926 sf ▪ Price per SF: $122.46 ▪ Age: built in 1988 – estimated effective age of 25 years ▪ Comments: average quality professional office buildings.

Analysis and Conclusion

Note
Seven comparable sales are presented in the Commercial Sales Chart. Due to the limited sales volume in the subject's neighborhood, the comparables were selected from competing areas in Santa Fe. The comparables represent the range of commercial sales sharing similarity/consistency with the subject. The comparable sales produced a value range from $90.19 per square foot to $206.88 per square foot before adjustment.

Several elements of comparison can affect the value of commercial structures. The elements of comparison and their resulting adjustments fall into two categories: transactional adjustments and property adjustments.

CHART OF ADJUSTMENTS

Category	Adjustment
Transactional	Real property rights conveyed Financing terms Conditions of sale Expenditures made immediately after purchase Market conditions
Property	Physical characteristics Location Economic characteristics Use/zoning Non-realty components value

These elements are analyzed to determine if an adjustment is required. They are discussed below and the findings summarized and reconciled on a comparison grid at the end of the valuation section. The transactional adjustments are applied in sequence. The property adjustments do not need to be applied in a specific sequence. The adjustments are summarized on a chart at the end of this section. Only those items requiring discussion/adjustment are discussed.

Transactional Adjustments

Real Property Rights Conveyed: The subject is leased. The lease is a short term lease. Comparable 2 was vacant at the time of sale. Comparables 1, 3, 4, 5, 6 and 7 were subject to leases.

Sales Comparables
Comp 1: avg rent based on NOI and leased SF: $14.66 psf per year on net basis
Comp 3: avg rent based on NOI and leased SF: $10.33 psf per year on net basis
Comp 4: avg rent based on NOI and leased SF: $12.93 psf per year on net basis
Comp 5: avg rent based on NOI and leased SF: $18.20 psf per year on net basis
Comp 6: avg rent based on NOI and leased SF: $15.88 psf per year on net basis
Comp 7; lease information not available
Subject
leased

With consideration of tenant/lease and the condition/quality of the buildings, an adjustment for real property rights conveyed was not developed, but is considered in the reconciliation.

Financing Terms: None of the sales were known to involve terms of sale other than cash to the seller. No adjustment is made for financing terms.

Conditions of Sale: Conditions of sale relates to any undue pressure on either the buyer or the seller. Comparable 2 was built for an owner/occupier-single tenant, former offices for Santa Fe Natural Tobacco (52k square feet). The original owner was purchased and subsequently relocated. The property remained vacant for several years. The vacancies and marketing occurred during the economic downturn, which likely increased marketing time. For Comparable 2, the owner was not located in New Mexico and had no desire to continue to hold the building. Comparable 3 was constructed for multiple tenants with the primary tenants comprised of governmental entities (FBI and IRS). When the FBI vacated at the end of its lease, this space remained vacant. The owner tried to market the building at a higher listing price, but had no success. It was reported that the seller substantially decreased the sales price to facilitate a quicker sale. These comparables may have been subject to atypical motivation, but were exposed to the market. Comparable 4 was subject to a 16% vacancy and the contract rent for the occupied space was on the low end of the range – established during the economic downturn. Due to the longer nature of the lease, the owner was subject to likely below market rent for a sustained period. Due to the unique attributes of the comparables and the existence/level of any undue pressure, a conditions of sale adjustment is not developed for these comparables, but considered in the final reconciliation.

Conditions of Sale
Comparables 3 and 4 represent the bottom of the range produced by the comparables. These comparables also may have had atypical motivation

Expenditures After Sale: This adjustment is included in the transactional adjustments because it reflects those items that a buyer would have considered part of the price at the time of sale. The subject is comprised of professional offices which may function as single or multi-tenant. Comparable 2 incurred conversion costs subsequent to the sale. Comparable 2 was the former offices for Santa Fe Natural Tobacco. The property was

comprised primarily of open concept areas and warehouse containing minimal delineation. The buyer of the property was in the process of securing a lease with a GSA entity requiring further buildout of the property for the tenant. The estimated cost of the buildout to offices was $1,719,298.

Expenditures After Sale adjustment
Comparable 2: $1,719,298 for buildout to offices

Market Conditions: The next element of comparison which was considered was market conditions (time of sale). The earliest sale on the chart is November 2018 which is 59 months before the effective date of the appraisal. Analysis of a sale and resale of the same property is the most accurate method of determining a time of sale adjustment. The market has experienced a certain amount of fluctuation since the economic downturn. However, overall economic indicators have begun to improve over the past 5 years. Furthermore, the impact of these changes in economic indicators in the real estate market is not yet fully realized, but may put downward pressure on the depreciation in the market. Within improved commercial properties, based on lease rates and vacancies, the leveling-off appears to have begun in 2015. Based on this discussion and the comparables, neither an appreciation rate nor depreciation rate is applied to the comparables.

Property Adjustments

Physical characteristics: Physical factors which were considered for adjustment included size, location, quality, age and functional utility.

Size: Size was the first category examined. Typically, there is an inverse relationship between size and price per square foot, as the size increases the price per square foot decreases. The subject contains a total of 27,757 square feet in a two-story building. The comparable sales range from 14,500 square feet to 79,679 square feet. Examination of the comparables revealed no clear trend in value as a function of size for these comparables. Therefore, the search was extended to other commercial sales. Two sales of warehouse properties that occurred in the same building and at the same time were analyzed.

Size Comparison			
Property	7510 Mallard Way, Unit C	7510 Mallard Way, Unit D	Difference
Price per sf	$128.70	$127.30	-$1.40
Size	2,331 square feet	2,553 square feet	222 square feet
Size adjustment			$0.006/sf of change

This adjustment was based on a size difference of 9.5%. The search is extended outward to other commercial markets in Santa Fe. The sale of 2960 Rodeo Park Dr. W is compared to a previous sale in the same area located at 2056 Galisteo.

Size Comparison			
Property	2960 Rodeo Park Dr. W	2056 Galisteo	Difference
Price per sf*	$225.06	$185.45	$39.61
Size	14,609 square feet	20,948 square feet	6,339 square feet
Size adjustment			$0.006/sf of change

*Adjusted for time

This comparison produced a size adjustment of $0.006 per square foot based on a difference of 6,339 square feet. Three sales of office condos that occurred in the same development are analyzed. The sales were adjusted for time. For the size adjustment, the largest sale was compared to the two smaller sales. These sales occurred within 13 months of each other during a time when the market was appreciating.

SIZE COMPARISON

Property	Date of sale	Size	Price	TOS Adjustment	Change: Size	Change: price	Adjustment $ per sf
2019 Galisteo, N-10	01/2005	3,738	$201.61	13 months $209.47			
2019 Galisteo, N-9A	11/2005	2,286	$222.85	3 months $224.86	1,452	$15.39	$0.011
2019 Galisteo, D-2	02/2006	1,475	$223.73	0 months $223.73	2,263	$14.26	$0.006

This comparison produced size adjustments of $0.011 per square foot based on a difference of 1,452 square feet and $0.006 per square foot based on a difference of 2,263 square feet. These adjustments may have been overstated based on the appreciation in the market at that time. Based on this analysis with specific consideration of the utility/use and size of the subject (large gross) and comparables, a size adjustment of $0.0006 per square foot is extrapolated and applied to the comparables based on the size of the subject.

Age/condition: Age and condition are examined. The age and condition adjustment is combined. The condition, quality and estimated effective age of the comparables is in the following chart. As mentioned earlier in this Valuation section, this analysis is performed "as if" all the deferred maintenance was addressed. As such, the effective age of the subject is estimated to be 10 years.

COMPARABLE EFFECTIVE AGE

No.	Condition	Quality	Estimated Effective Age (EA)
1	Average	Average	22
2	Average to good	Average	12
3	Average	Average	14
4	Average	Average	20
5	Average	Average	15
6	Average	Average to good	15
7	Average	Average	25
Subject	Average	Average	10

Lacking sales in the subject's immediate area the search is extended outward to include all commercial sales in Santa Fe. Four comparisons are made of the adjusted prices of older buildings to newer ones to derive an age adjustment. All the comparisons were adjusted for conditions of sale and time of sale. They are summarized in the following charts.

Age Comparison			
Comparison 1			
Property	2019 Galisteo, Unit N-9 A	1651 Galisteo Units 8,9,10	Difference
Price per sf	$230.53	$196.72	17.2%
Age	1 years	20 years	19 years
Age adjustment			0.90% per year
Comparison 2			
Property	1640 Old Pecos Trail	2019 Galisteo, Unit N-9 A	Difference
Price per sf	$201.25	$230.53	14.5%
Age	15 years	1 years	14 years
Age adjustment			1.04% per year
Comparison 3			
Property	404 Brunn School Rd. C	2590 Camino Entrada	Difference
Price per sf	$218.92	$204.55	7.0%
Age	4 years	12 years	8 years
Age adjustment			0.88% per year
Comparison 4			
Property	1630 Hospital Dr.	2056 Galisteo	Difference
Price per sf	$195.07	$228.82	17.3%
Age	21 years	3 years	18 years
Age adjustment			0.96% per year

Based on these extractions, an age adjustment of 1% per year is applied to the comparables based on their effective age.

Location: Location is one of the most important value determining factors for commercial property. The subject is located in middle of the St. Michaels Drive office node in a commercial node centered between St. Francis Drive and Cerrillos Road. The comparables were selected based on utility/use and are from the subject's neighborhood and competing neighborhoods. Comparable 6 is located on the peripheral of downtown. Comparable 1 and 3 are in the southeast office/commercial node with 3 within the Rodeo Business Park and Comparables 4 and 5 are located in the central office/commercial node, which is centered on Christus St. Vincent Hospital. Comparables 2 and 7 are located at the southern end of the southwest quadrant of the City of Santa Fe in the southwest office/commercial node. Comparison of the comparables' locations did not produce the basis for a location adjustment. Based on the utility/use of the comparables, a location adjustment is not applied to the comparables and the specific location differences are considered in the reconciliation.

Conclusion: The adjustments discussed above are summarized in the following chart. Only those items requiring adjustment have been included.

SALES COMPARISON ADJUSTMENT CHART

Comparable	Subject	Comp. 1	Comp. 2	Comp. 3	Comp. 4	Comp. 5	Comp 6	Comp 7
Sale Price		**$13,025,000**	**$5,775,000**	**$2,100,000**	**$1,952,000**	**$2,550,000**	**$7,915,000**	**$3,786,720**
Conditions of Sale		None	None	Possible Motivation	Possible Motivation	None	None	None
Adjustment		$0	$0	+	+	$0	$0	$0
Expenditures		None	Buildout	None	None	None	None	None
Adjustment		$0	$1,719,298	$0	$0	$0	$0	$0
Market conditions/		11/2018	11/2018	12/2018	03/2019	08/2019	07/2021	11/2021
Adjustment		$0	$0	$0	$0	$0	$0	$0
Preliminary adj. $		**$13,025,000**	**$7,494,298**	**$2,100,000+**	**$1,952,000+**	**$2,550,000**	**$7,915,000**	**$3,786,720**
Comparison unit size (sf)	27,757	79,679	52,253	23,285	18,444	14,500	38,259	30,922
- adjusted $		$163.47	$143.42	$90.19	$105.83	$175.86	$206.88	$122.46
Size Adjustment		$31.15	$14.70	-$2.68	-$5.59	-$7.95	$6.30	$1.90
Age/Cond (EA)	10	22	12	14	20	15	15	25
Adjustment		+12%	+2%	+4%	+10%	+5%	+5%	+15%
Location	St. Michaels	SE	SW-	SE	Central	Central	Central	SW
Final adj. $ per sf		**$217.98**	**$161.28**	**$91.01+**	**$110.27+**	**$176.30**	**$223.84**	**$143.01**

Reconciliation: After considering all factors, the adjusted price per square foot of the comparables is in the following table.

Comparables	Range: Adjusted $/SF	Average: Adjusted $/SF
All: 1-7	$91.01+ to $223.84	$160.53
Comparables 2, and 5-7	$143.01 to $223.84	$176.11
Note		
Based on the attributes of the sales, Comparables 2, 3, 4 included excess vacancy and/or may have been subject to atypical motivation. However, the proposed tenant was identified for Comparable 2 prior to the sale.		

All the comparables were professional offices at the time of sale and share the same/similar utility/use. Comparables 2, 3, and 4 were subject to above market vacancy at the time of sale and likely include similar motivation. However, for Comparable 2, the tenant had been identified for this comparable, which was adjusted for expenditures after sale (finish out). Comparables 3 and 4 produced the lowest adjusted values. The subject's location is centralized and benefits from ready access to any of the other commercial nodes. The primary driver of differences in value is the tenancy/vacancy. The properties with limited vacancy and lower risk tenancy, produced values at the top of the range and the properties with high vacancy produced values at the bottom of the range. These properties are primarily comprised of large units and with a limited market of large tenants, risk increases putting downward pressure on values. The subject has been consistently leased since September of 2020 (through COVID shutdowns and the Writers' Strike). The current owner does not allow long-term leases.

Conclusion: based on this discussion and the attributes of the subject, including current market, age/condition ("as if "totally renovated, tenancy/income and location, emphasis was given to the higher end of the modified range.

ESTIMATED PRICE PER SQUARE FOOT

Estimated Price per Square Foot
$175 per square foot

Final Value per the Sales Comparison Approach

For the final value, the estimated price per square foot is applied to the subject's square footage.

Value Per The Sales Comparison Approach – As If	
$175 per square foot X 27,757 sf =	$4,857,475
Rounded	$4,850,000

Benildus - Income Approach

The subject is currently leased as shown in the summary below.

Lease Summary-	
Tenant	Name
Landlord	City of Santa Fe/Garson Studios
Term	One year Term: renewable current term 8/25/23 through 8/26/24
	Option Terms: one year
Rent	Commencement: 8/25/23 Total Rent at $21.75 per square foot
Lease Basis	• Tenant pays maintenance, janitorial • Landlord pays all utilities, taxes (waved), major maintenance and insurance
	Based on the operating expense division between the landlord and tenant, it is considered closely related to full service lease
Permitted Use	Professional office as related to film production

Direct Capitalization

Definition: Direct Capitalization
A method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the net income estimate by an appropriate capitalization rate or by multiplying the income estimate by an appropriate factor. Direct capitalization employs capitalization rates and multipliers extracted or developed from market data. Only one year's income is used. Yield and value changes are implied, but not explicitly identified.[9]

The Income Approach is based on the income producing capabilities of the property. For the Direct Capitalization method, a Potential Gross Income (PGI) is estimated from which vacancy loss is deducted to arrive at an Effective Gross Income (EGI). Expenses are then estimated and deducted from the EGI to obtain a Net Operating Income (NOI). The NOI is then capitalized into an indication of value by the application of an overall rate which has been developed through market extraction, development of the Modified Band of Investment and published sources.

It should be noted that this analysis is performed "as if" all the deferred maintenance on the subject is repaired – the subject is completely renovated.

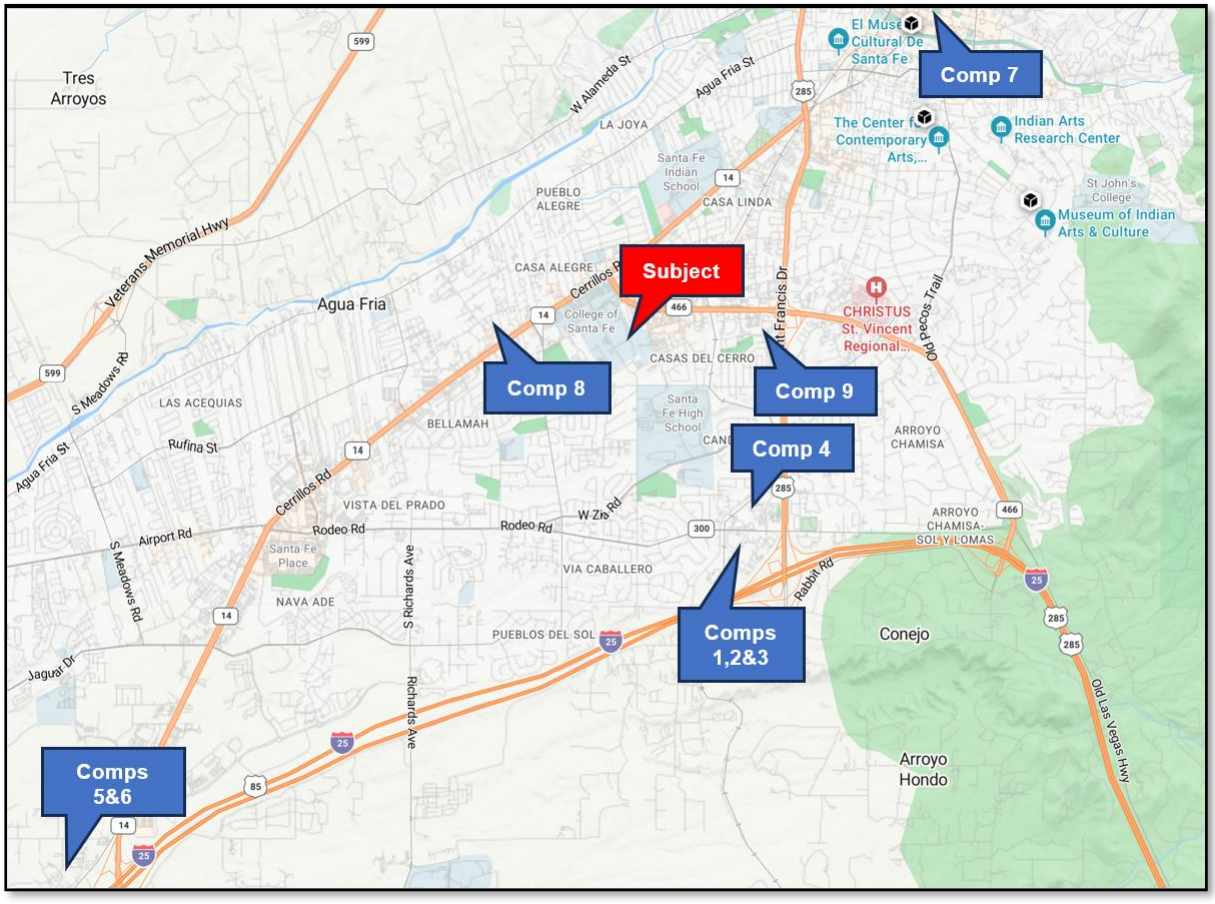
[9] Ibid., p. 53

Market Rent: Rents were researched for buildings with commercial and similar construction with similar/related utility/use in the general area. Based on availability of rent comparables, the search was extended into competing commercial areas in the Santa Fe market. The rent comparables were selected that are generally of the same or similar quality/utility. All the rents are identified based on rent per square foot per year. The comparables are summarized in the following chart and described in more detail on the pages following.

RENT COMPARABLES CHART

No	Location	Leasable area (sf)	Rent sf/year	Lease type
Leases: GSA/Institutional				
1	2905 Rodeo Park Dr. East, Bldg. 1	15,819	$23.94	Full service
2	2905 Rodeo Park Dr. East, Bldg. 4 (portion)	4,687	$25.50	Full service
3	2905 Rodeo Park Dr. East, Bldg. 5	20,000	$30.13	Full service
4	1474 Rodeo Road	37,478	$19.61	Full service
5	1 Plaza La Prensa	46,976	$25.58	Full service
6	39 Plaza La Prensa	38,007	$29.30	Full service
7	142 W Palace	18,099	$16.50	Full service
Additional GSA/Institutional (primary)				
8	1301 Siler Road, A, B/C, E, F	Occupied: 59,079	Average: $22.43	Full service
9	2055 S Pacheco	Occupied: 25,957	Average: $22.20	Full service

Rent Comparables Map



Rent Comparables - Details		
Leases: GSA/Institutional		
1		▪ **Location: 2905 Rodeo Park Dr. East, Bldg 1** ▪ Rental rate: $23.94 o Tenant: NM Environment Department o Term: 6/2001-5/2021 – amended/renewed 2012/2013 ▪ Building Size: 15,819 square feet ▪ Vacancy: 0% ▪ Lease type: Full service ▪ Comments: Located in Rodeo Business Park. ▪ Leased to a governmental entity. Professional offices.
2		▪ **Location: 2905 Rodeo Park Dr East, Bldg 4 (portion of building)** ▪ Rental rate: $25.50 o Tenant: NM Commission for the Blind o Term: 9/2003-8/2023 ▪ Building Size: 4,687 square feet ▪ Vacancy: 0% ▪ Lease type: Full service ▪ Comments: Located in Rodeo Business Park. ▪ Leased to a governmental entity. Professional offices
3		▪ **Location: 2905 Rodeo Park Dr. East, Bldg 5** ▪ Rental rate: $30.13 o Tenant: NM Judicial Information Division o Term: 7/2012-5/2022 – amended/renewed 2012/2013 ▪ Building Size: 20,000 square feet ▪ Vacancy: 0% ▪ Lease type: Full service ▪ Comments: Located in Rodeo Business Park. ▪ Leased to a governmental entity. Professional offices

Rent Comparables - Details		
4		▪ **Location: 1474 Rodeo Road** ▪ Rental rate: $19.61 per square foot per year o Tenant: NM Human Service Department o Term: 09/2013-09/2022 ▪ Building Size: 37,478 square feet (portion of building) ▪ Vacancy: 0% ▪ Lease type: Full service ▪ Comments: Leased to a governmental entity. Professional office. Building is in fair condition. The owner stated that they are going to include $17 per square foot of tenant improvements and an additional $10 per square foot of building improvements.
5		▪ **Location: 1 Plaza La Prensa** ▪ Rental rate: $25.58 per square foot per year o Tenant: NM Human Service Department o Term: 05/2019-04/2029 ▪ Building Size: 46,976 square feet (portion of building) ▪ Vacancy: 0% ▪ Lease type: Full service ▪ Comments: Leased to a governmental entity. Professional office. Building is in average to good condition.
6		▪ **Location: 39 Plaza La Prensa** ▪ Rental rate: $29.30 per square foot per year o Tenant: NM Human Service Department o Term: 10/2008-09/2023 ▪ Building Size: 38,007 square feet ▪ Vacancy: 0% ▪ Lease type: Full service ▪ Comments: Leased to a governmental entity. Professional office. Building is in average condition.

Rent Comparables - Details		
7		▪ **Location: 142 W Palace** ▪ Rental rate: $16.50 per square foot per year o Tenant: Santa Fe County o Term: 12/2013-03/2021 ▪ Building Size: 18,099 square feet ▪ Vacancy: 0% ▪ Lease type: Full service ▪ Comments: Leased to a governmental entity. Professional office. Building is older and in fair condition. It is located in the downtown (BCD zoned), but its utility is limited to commercial/institutional office use, which is atypical for the location. The property is reaching the end of its economic life
Additional		
8		▪ **Location: 1301 Siler Road, Bldgs A, B/C, E, F** ▪ Rental rate: $22.43 per square foot per year o Tenants: NM Department of Health Pharmacy, NM Human Services Department, NM Department of Health o Term: varies ▪ Building Size: occupied 59,079 square feet (61,506 square feet total) ▪ Vacancy: 3.9% ▪ Lease type: Full service ▪ Comments: Leased to governmental entities. Professional office. Buildings are in average to good condition. Portion of building B/C is vacant unfinished: 2,427 sf
9		▪ **Location: 2055 S Pacheco** ▪ Rental rate: $22.20 per square foot per year o Tenants: NM State Treasure, Christus, NM Medical Board, High Country Macula, etc. o Term: varies ▪ Building Size: occupied 25,957 square feet (31,597 square feet total) ▪ Vacancy: 17.8% ▪ Lease type: Full service ▪ Comments: Leased primarily to governmental entities. Professional office. Buildings are in average condition. The vacant space is comprised of two areas. One was recently vacated and the owner states that there have been multiple interested parties

Analysis and Conclusion

Market Rents: In order to estimate market rent, the comparable rents were compared and adjusted. Estimation of market rent involved consideration of the following factors: lease type and attributes, physical attributes, and location. These elements are analyzed to determine if an adjustment is required. The elements are discussed below and the findings summarized and reconciled on a comparison grid.

Lease type: The subject's lease is most closely related to a full service lease. The comparables are leased on a full service basis.

Direct Capitalization Analysis: Lease Type
A full service lease is assumed for the analysis

Rents are primarily dependent on the type of lease. The three common types of leases are net, modified gross and full service.

LEASE TYPE DESCRIPTION

Lease Type	Expenses
Net	Tenant responsible for expenses • Tenant (lessee): All expenses • Landlord (lessor): No expenses (may pay management)
Modified gross (typical)	Expenses are split between tenant and landlord • Tenant (lessee): Janitorial and utilities • Landlord (lessor): Insurance, property taxes, maintenance and management
Full service	Landlord responsible for expenses • Tenant (lessee): No expenses • Landlord (lessor): All expenses

Note
The comparables are based on full service leases and did not require an adjustment for lease type.

Size: Size may also be a factor. A trend could not be extracted from the rent comparables. However, smaller spaces generally rent for more per square foot than larger spaces. Based on the size of the subject building and the comparables, no adjustment for size is applied, but is considered in the market rent reconciliation.

Age/Condition: The comparables have similar utility to the subject; however, the age/condition of the comparables varied. The estimated effective age of the rent comparables is in the following table.

COMPARABLE EFFECTIVE AGE

No.	Estimated Effective Age
1	12 years
2	12 years
3	12 years
4	15 years
5	10 years
6	10 years
7	30 years
Additional	
8	10 years
9	15 years
Subject	18 years

The age/condition adjustment developed in the sales comparison approach is applied to the comparables based on the subject's estimated effective age.

Location: The search for rent comparables included the subject's office node and was extended to competing nodes within Santa Fe. They share the same utility. Based on the utility of the comparables, a location adjustment is not applied, but considered in the reconciliation.

Conclusion: The rents after adjustment are in the following table.

ADJUSTED RENT CHART

No.	Location	Unadjusted Rent/SF/year	Adjusted Rent/SF/year
Leases: GSA/Institutional			
1	2905 Rodeo Park Dr. East, Bldg. 1	$23.94	$22.50
2	2905 Rodeo Park Dr. East, Bldg. 4 (portion)	$25.50	$23.97
3	2905 Rodeo Park Dr. East, Bldg. 5	$30.13	$28.32
4	1474 Rodeo Road	$19.61	$19.02
5	1 Plaza La Prensa	$25.58	$23.53
6	39 Plaza La Prensa	$29.30	$26.96
7	142 W Palace	$16.50	$18.48
Additional GSA/Institutional (primary)			
8	1301 Siler Road Bldgs A, B/C, E, F	Average: $22.43	$20.64
9	2055 S Pacheco	Average: $22.20	$21.53
	Leases	Average	$22.77
	On a full service basis	Minimum	$18.48
		Max	$28.32

Comparables 4 and 7 are at the bottom of the range and are the oldest properties having received varying levels of renovation. Comparable 3 and 6 are at the upper end of the range and are comprised primarily of seasoned leases. Comparables 5 and 6 are located at the southern end of the Southwest Office/Commercial Node.

Note
The upper half of the range is typically comprised of older/seasoned leases and the lower half of the range is typically comprised of newer leases and/or older properties. The subject's landlord does not allow for sublease terms greater than one year.

The subject's rent is not a "true" full-service lease. The tenants pay for maintenance and janitorial. If this estimated expense were added to the existing lease, it would add another $4 per sf and equal $25.75 per sf, which is still within the range of the comparables. The appraiser considers the short terms of the historical leases, as well as the "transitional period", when the City intends to sell the subject property as the primary reasons for the lease rates. As such, most weight is given to the subject's actual rent rate and the comparables are considered good supportive data.

Market Rent (as is)
$25.75 per square foot per year

Potential Gross Income (PGI): Multiplying the market rent times the square footage of the subject yields the potential gross income (PGI) for the subject.

POTENTIAL GROSS INCOME CHART

PGI Analysis	
27,757 square feet x $25.75 per sf per year	$714,743

The total potential gross income is based on the total potential income produced by the subject @ market without consideration of vacancy or expenses.

Vacancy/Collection Loss: Vacancy/Collection Loss must be deducted from the potential gross income to determine the effective gross income (EGI). The subject's office node is the St. Michaels Drive Office Node. Vacancy can be estimated based on the typical lease parameters and turn-over. Estimating a two-to-five-month vacancy with a typical three-year lease yields an annualized vacancy rate of 5.6% percent to 13%. However, this does not take into account a reasonable renewal probability. The vacancy and collection loss in the analysis is primarily a function of expectations based on the characteristics of the subject, which is related to film production. Because production groups have shorter leases, it is expected that vacancy will be much higher compared to typical professional office leases.

The property type is considered to have shorter leases, but longer marketing times when vacant. Based on this discussion and the subject's attributes, a vacancy of 15% is selected and applied to the potential gross income which results in a vacancy deduction.

Vacancy/Collection loss
15%

Effective Gross Income (PGI): Deducting vacancy from the PGI results in an effective gross income (EGI).

EGI Analysis		
PGI		$714,743
Vacancy	15%	($107,211)
Total:		$607,531

Expenses: The income approach is being calculated based on full service leases. Rents are heavily dependent on the type of lease. As previously discussed, the three usual types of leases are net, modified gross and full service. The rent comparables are comprised of full service leases. The expenses are categorized as fixed expenses, variable expense and replacement reserves.

Expense Classification	
Fixed	Operating expenses such as property taxes and insurance that generally do not vary with occupancy and that prudent management will pay for whether the property is occupied or vacant.10
Variable	Operating expenses that generally vary with the level of occupancy or the extent of services provided.11
Reserves	An allowance that provides for the periodic replacement of building components that wear out more rapidly than the building itself and must be replaced during the building's economic life; sometimes referred to as *reserves* or *reserves for replacement*.12 Such as roof covering, carpet, specific structural items and equipment with limited economic life expectancies

Subject Expenses: The subject is leased; however, the subject's historical expenses would not be representative and were not provided for the appraisal.

10 Ibid., p. 93
11 Ibid., p. 245
12 Ibid., p. 197

Comparable Expenses: Marc Bertram, a principle of ownership of comparables 1-3, 8 and 9, previously stated that the annual expenses ranged from $7.25 per square foot per year to $7.50 per square foot per year. These are reflective of full service GSA leases. In addition, the historical expenses associated with a GSA lease at 2056 Galisteo were $7.67 in 2013, $7.78 in 2014 and $7.51 in 2015.

Market Expenses: In the market, the cost of the utility expense and janitorial expense usually ranges from $2.00 to $4.00 per square foot depending on how many times per week the building is cleaned and the level of the building's energy efficiency. The cost of property taxes, insurance, and maintenance generally range from $2.00 to $4.00 per square foot depending on the age and amount of maintenance to the building. Management, as previously mentioned is frequently a negotiable item, typically calculated based on 4 % to 6% of effective gross income. The management expense in the Santa Fe market is generally carried by the landlord. Two additional historical expense comparables are included in the following table. These comparables each did not include some aspect of a full service lease.

EXPENSE COMPARABLES

Location	1630 Hospital		2025 Pacheco	
Size (sf)		10,249		39,110
Expenses	**Annual**	***per sf***	**Annual**	***per sf***
Prop Tax	$13,647	*$1.33*	$28,903	*$0.74*
Insurance	$3,130	*$0.31*	$2,998	*$0.08*
Maint./Repairs	$11,174	*$1.09*	$135,978	*$3.48*
Janitorial	Tenant	*n/a*	$31,828	*$0.81*
Utilities	Tenant	*n/a*	$120,325	*$3.08*
Management	$8,683	*$0.85*	n/a	*n/a*
Total	$36,634	*$3.57*	$320,032	*$8.18*

The first expense comparable is an older medical office building in good condition. The second expense comparable is an older building and is also leased to a governmental entity. Several of the expenses for the second expense comparable, 2025 Pacheco Street, appear to be outside of the range produced by the other expense comparable. The maintenance expenses, and utilities expense are significantly higher than these expenses for the other property. The insurance expense was based on an underpayment for the year. The actual insurance expense is $10,089 or $0.26 per square foot. The maintenance expense and the utilities expense are significantly above

the range produced by the other expense comparable. The detail showed that several charges for capital improvements were included in the maintenance expense which isn't typical for the market. When these expenses are removed, the maintenance expense drops to $60,423 or $1.54 per square foot. Finally, the owner of the property, Robert Berkelo, stated that the utilities are high based on the HVAC system which is old and inefficient and there are plans to replace the HVAC system which should lead to significant savings.

Expense Conclusion: Based on the subject's attributes, an expense of $9.50 per square foot is selected. Additionally, a 3% management fee is added.

RECONCILED EXPENSES - SUBJECT

Subject Size x Expense per SF	Total Expense
27,757 @ $9.50 per sf per year + 3% of EGI =	$281,917

Net Operating Income: Deducting the lessor's expenses from the effective gross income (EGI) results in a net operating income (NOI). The NOI needs to be capitalized into an indication of value. The Net Operating Income is capitalized into an indication of value by dividing the NOI by an appropriate capitalization rate.

NOI Analysis	
EGI	$607,531
Less: Expenses	($281,917)
NOI	$325,614

Capitalization Rate: The capitalization rate is the relationship between the sales price and the net income of the property. Inherent in this rate are all the influences of current market conditions, i.e. financing conditions, current interest rates, tax considerations, potential appreciation/depreciation possibilities, the personal needs and requirements of a purchaser and other factors. Two methods were used to derive a capitalization rate to be used in the analysis. The first was to extract capitalization rates from actual sales. The second method was the Modified Band of Investment. This method assigns a weighted percentage to the equity return and the mortgage rate. These are then added to give an overall capitalization rate. Sales of commercial properties in Santa Fe have generally shown overall rates in the range of 6.00% to 10.0%. The market extracted rates have tended to rise over the past few years with signs of leveling off over the past year. Five of the sales comparables produced a capitalization rate.

CAPITALIZATION RATES – SALES COMPARABLES

Sales Comparable	Capitalization Rate
1	8.6%
3	10.8%
4	10.3%
5	10.4%
6	7.7%

At the time of sale, Sales Comparables 1 (older building) and 5 are subject to governmental leases and Sales Comparables 3 and 4 are subject to governmental and non-governmental leases. Sales Comparable 4 also had atypical vacancy. Comparable 5's lease was seasoned and based on the remaining term and higher rent was considered higher risk. In addition, these are primarily comprised of larger single spaces and lack the versatility to meet market demand when it changes.

Note
Based on this, these capitalization rates are considered in the upper half of the range.

The search was extended to all commercial sales within Santa Fe. The comparables with similar utility to the subject receive most consideration. Based on the limited amount of data, the search was expanded to include 2008. Sales of commercial properties in Santa Fe have generally shown overall rates in the range of 6% to 10%. With the lower end of the market made up mostly of properties in the downtown and investor grade properties. These capitalization rates are derived by extraction from the market and are listed in the following chart.

CAPITALIZATION RATES (MARKET DERIVED)

Sale	Date of sale	Capitalization rate	Use
1672 Hospital Drive	07/08	7.0%	Office – medical
2590 Camino Entrada	09/08	7.9%	Office - medical
1474-1480 St. Francis	05/09	9.2%	Office
422 W. San Francisco	08/09	8.0%	Office/Retail - downtown
1215 Paseo de Peralta	09/09	8.3%	Office – downtown
1442-C St. Francis Drive	10/09	6.5%	Office
1925 Aspen Dr., Unit 801 A&B	05/10	7.2%	Office
221 Canyon Road	12/10	5.4%	Retail – downtown
421 St. Michaels Drive	01/11	6.5%	Office
404 Kiva Court Unit E	03/11	8.8%	Office
1421 Luisa Street Unit I	04/11	8.6%	Office
237 East Palace Avenue	08/11	7.0%	Retail - downtown
490-A West Zia Road	12/12	7.7%	Office - medical
2014 Cerrillos Road	03/13	8.5%	Restaurant
1221 Luisa	02/2015	6.4%	Office
1409 Luisa	04/2015	8.3%	Office
3242 Cerrillos Road	11/2015	7.4%	Retail
530-532 Canyon Road	04/2016	5.5%	Retail – downtown/Canyon

3777 Cerrillos	07/2016	8.2%	Retail - center
3232 Cerrillos	09/2017	7.0%	Retail
126-128 W Water Street	02/2018	7.5%	Retail - downtown
1474 Rodeo Road	11/2018	8.6%	Office
2945 Rodeo Park Dr E	12/2018	10.8%	Office
320-328 Guadalupe Station	05/2019	6.5%	Retail/Restaurant - downtown
3261 Cerrillos	06/2019	6.5%	Restaurant
3023 Cielo Ct Units A,B,C,D	04/2021	8.6%	Office/Services
Note			
Sales volume in the market has been limited since 2008			

Subject – Capitalization Rate
Based on the table and the subject's attributes, primarily age/condition, utility/use and vacancy, there is downward pressure on the capitalization rate. A market derived capitalization rate of 7.0% to 8.5% is deemed appropriate.

The modified band of Investment requires utilization of an equity capitalization rate which is a rate expressing the relationship between one year's pre-tax cash flow (NOI less the annual debt service) and the equity investment. Equity capitalization rates may be estimated from current so-called "safe rates" such as CDs, bonds, and T-bills, or they may be market extracted. Since equity capitalization rates (equity dividend rates) tend to change with the economy, only the most recent sales are applicable.

It is also possible to build an equity capitalization rate using a known "safe" rate and adding percentage points for loss of liquidity and risk. “Safe rates” are derived from such sources as insured certificates of deposit and AAA bonds. At this time, they lie generally in the range of 3.0% to 6.0%. Risk for the subject was viewed as moderate. Therefore, two points were added for risk. An additional 2% was needed to compensate for loss of liquidity. This resulted in a range of 7.0% to 10% for an equity capitalization rate when derived in this manner. Analysis of the sale of 1401 Maclovia produced an equity capitalization rate of 8.2% which is within the estimated range. Based on the attributes of the subject and relative investor grade, the lower end of the range was weighted and 8% is selected for the equity capitalization rate.

The modified band of investment assigns a weighted percentage to the two factors that make up the total capitalization rate. The weighted percentage was derived from the loan-to-value ratio. Therefore, the mortgage factor was assigned a percentage of 70% and the equity factor is 30% (100%-70%). The annual mortgage constant for 5% interest based on a five-year fixed term based on a 20-year amortization is 0.079 or 7.9%. The calculation of the capitalization rate per the modified band of investments is

in the following table. The Modified Band of Investment produced a capitalization rate of 7.9%.

Modified Band Of Investments		
8% Return to Equity		
Annual Constant	0.0792 x .70 =	0.0554
Equity Requirement	0.0800 x .30 =	0.0240
	Total	0.0794

Derivation of the capitalization rate to be utilized in the income approach requires reconciliation of the market-derived capitalization rate and the Modified Band of Investment. The market extracted rates indicate a range for the subject of 8.0% to 9.0% with the most likely being the lower half of the range. The Modified Band of Investment produced a capitalization rate of 7.94%. Further support was sought from the PwC Real Estate Investor Survey (formerly Korpacz).

PWC – 3rd QUARTER 2023 – CAP RATES

Category	Capitalization Rates
National Secondary Office Market	6.00%-10.25% Average: 8.16%
National Suburban Office Building Market	5.00%-8.00% Average: 6.54%

With this support and with most emphasis on the market extracted rates, with specific emphasis on the tenancy and physical attributes (**all deferred maintenance has been addressed**) of the subject, a capitalization rate of 7.25% is concluded and is applied to the subject.

Income Approach Summary: Capitalizing the NOI results in a value indication. The income approach summary follows.

Income Approach Summary	
PGI	$714,743
Less: Vacancy @ 15%	($107,211)
EGI (PGI – Vacancy)	$607,531
Less: Expenses	($281,917)
NOI (EGI – Expenses)	$325,614

Final Value per the Income Approach

The Net Operating Income (NOI) must be capitalized in order to achieve a final value per the income approach.

Value Per the Income Approach: Direct Capitalization	
Final Value: NOI / Cap Rate $325,614 / 7.25% =	$4,491,226
Rounded	$4,500,000

Benildus - Reconciliation of Preliminary Values

Subject	
Benildus Hall	
Preliminary Value Indications	
Sales Comparison Approach	$4,850,000
Income Approach: Direct Capitalization	$4,500,000

For the appraisal, the sales comparison approach and the income approach (direct capitalization) are developed for the appropriate/respective preliminary values. Each of the approaches to value has validity and applicability to the appraisal problem. Ideally speaking, if each was done exactly correctly (implying uniform data), they would result in identical value estimates. However, the real estate market is not an exact arena. No two sales are exactly the same and rarely, if ever, are two commercial properties exact duplicates. Therefore, it is the responsibility of the appraiser to apply logic and experience to the data provided.

Contributory Value

Cost Approach: The cost approach is appropriate for new or nearly new construction. Based on the age of the improvements (excess of five years), the cost approach was not developed.

Sales Comparison: The sales comparison approach is a method of estimating value which involves direct comparison of the subject to other sales. The reliability of the sales comparison approach is dependent upon the degree of similarity of the comparables. The search for improved sales comparables was extended to November 2018. The comparables available for the sales comparison approach are considered ample. The adjustments were market derived and quantitative in nature. The value derived from this approach should be considered reliable.

Income Approach: The income approach is developed using the direct capitalization method.

Direct Capitalization: the gross rental income of the subject is estimated by determining the market rent from a survey of competing properties. The vacancy/collection loss and expenses are applied to the gross income in order to develop the net operating income. A capitalization rate was estimated by two methods, market extraction and modified band of investment, and supported by the PwC Cap Rate Survey. The net operating

income was divided by the capitalization rate to yield a value by the income approach. The rent comparables for the income approach are commercial properties in the subject's neighborhood and competing neighborhoods. They are considered adequate. The supporting data for the income approach is sufficient, and the value resulting from this approach should also be considered reliable.

Reconciliation: Reconciliation to a final value estimate involved consideration given to all approaches to value depending on their reliability. Investor buyers of income-producing properties typically place most weight on the income approach; however, the sales comparison approach offered three good comparables. As such the sales comparison is given supportive weight.

Conclusion: Based on the data presented in the report, it is my opinion that the most probable contributory value of the Benildus Hall (subject to easements and restrictions of record) 'as is' as of November 15, 2023 is:

PRELIMINARY FINAL VALUE

Subject: Benildus Hall		
Contributory Value – 'As If'	Fee simple	**Four Million Six Hundred Thousand Dollars $4,600,000**

It should be noted that this analysis is performed "as if" all the deferred maintenance on the subject is repaired – the subject is completely renovated.

Final Value Benildus

The initial value produced for the Benildus structure was completed “as if” the deferred maintenance was addressed, and all repairs were completed. A Facility Assessment Report was completed by Wilson Company on January 11, 2023, to ascertain the cost to address the building’s deferred maintenance. According to the report the cost is $1,759,269. This cost to applied to the preliminary value to produce a final value for the subject below.

Additionally, this building lacks sufficient parking. The buyer and sellers of the subject have agreed to a parking lease, until such time as land can be purchased. This drafted agreement was provided to the appraiser: however, the terms were provided orally from the seller representative. The lease term is 20 years with the ability to be renewed and the lease price is $15,000 per year. The appraiser produced a net present value through a discounted cash flow analysis. A 5% discount was used. The analysis produced a value of $251,445.34, which is rounded to $250,000.

Component	Value
Preliminary value for Benildus	$4,600,000
Cost to address deferred maintenance	$1,759,269
Less the discount for lack of parking	$250,000
Final Value	$2,840,731
Rounded	**$2,590,000**

Garson Studios – Case Study – Sales Comparison Approach

The Garson Studios Structure combines three soundstages, professional office space and a small theater. This property type is not uncommon in New Mexico; however, there is little sales data available. As such, an expanded sales comparison approach is not performed.

Next to the subject property, the former tennis facility known as Shellaberger sold in March of 2022 for $6,700,000. Shortly after the sale, the buyers were approached by the film industry for consideration of a transition from the historic (tennis) use to soundstage/professional office. After negotiations, the transition began, and the new facility has adapted and is being rented as a soundstage/office use. According to the new owners the facility required $1,500,000 for the soundstages to be retrofitted and soundproofed. An additional $1,000,000 is needed for electrical upgrades. Therefore, the cost of the structure with land is $9,200,000. There was a substantial amount of land included in the sale of the facility and after subtracting the “excess land” the true cost of the soundstage/office was $7,800,000 or $128.35 per square foot.

When comparing the Shellaberger facility to the Garson Studios one must consider the make-up of the two structures. Shellaberger has a greater amount of soundstage as a portion of the structure compared to Garson. Because the rent produced by the soundstage is greater than the office, and Shellaberger has more soundstage and is newer, it is considered superior.

Garson Studios - Income Approach

The subject is currently leased as shown in the summary below.

Lease Summary-	
Tenant	Aspect
Landlord	City of Santa Fe/Garson Studios
Term	One year Term: renewable current term 8/25/23 through 8/26/24
	Option Terms: one year
Rent	Commencement: 8/25/23 Studios, A, B and C and parking – rent varies per month
Lease Basis	• Full service
Permitted Use	film production

Direct Capitalization

Definition: Direct Capitalization
A method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the net income estimate by an appropriate capitalization rate or by multiplying the income estimate by an appropriate factor. Direct capitalization employs capitalization rates and multipliers extracted or developed from market data. Only one year's income is used. Yield and value changes are implied, but not explicitly identified.[13]

The Income Approach is based on the income producing capabilities of the property. For the Direct Capitalization method, a Potential Gross Income (PGI) is estimated from which vacancy loss is deducted to arrive at an Effective Gross Income (EGI). Expenses are then estimated and deducted from the EGI to obtain a Net Operating Income (NOI). The NOI is then capitalized into an indication of value by the application of an overall rate which has been developed through market extraction, development of the Modified Band of Investment and published sources.

It should be noted that this analysis is performed "as if" all the deferred maintenance on the subject is repaired – the subject is completely renovated.

[13] Ibid., p. 53

Market Rent: Rents were researched for similar buildings. The management of the Shellaberger facility were contacted. They stated that full-service lease for the soundstage portion of the facility will rent for between $2.50 and $3.00 per square foot per month.

A rent analysis completed by a local appraiser, Art Neudek, MAI. Within his report rent comparables in Los Angeles found were between $25 and $50 per square foot on a triple net basis. He stated that the soundstage rent (at Garson Studios) which included parking behind the building, should be $25 per square foot per year on a triple net basis. This does not include the office/storage/theater space in the structure.

The office portion of the building is important and useable because production requires more than a soundstage, for example, photography, make-up, conference rooms, and administration. If this space wasn't available on-site, the production would go off-site and into Santa Fe's professional office market top rent space. Based on the analysis provided in the Benildus sections of this report, market rent is $25.75 per square foot per full-service basis; however, the balance of the space in the building has storage areas and a small theater, with limited uses.

In the months between February of 2023 and July of 2023 the subject had an average contract rent of $137,412 per month. It should be noted that 2023 was a poor year for the demand of film production space due to a writers strike. As such, $137,000 per month is represented as a potential income and the subject's historic income.

Potential Gross Income (PGI):

POTENTIAL GROSS INCOME CHART

PGI Analysis	
$137,000 X 12 months	$1,644,000

The total potential gross income is based on the total potential income produced by the subject @ market without consideration of vacancy or expenses.

Vacancy: Vacancy/Collection Loss must be deducted from the potential gross income to determine the effective gross income (EGI). The subject structure is directly used for film/multimedia production and has a history of being leased. Over the past several years, the film industry has been challenged with COVID and a writer's strike. Additionally, productions rent terms are commonly between 6 months and 10 months. It would be unfair to use occupancy data from (unusual) times as representative; however, occupancy rates are lower than typical professional office or light industrial markets. The property type is considered to have shorter leases, but much longer marketing times when vacant. Based on this discussion and the subject's attributes, a vacancy of 20% is selected and applied to the potential gross income which results in a vacancy deduction.

Vacancy
20%

Effective Gross Income (PGI): Deducting vacancy from the PGI results in an effective gross income (EGI).

EGI Analysis		
PGI		$1,644,000
Vacancy	20%	($328,800)
Total:		$1,315,200

Expenses: This income approach is being calculated based on full-service leases. Rents are heavily dependent on the type of lease. As previously discussed, the three usual types of leases are net, modified gross and full service. The expenses are categorized as fixed expenses, variable expense and replacement reserves.

Expense Classification	
Fixed	Operating expenses such as property taxes and insurance that generally do not vary with occupancy and that prudent management will pay for whether the property is occupied or vacant.
Variable	Operating expenses that generally vary with the level of occupancy or the extent of services provided.
Reserves	An allowance that provides for the periodic replacement of building components that wear out more rapidly than the building itself and must be replaced during the building's economic life; sometimes referred to as *reserves* or *reserves for replacement*. Such as roof covering, carpet, specific structural items, and equipment with limited economic life expectancies

Subject Expenses: The subject is currently leased; however, the subject's historical expenses would not be representative and were not provided for the appraisal.

Expense	**Costs**
Maintenance @ $10.00* per sf	$492,000
Tax based on $4,500,000	$48,235
Management @ 3% of EGI	$39,456
Insurance @$0.30 per sf	$14,760
Total	$610,530

***Reflects maintenance after all deferred maintenance has been addressed**

Net Operating Income: Deducting the lessor's expenses from the effective gross income (EGI) results in a net operating income (NOI). The NOI needs to be capitalized into an indication of value. The Net Operating Income is capitalized into an indication of value by dividing the NOI by an appropriate capitalization rate.

NOI Analysis	
EGI	$1,315,200
Less: Expenses	($610,530)
NOI	$704,670

Capitalization Rate: The capitalization rate is the relationship between the sales price and the net income of the property. Inherent in this rate are all the influences of current market conditions i.e., financing conditions, current interest rates, tax considerations, potential appreciation/depreciation possibilities, the personal needs and requirements of a purchaser and other factors. Two methods were used to derive a capitalization rate to be used in the analysis. The first was to extract capitalization rates from actual sales. The second method was the Modified Band of Investment. This method assigns a weighted percentage to the equity return and the mortgage rate. These are then added to give an overall capitalization rate. Sales of commercial properties in Santa Fe have generally shown overall rates in the range of 6.00% to 10.0%. The market extracted rates have tended to rise over the past few years with signs of leveling off over the past year.

The search was extended to all commercial sales within Santa Fe. The comparables with similar utility to the subject receive most consideration. Based on the limited amount of data, the search was expanded to include 2008. Sales of commercial properties in Santa Fe have generally shown overall rates in the range of 6% to 10%. With the lower end of the market made up mostly of properties in the downtown and investor grade properties. These capitalization rates are derived by extraction from the market and are listed in the following chart.

CAPITALIZATION RATES (MARKET DERIVED)

Sale	Date of sale	Capitalization rate	Use
1672 Hospital Drive	07/08	7.0%	Office – medical
2590 Camino Entrada	09/08	7.9%	Office - medical
1474-1480 St. Francis	05/09	9.2%	Office
422 W. San Francisco	08/09	8.0%	Office/Retail - downtown
1215 Paseo de Peralta	09/09	8.3%	Office – downtown
1442-C St. Francis Drive	10/09	6.5%	Office
1925 Aspen Dr., Unit 801 A&B	05/10	7.2%	Office
221 Canyon Road	12/10	5.4%	Retail – downtown
421 St. Michaels Drive	01/11	6.5%	Office
404 Kiva Court Unit E	03/11	8.8%	Office
1421 Luisa Street Unit I	04/11	8.6%	Office
237 East Palace Avenue	08/11	7.0%	Retail - downtown
490-A West Zia Road	12/12	7.7%	Office - medical
2014 Cerrillos Road	03/13	8.5%	Restaurant
1221 Luisa	02/2015	6.4%	Office
1409 Luisa	04/2015	8.3%	Office
3242 Cerrillos Road	11/2015	7.4%	Retail
530-532 Canyon Road	04/2016	5.5%	Retail – downtown/Canyon

3777 Cerrillos	07/2016	8.2%	Retail - center
3232 Cerrillos	09/2017	7.0%	Retail
126-128 W Water Street	02/2018	7.5%	Retail - downtown
1474 Rodeo Road	11/2018	8.6%	Office
2945 Rodeo Park Dr E	12/2018	10.8%	Office
320-328 Guadalupe Station	05/2019	6.5%	Retail/Restaurant - downtown
3261 Cerrillos	06/2019	6.5%	Restaurant
3023 Cielo Ct Units A,B,C,D	04/2021	8.6%	Office/Services
Note			
Sales volume in the market has been limited since 2008			

Subject – Capitalization Rate
Based on the table and the subject's attributes, primarily age/condition, utility/use and vacancy, there is upward pressure on the capitalization rate. A market derived capitalization rate of 7.5% to 9.0% is deemed appropriate.

The modified band of Investment requires utilization of an equity capitalization rate which is a rate expressing the relationship between one year's pre-tax cash flow (NOI less the annual debt service) and the equity investment. Equity capitalization rates may be estimated from current so-called "safe rates" such as CDs, bonds, and T-bills, or they may be market extracted. Since equity capitalization rates (equity dividend rates) tend to change with the economy, only the most recent sales are applicable.

It is also possible to build an equity capitalization rate using a known "safe" rate and adding percentage points for loss of liquidity and risk. “Safe rates” are derived from such sources as insured certificates of deposit and AAA bonds. At this time, they lie generally in the range of 3.0% to 6.0%. Risk for the subject was viewed as moderate. Therefore, two points were added for risk. An additional 2% was needed to compensate for loss of liquidity. This resulted in a range of 7.0% to 10% for an equity capitalization rate when derived in this manner. Analysis of the sale of 1401 Maclovia produced an equity capitalization rate of 8.2% which is within the estimated range. Based on the attributes of the subject and relative investor grade, the lower end of the range was weighted and 8% is selected for the equity capitalization rate.

The modified band of investment assigns a weighted percentage to the two factors that make up the total capitalization rate. The weighted percentage was derived from the loan-to-value ratio. Therefore, the mortgage factor was assigned a percentage of 70% and the equity factor is 30% (100%-70%). The annual mortgage constant for 5% interest based on a five-year fixed term based on a 20-year amortization is 0.079 or 7.9%. The calculation of the capitalization rate per the modified band of investments is

in the following table. The Modified Band of Investment produced a capitalization rate of 7.9%.

Modified Band Of Investments		
8% Return to Equity		
Annual Constant	0.0792 x .70 =	0.0554
Equity Requirement	0.0800 x .30 =	0.0240
	Total	0.0794

Derivation of the capitalization rate to be utilized in the income approach requires reconciliation of the market-derived capitalization rate and the Modified Band of Investment. The market extracted rates indicate a range for the subject of 8.5% to 10.0% with the most likely being the lower half of the range. The Modified Band of Investment produced a capitalization rate of 7.94%.

Further support was sought from the PwC Real Estate Investor Survey (formerly Korpacz). Based on the First Quarter publication, capitalization rates in most property sectors are on the rise.

With this support and with most emphasis on the market extracted rates, with specific emphasis on the tenancy and physical attributes **("as if" all deferred maintenance has been addressed**) of the subject, a capitalization rate of 8% is concluded and is applied to the subject.

Income Approach Summary: Capitalizing the NOI results in a value indication. The income approach summary follows.

Income Approach Summary	
PGI	$1,644,000
Less: Vacancy @ 20%	($328,800)
EGI (PGI – Vacancy)	$1,315,200
Less: Expenses	($610,530)
NOI (EGI – Expenses)	$704,670

Final Value per the Income Approach

The Net Operating Income (NOI) must be capitalized in order to achieve a final value per income approach.

Value Per the Income Approach: Direct Capitalization	
Final Value: NOI / Cap Rate $704,670 / 8.0% =	$8,808,375
Rounded	**$8,800,000**

Garson Studios - Reconciliation and Preliminary Value Conclusion

Subject	
Garson Studios	
Value Indications	
Study	Less than $128 per sf
Income Approach: Direct Capitalization	$8,800,000

For the appraisal, a sales comparison approach could not be completed because there were not enough adequate comparable sales. In leu of this approach, a neighboring property was examined as supportive data. This structure was formerly a tennis facility and now has been transitioned into a soundstage/office structure. Because this has a greater ratio of soundstage to office, has more rentable soundstage and is in better condition, it is considered far more superior than the subject. Only supportive weight is given to this analysis.

Cost Approach: The cost approach is appropriate for new or nearly new construction. Based on the age of the improvements (excess of five years), the cost approach is not developed.

Income Approach: The income approach is developed using the direct capitalization method.

Direct Capitalization: the gross rental income of the subject is estimated by determining the market rent from a survey of competing properties. The vacancy/collection loss and expenses are applied to the gross income in order to develop the net operating income. A capitalization rate was estimated by two methods, market extraction and modified band of investment, and supported by the PwC Cap Rate Survey. The net operating income was divided by the capitalization rate to yield a value by the income approach. The rent comparables for the income approach are commercial properties in the subject's neighborhood and competing neighborhoods. They are considered adequate. The supporting data for the income approach is sufficient, and the value resulting from this approach should also be considered reliable.

Reconciliation: Reconciliation to a final value estimate involved consideration given to all approaches to value depending on their reliability. Investor buyers of income-producing properties typically place most weight on the income approach. Only a small amount of weight is attributed to the neighboring sale property analysis.

Conclusion: Based on the data presented in the report, it is my opinion that the most probable contributory value (subject to easements and restrictions of record) in the Garson Studios 'as is' as of November 15, 2023 is:

PRELIMINARY FINAL VALUE

Subject: Garson Studios		
Contributory Value – 'As If'	Fee simple	**Eight Million Eight Hundred Thousand Dollars $8,800,000**

Final Value Garson Studios

The initial value produced for the Garson Studios structure was completed “as if” the deferred maintenance was addressed, and all repairs were completed. A Facility Assessment Report was completed by Wilson Company on January 4, 2023, to ascertain the cost to address the building’s deferred maintenance. According to the report the cost is $2,696,459. This cost to applied to the preliminary value to produce a final value for the subject below.

Component	Value
Preliminary value for Benildus	$8,800,000
Cost to address deferred maintenance	$2,696,459
Final Value	$6,103,541
Rounded	**$6,100,000**

Driscoll – Income Approach

The Driscoll building was formerly an athletic facility. Approximately one half of the structure was a gymnasium, and the other half was comprised of exercise rooms, locker rooms, racquetball courts and an entry. Upon this appraiser's initial inspection, the building was described as "in the process of being converted into a soundstage, where the gymnasium will be the soundstage and the remaining rooms will be converted into offices". This made sense because the basketball court flooring had been converted into flooring that is typical for soundstages.

It has come to the attention of the appraiser that soundstage development is inappropriate due to structural issues with the building. As such, the building will be appraised based as a "utility structure" as is needed and demand exists. It should be noted that the structure rents for approximately $30,000 per month in its current state.

Extraordinary Assumption
According to the appraiser the Driscoll structure should be converted into a soundstage with the remaining space used as supportive office. There have been some structural issues identified that could make the conversion of the building inappropriate. If the structure is found to be structurally adequate or financially feasible to be renovated to be adequate, the results of this appraisal are subject to change.

It should be noted that this valuation does consider the incorporation of the deferred maintenance report. The structure can/does produce income in its current condition. As such, this valuation analysis is performed in a "as is" condition of the structure.

Potential Gross Income (PGI): Multiplying the market rent times the square footage of the subject yields the potential gross income (PGI) for the subject.

POTENTIAL GROSS INCOME CHART

PGI Analysis	
$30,000 X 12 months	$360,000

The total potential gross income is based on the total potential income produced by the subject @ market without consideration of vacancy or expenses.

Vacancy: Vacancy/Collection Loss must be deducted from the potential gross income to determine the effective gross income (EGI). The subject structure is directly used for film/multimedia production and has a history of being leased. Over the past several years, the film industry has been challenged with COVID and a writer's strike. Additionally, productions rent terms are commonly between 6 months and 10 months. It would be unfair to use occupancy data from (unusual) times as representative; however, occupancy rates are lower than typical professional office or light industrial markets. The property type is considered to have shorter leases, but much longer marketing times when vacant. Based on this discussion and the subject's attributes, a vacancy of 20% is selected and applied to the potential gross income which results in a vacancy deduction.

Vacancy
20%

Effective Gross Income (PGI): Deducting vacancy from the PGI results in an effective gross income (EGI).

EGI Analysis		
PGI		$360,000
Vacancy	20%	($72,000)
Total:		$288,000

Expenses: This income approach is being calculated based on full service leases. Rents are heavily dependent on the type of lease. As previously discussed, the three usual types of leases are net, modified gross and full service. The expenses are categorized as fixed expenses, variable expense and replacement reserves.

Expense Classification	
Fixed	Operating expenses such as property taxes and insurance that generally do not vary with occupancy and that prudent management will pay for whether the property is occupied or vacant.
Variable	Operating expenses that generally vary with the level of occupancy or the extent of services provided.
Reserves	An allowance that provides for the periodic replacement of building components that wear out more rapidly than the building itself and must be replaced during the building's economic life; sometimes referred to as *reserves* or *reserves for replacement*. Such as roof covering, carpet, specific structural items and equipment with limited economic life expectancies

Subject Expenses: The subject is currently leased; however, the subject's historical expenses would not be representative and were not provided for the appraisal.

Expense	**Costs**
Maintenance @ $7.00 per sf	$177,600
Tax based on $850,000	$9,111
Management @ 3% of EGI	$8,640
Insurance @$0.30 per sf	$6,660
Total	$202,011

Net Operating Income: Deducting the lessor's expenses from the effective gross income (EGI) results in a net operating income (NOI). The NOI needs to be capitalized into an indication of value. The Net Operating Income is capitalized into an indication of value by dividing the NOI by an appropriate capitalization rate.

NOI Analysis	
EGI	$288,000
Less: Expenses	($202,011)
NOI	$85,989

Capitalization Rate: The capitalization rate is the relationship between the sales price and the net income of the property. Inherent in this rate are all the influences of current market conditions i.e., financing conditions, current interest rates, tax considerations, potential appreciation/depreciation possibilities, the personal needs and requirements of a purchaser and other factors.

With this support and with most emphasis on the market extracted rates, with specific emphasis on the tenancy and physical attributes ("as is") of the subject, a capitalization rate of 9.0% is concluded and is applied to the subject.

Income Approach Summary: Capitalizing the NOI results in a value indication. The income approach summary follows.

Income Approach Summary	
PGI	$360,000
Less: Vacancy @ 20%	($72,000)
EGI (PGI – Vacancy)	$288,000
Less: Expenses	($202,011)
NOI (EGI – Expenses)	$85,989

Preliminary Value per the Income Approach

The Net Operating Income (NOI) must be capitalized in order to achieve a preliminary value per the income approach.

Final Value Per the Income Approach: Direct Capitalization	
Value: NOI / Cap Rate $85,989 / 9.0% =	$955,433
	$950,000

Extraordinary Assumption
According to the appraiser the Driscoll structure should be converted into a soundstage with the remaining space used as supportive office. There have been some structural issues identified that could make the conversion of the building inappropriate. If the structure is found to be structurally adequate or financially feasible to be renovated to be adequate, the results of this appraisal are subject to change.

Excess Land - Sales Comparison Approach

The subject's excess land is 136,525 square feet in size. The valuation is comprised of the sales comparison approach, which is typically the only approach appropriate to the appraisal of vacant land and there is adequate data and support for the adjustments.

Definition: Sales Comparison Approach
The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.[14]

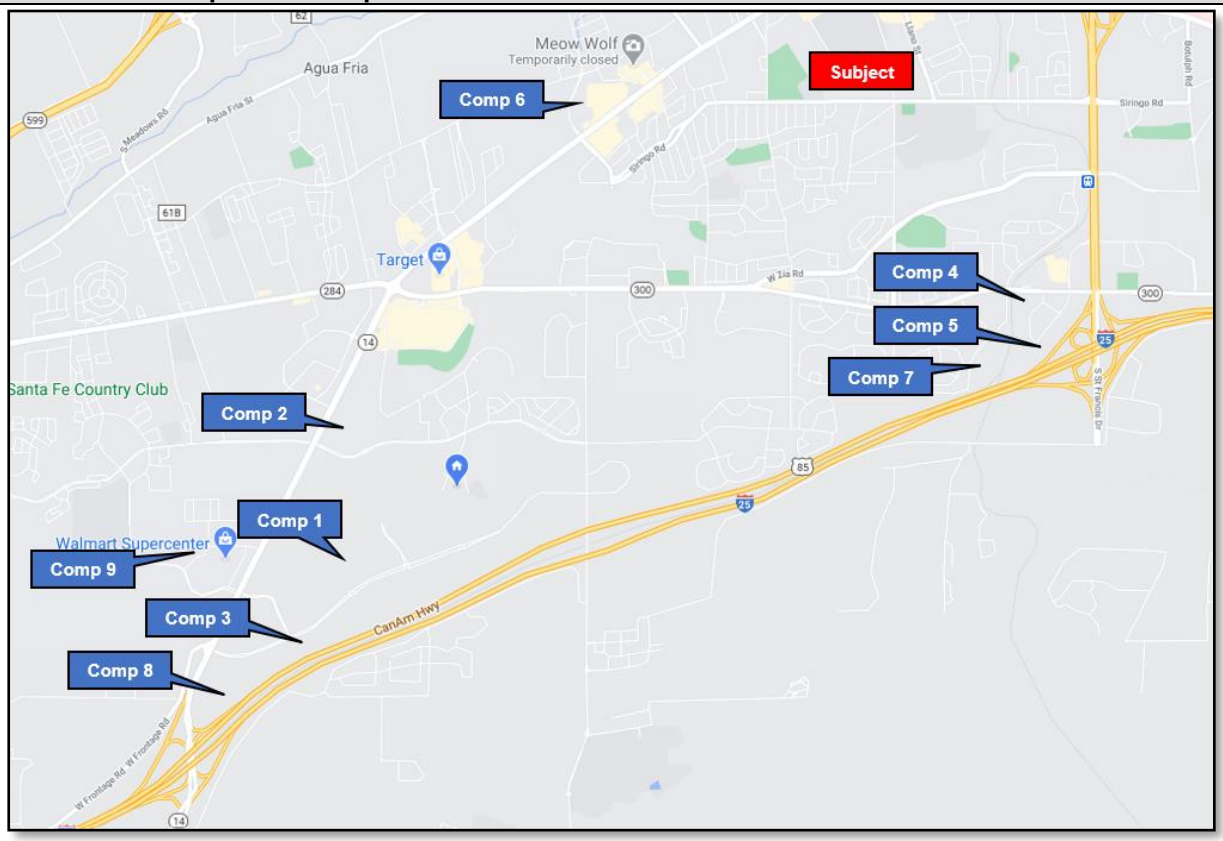
While there are seldom exact duplicate properties available to a buyer, the prices paid for similar properties are indicative of value. In this approach to value a common denominator is used in comparing sales to the subject's land. In this particular case, the price per square foot was used. The initial search for sales was limited to land with similar utility/use-shared Highest and Best Use. Based on the limited number of sales in general, the search was extended to include commercial sales sharing attributes and competing neighborhoods in Santa Fe. The comparables are summarized in the following chart and described individually on the pages following the chart.

COMMERCIAL VACANT LAND COMPARABLES

No.	Location	Date of Sale	Sales Price	Size (sf)	Price Per sf
1	5011 Las Soleras Drive	08/2016	$1,583,842	349,787	$4.53
2	6820 Cerrillos Road	10/2016	$1,350,000	217,364	$6.21
3	5376 Beckner Road	10/2017	$1,200,000	291,765	$4.11
4	2952 Rodeo Park Dr West	10/2017	$1,800,000	344,560	$5.22
5	2977 Rodeo Park Dr East	12/2017	$1,188,317	148,583	$8.00
6	Lot 2-Richards Avenue (north of Cerrillos)	03/2018	$1,875,000	317,552	$5.90
7	2981 Galisteo Road	01/2020	$1,100,000	275,517	$3.99
8	5200 Beckner Road (Lot 2B)	01/2020	$3,544,655	495,756	$7.15
9	Lot 4-A1 - 4900 Hernandez Rd	06/2020	$2,172,576	324,261	$6.70
Note					
Comparables 1, 4, 6, 8 and 9 were purchased for multi-family development. Comparables 2, 3, 5 and 7 are commercial tracts that share utility/potential with the multi-family comparables, but also include some commercial development potential					

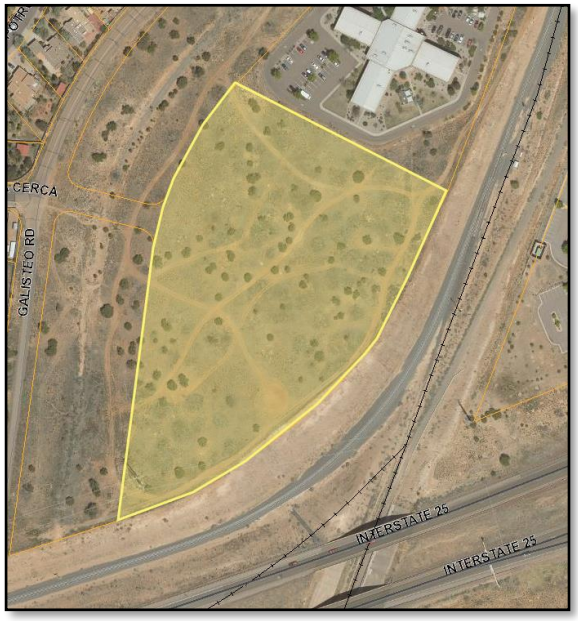
[14] Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed., (Chicago: Appraisal Institute, 2022), p. 170

Land Sales Comparables Map



Land Sales Comparables - Details		
1		• **Location: 5011 Las Soleras Drive (Lot 10)** • Grantor: Las Soleras Center, LLC • Grantee: Spectrum Acquisitions Santa Fe • Date of Sale: 08/2016 • Sales Price: $1,583,842 • Terms: cash/cash equivalent • Land area: 8.03 acres or 349,787 square feet • Price per SF: $4.53 • Comments: Located in Las Soleras proximity to I-25. Purchased for development of assisted living facility.
2		• Address: 6820 Cerrillos Road • Date of sale: 10/2016 • Grantor: Cloverdale LLC • Grantee: Carmax • Price: $1,350,000 • Terms: Cash to seller • Land area: 4.99 acres or 217,364 SF • Price per SF: $6.21 • Zoning: C-2 • Comments: Purchased with adjacent property at 6800 Cerrillos: assemblage. Property is improved with a dilapidated hotel/service station with aged/limited infrastructure. Improvements to be demolished: estimate $160,000. Rear of tract has slopes and a portion of flood plain. Flood plain can be used for open space (open space requirement without water harvesting: 25%). The area in the flood plain represents an area less than 25% of the entire site. Based on this, the gross size of the site is used in the price per square foot calculation. However, based on the slopes, the rear of the site not in the flood plain likely has less utility. Green: Flood plain
3		• **Location: 5376 Beckner Road (Lot 28-F1)** • Grantor: Beckner Road Equities • Grantee: Presbyterian • Date of Sale: 10/2017 • Sales Price: $1,200,000 • Terms: cash/cash equivalent • Land area: 6.698 acres or 291,765 square feet • Price per SF: $4.11 • Comments: Located in Las Soleras adjacent to I-25. Purchased for use for support services for Presbyterian Hospital.

Land Sales Comparables - Details		
4		• **Location: 2952 Rodeo Park Dr West** • Grantor: Jeb Rob • Grantee: Titan • Date of Sale: 10/2017 • Sales Price: $1,800,000 • Terms: cash/cash equivalent • Land area: 344,560 square feet • Price per SF: $5.22 • Comments: Located in Rodeo Business Park. It has frontage on Rodeo Park Dr West and Rodeo Road. Purchased for development of apartments.
5		▪ **Location: 2977 Rodeo Park Dr East** ▪ Grantor: SFMC Investments II ▪ Grantee: Titan ▪ Date of Sale: 12/2017 ▪ Sales Price: $1,188,317 ▪ Terms: cash/cash equivalent ▪ Land area: 148,583 square feet ▪ Price per SF: $8.00 • Comments: Located in Rodeo Business Park. Purchased for development of self-storage

Land Sales Comparables - Details		
6		• **Location: Lot 2 Richards** • **(north of Cerrillos)** • Grantor: Hyder • Grantee: KLG 26 (Kassam) • Date of Sale: 03/2018 • Sales Price: $1,875,000 • Terms: Real Estate Contract – interest rate is below market, but due to the relatively short period, the impact is considered minimal • Land area: 317,552 square feet or 7.29 acres • Price per SF: $5.90 • Zoning: C-2 • Comments: Located in commercial node between big box retailers in a secondary location to Cerrillos Road. Purchased for multi-family development.
7		• **Location: 2981 Galisteo Road** • Grantor: B&E LP • Grantee: Anchorum • Date of Sale: 01/2020 • Sales Price: $1,100,000 • Terms: cash/cash equivalent • Land area: 275,517 square feet or 6.325 acres • Price per SF: $3.99 • Zoning: BIP • Comments: Located in Rodeo Business Park, but isn't accessed from within the park. Access is through the residential neighborhood to the west. Purchased for low intensity office or similar/related use after further subdivision.

Land Sales Comparables - Details		
8		• **Location: 5200 Beckner Road** • Grantor: The Tanager Company LLC • Grantee: TA Las Soleras, LLC • Date of Sale: 01/2020 • Sale Price: $3,544,655 • Sale Terms: Cash equivalent • Land Area: 495,756 square feet • Price per SF: $7.15 • Zoning: C2 • Comments: Las Soleras Development (residential, institutional and commercial development-local, regional and national) in a high profile/visibility location. Property purchased for development of apartments.
9		• **Location: 4900 Hernandez Road Lot 4-A1** • Grantor: Henry Oliver III Family Limited Partnership • Grantee: Next Generation Contracting LLC • Date of Sale: 06/2020 • Sale Price: $2,172,576 • Sale Terms: Cash/Cash equivalent • Land Area: 324,261 square feet • Price per SF: $6.70 • Zoning: I1 • Comments: Entrada Contenta – developed lot at the back of the development. Property purchased for apartments.

Analysis and Value Conclusion

The comparables represent the most recent sales of vacant land parcels that share the same general attributes of the subject. Several elements of comparison can affect the value of vacant land. The elements of comparison and their resulting adjustments fall into two categories: transactional adjustments and property adjustments.

CHART OF ADJUSTMENTS

Category	Adjustment
Transactional	Real property rights conveyed Financing terms Conditions of sale Expenditures made immediately after purchase Market conditions
Property	Physical characteristics Location Economic characteristics Use/zoning Non-realty components value

These elements are analyzed to determine if an adjustment is required. They are discussed below and the findings summarized and reconciled on a comparison grid at the end of the land valuation section. Only those items requiring adjustment are discussed. The transactional adjustments are applied in sequence. The property adjustments do not need to be applied in a specific sequence.

Transactional Adjustments

Real property rights conveyed: All of the sales were fee simple.

Financing terms: Comparables 1-5 and 7-9 are believed to be cash or cash equivalent. Comparable 6 was purchased with a real estate contract (REC). It was reported to be below market, but due to the short term of the REC, the impact of the bellow market rate had limited materiality. No adjustment was made to the comparables for financing/terms of sale.

Conditions of sale: Conditions of sale relates to any undue pressure on either the buyer or the seller. None of the comparables required an adjustment for Conditions of Sale.

Expenditures after sale: Comparable 2 was improved at the time of sale. The buyer intends to demolish the improvements and redevelop the site. The estimated demolition expense for this comparable is in the following table.

Comparable	Demolition Estimate
2	$160,000

None of the other comparables required any expenditure-after-sale.

Market conditions:

Comparables: Date of Sale
The sales span a time period of 86 months from the first sale to the date of valuation, November 15, 2023.

Based on the current market and improvement/appreciation in some of the submarkets, it is reasonable to expect values might have changed over that time period. The most accurate measure of change in value is the comparison of a sale and resale of the same property. The subject is comprised of vacant land (primarily) with a highest and best use of multi-family/high density development. The comparables include tracts purchased for multi-family development and in city commercial lots that share locational attributes and potential. Over the past three years, the market has produced varying levels of appreciation. Lacking the volume of large land sales, the search was extended to smaller lots.

Sales of lots on Thomas Road/Court were analyzed. These sales occurred during the beginning of the recovery.

Time of Sale Comparison		
Comparison 1		
Property	Date	$/SF
3812 Thomas Road – Lot 14	02/2016	$3.81
3816 Thomas Court – Lot 13	07/2017	$4.65
Difference	17 months	22.05%
Adjustment-per month		1.30%
Comparison 2		
Property	Date	$/SF
3808 Thomas Road – Lot 15	02/2016	$3.28
3816 Thomas Court – Lot 13	07/2017	$4.65
Difference	17 months	41.77%
Adjustment-per month		2.46%

The listing broker for these properties was consulted. He stated that the original sales in 2016 had been held for a long time. Once they sold and the market was

showing additional signs of recovery, the increased demand and lack of inventory in this property class (light industrial/business park) drove the price increase. He felt the overall market was showing varying degrees of appreciation, but this portion of the market showed an extreme price appreciation, probably due to the significant price depreciation that occurred during the downturn.

The residential market has been particularly dynamic since 2018 with a range of appreciation from 0% to 1% per month. Based on the range, the median residential lot value in Santa Fe is used as the basis of comparison. The annual residential lot sales in the City of Santa Fe from the MLS are in the following table.

Year	Residential Lot Median Sales Price
2018	$185,000
2019	$150,000
2020	$176,000
2021	$245,000
2022	$240,250

Based on this table, the average residential lot sale has shown an appreciation rate of 0.5% per month [($240,250/$185,000)-1 divided by 60 months]. It should be noted that the subject is a mixed-use development and the residential component of the property may be comprised of multiple residential uses: single family to multi family. In addition, larger properties didn't consistently show the same level of appreciation and appears to have started later.

Based on this discussion and the subject's attributes, including large size, mixed-use and range of use, an appreciation rate of 0.4% per month (+0.4% per month), which is consistent with the historical appreciation rates in the Santa Fe, is extrapolated for the comparables beginning in January of 2019, through December of 2022.

Note
Application of the market conditions adjustments are applied to the comparables based on the time between recordation of the sale and the effective date of the appraisal – the month of the date of recordation and the month of the effective date of value are not included.

Property Adjustments

Physical characteristics: Physically, the comparable lots are all commercial lots (multi-family, other) within the city and surrounding area and share similar attributes. The sizes of the comparables range from 148,583 square feet to 495,756 square feet. Normally, as the size of a site increases the price per square foot will decrease. The

comparables did not form the basis of a comparison. Therefore, the search is extended to competing commercial markets in Santa Fe. Two sales of commercial properties within Santa Fe are compared. The comparison is based on the price per square foot after adjustment for market conditions.

SIZE COMPARISON

Property	Market condition adjusted $ per sf*	Size	Adjustment
2947 Rodeo Park East	$9.12	24,829	
Tract C-12-A - Rodeo Park Dr. East	$7.83	72,750	
Difference	-$1.29	-47,921	$0.027 per 1,000 sf

*Market condition adjusted

A size adjustment was found by comparison of the sale of two commercial properties on Cerrillos Road located in the subject's neighborhood. The first sale is adjusted for time based on the time-of-sale adjustment previously estimated.

SIZE COMPARISON

Property	$ per sf	Size	Adjustment
3561 Cerrillos Rd	$14.16*	45,477	
2600 Cerrillos Rd	$12.92	129,373	
Difference	-$1.24	83,896	$0.015 per 1,000 sf

*Market condition adjusted

This comparison produced an adjustment of $0.015 per 1,000 square feet. However, size trends within the comparable data are conflicting. The subject is significantly larger in aggregate than the range produced by the comparables. Based on this, with consideration of the subject's size in aggregate, the sales comparables and these comparisons, a size adjustment of $0.002 per 1,000 square feet is extrapolated.

Location: Location is one of the most important value determining factors for commercial property due to high traffic exposure. The comparables and subject are located within the same general neighborhood and competing neighborhoods. The locations of the comparables and subject are located in the following table.

COMPARABLE LOCATION

No.	Location
1	Las Soleras, with visibility from internal to development and from I-25
2	Location on Cerrillos Road on a major entry point to Santa Fe
3	Las Soleras, with visibility from internal to development and from I-25/adjacent to I-25
4	Rodeo Business Park – on Rodeo Road
5	Rodeo Business Park, visibility from internal to development and from I-25/adjacent to I-25
6	Location secondary to Cerrillos Road in an area of commercial development
7	Rodeo Business Park, limited to no visibility from development; visibility from I-25/adjacent to I-25
8	Las Soleras, with visibility from internal to development and from I-25
9	Entrada Contenta – anchored by Walmart, in a secondary location
Subject	Siringo Road and Alumni Drive at the entry to the Midtown development. Subject lots are located in a centralized location with ready access to all the quadrants in the city.

The locations of the comparables are throughout the City of Santa Fe and relative consistency with the subject. However, it should be noted that the subject is located in a centralized location in Santa Fe and is the farthest north in the city. Comparables 1, 3 and 8 are located within Las Soleras (area of growth/new housing); Comparables 4, 5 and 7 are located within Rodeo Business Park (south of the subject on the north side of I-25/identified as the southeast quadrant); and Comparable 9 is located within Entrada Contenta (west of Las Soleras). The subject based on utility and location should compete well with these developments once complete. Based on the locational attributes and relative similar utility, a location adjustment is not applied to the comparables, and specific location attributes are considered in the reconciliation.

Conclusion: The adjustments are summarized in the following adjustment chart. Only those items requiring adjustment are included.

LAND SALES ADJUSTMENT CHART:

Comparable	Subject	1	2	3	4	5	6	7	8	9
Sale Price ($)		**$1,583,842**	**$1,350,000**	**$1,200,000**	**$1,800,000**	**$1,188,317**	**$1,875,000**	**$1,100,000**	**$3,544,655**	**$2,172,576**
Expenditures		$0	$160,000	$0	$0	$0	$0	$0	$0	$0
Market conditions/	11/2023	08/2016	10/2016	10/2017	10/2017	12/2017	03/2018	01/2020	01/2020	06/2020
Adjustment		$304,098	$228,480	$230,400	$345,600	$228,156	$360,000	$154,000	$496,252	$260,709
Preliminary adjusted $		**$1,837,940**	**$1,418,480**	**$1,430,400**	**$2,145,600**	**$1,416,473**	**$2,235,000**	**$1,254,000**	**$4,040,907**	**$2,433,285**
Comparison unit size (sf)	243,187 sf	349,787	217,364	291,765	344,560	148,583	317,552	275,517	495,756	324,261
- adjusted $		$5.40	$6.53	$4.90	$6.22	$9.53	$7.03	$4.55	$8.15	$7.50
Size Adjustment		$0.21	-$0.05	$0.10	$0.20	-$0.19	$0.15	$0.06	$0.51	$0.16
Final adjusted Sale $ per sf		**$5.61**	**$6.48**	**$5.00**	**$6.42**	**$9.34**	**$7.18**	**$4.61**	**$8.66**	**$7.66**

Reconciliation

Comparables	Range: Adjusted $/SF	Average: Adjusted $/SF
All: 1-9	$4.61 to $9.34	$6.77

Comparables 1, 3 and 8 are within the Las Soleras (mixed-use development); Comparable 2 is located on Cerrillos Road and Comparable 6 is located on Rufina in a secondary location to Cerrillos Road; Comparable 9 is located in the Entrada Contenta (anchored by Walmart – mixed-use development); and Comparables 4, 5 and 7 are in Rodeo Business Park. Comparable 6 is a commercial tract purchased for the development of apartments. The subject includes attributes similar to all the comparables: primary and secondary/tertiary locations, high to moderate visibility as well as commercial residential utility (multi-family). Comparables 1-5, 7-8 and 9 are located near I-25 at major entry points to Santa Fe. Comparable 6 is located further north in a more traditional commercial area. However, it is located in a secondary location to Cerrillos Road. The subject is well located/centralized in the city and is subject to the Midtown LINC and benefitted by the master planning of the Midtown development. With consideration of this discussion and the subjects' attributes, the upper end of the range is weighted and $9.00 per square foot is selected.

Final Value – Excess land	
$9 per square foot X 195,275 sf =	$1,757,475
Rounded	$1,760,000

Final Value

To produce a final value for the subject the various contributory values of the structures (with inherent lands) are considered. Based on a lot coverage analysis, the appraiser determined that there was excess land. Lastly, because there are structures that have no more economic life, an estimate of value to demolish and remove these structures is discounted from an overall value. A summary of the final value is shown below.

Component	**Value**
Benildus Hall - Office	$2,590,000
Garson Studios – Soundstage/Office	$6,100,000
Driscoll – (future) Soundstage/Office	$950,000
Excess land	$1,760,000
Final Value	**$11,400,000**

Extraordinary Assumptions
The property is subject to at least two City of Santa Fe Resolutions (No. 2018-54 and 2022-12), which result in the proposed, and now assumed, rezoning from a R-5 Residential Zone to a C-2 General Commercial District. If this assumption should prove to be inaccurate, the subject's value could be impacted.
The property has had two Phase 1 and one Phase 2 Environmental Site Assessment Reports completed and it is assumed any and all environmental concerns were addressed. If this assumption should prove to be inaccurate, the subject's value could be impacted.
The subject has excess land. No survey or engineering report has been provided to the appraiser to calculate the excess land. The appraiser has utilized lot coverage ratios in order to produce an amount of excess land. If this assumption should prove to be inaccurate, the subject's value could be impacted.
According to the appraiser the Driscoll structure should be converted into a soundstage with the remaining space used as supportive office. There have been some structural issues identified that could make the conversion of the building inappropriate. If the structure is found to be structurally adequate or financially feasible to be renovated to be adequate, the results of this appraisal are subject to change.
Note: If these assumptions should prove inaccurate, the subject's value could be impacted.

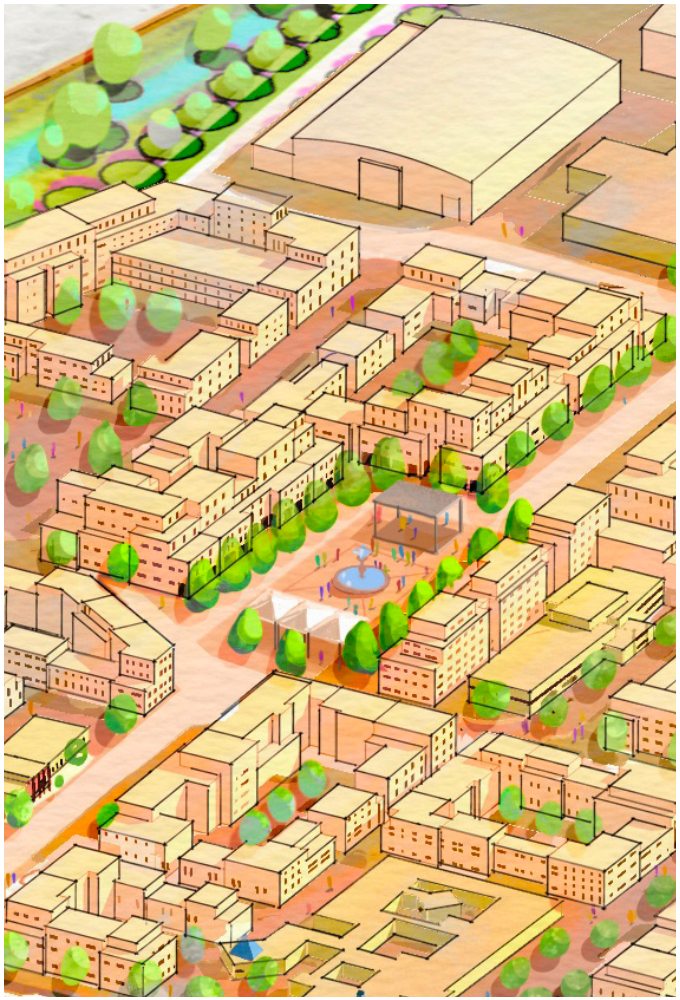
ADDENDA

MIDTOWN MASTER PLAN ‘AT A GLANCE’

MIDTOWN
SANTA FE

PROPOSED MASTER PLAN

AT-A-GLANCE





The Midtown Master Plan

To create a dynamic new center for Santa Fe this Plan takes into account necessary physical elements and intangible cultural and social considerations that are critical to support a vibrant community at the Midtown Site. Plans include two key components:

Midtown Community Development Plan

Defines social, cultural, and programming goals and articulates implementation policies for development at the Midtown Site, including established affordable housing goals.

Master Plan

Sets the physical legal requirements and the physical framework for development. It includes regulations for what will get built on the Midtown Site, and policy guidance for how new development and improvements around the Site can be complementary.

It can be thought of as providing the physical "container" for the programming and policy concepts described in the Community Development Plan.

Sets a long-term vision for a new kind of Santa Fe neighborhood.

The Plan lays the foundation for a sustainable, walkable new center for Santa Fe that embodies local culture, climate and ambition for the future.

Is flexible without compromising community values.

Since the Midtown Site may develop over many years, the Plan provides flexibility to respond to changing conditions while establishing clear requirements for plan elements that are critical for achieving the community's vision.

Acknowledges Santa Fe's history but is forward looking.

Santa Fe has a rich history that informs its present and inspires its future. Similarly, the Midtown's Site history will catalyze its future through the reuse of existing buildings and expansion of film studio and public uses.

Holds future development to a high standard.

The Plan includes specific standards that future developments on the Midtown Site must follow. These standards will support a development that is accessible, beautiful, and inviting to all.

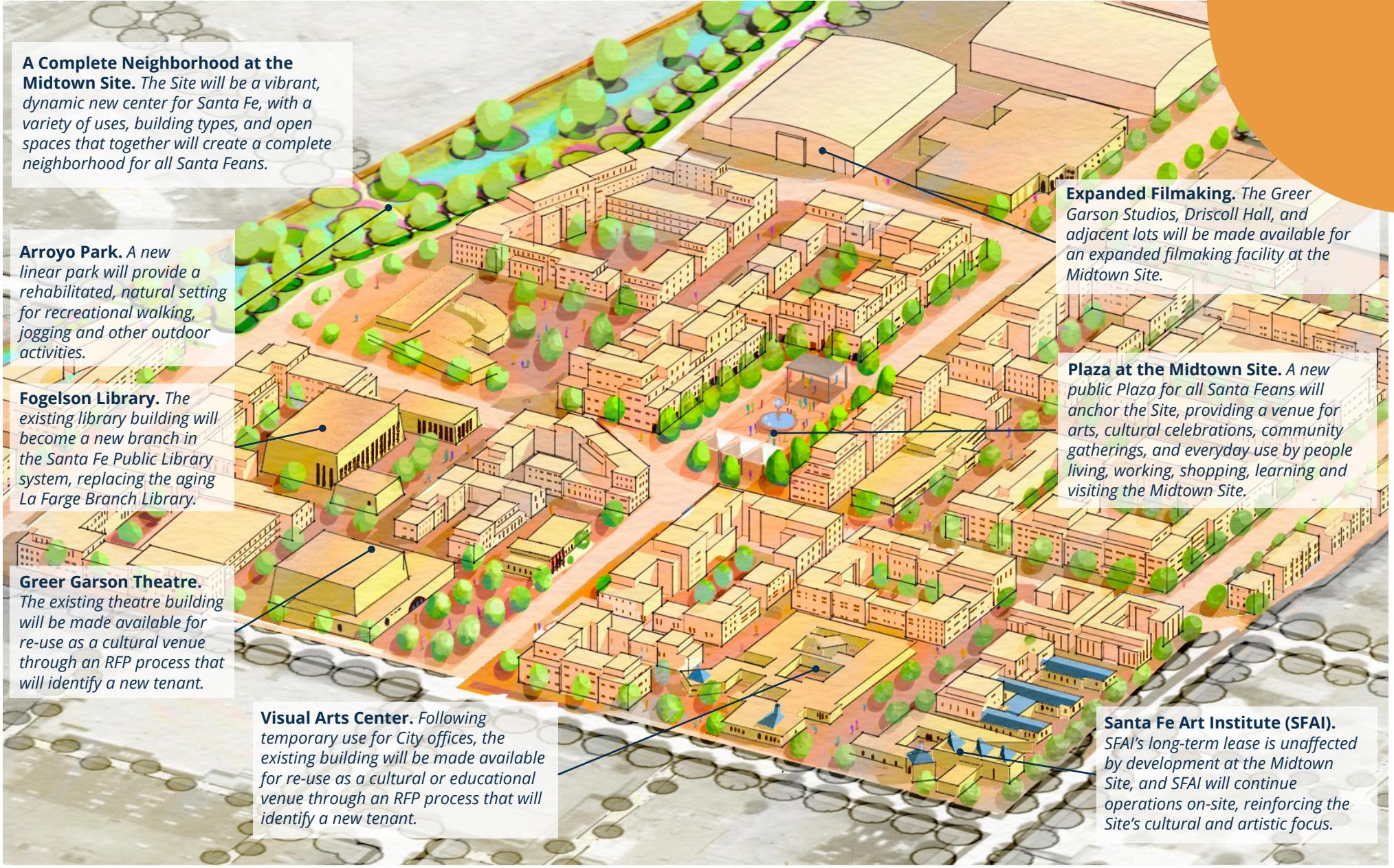
Supports and connects existing neighborhoods.

The Plan prioritizes safe and convenient connections between the Midtown Site and nearby neighborhoods, providing current residents access to new amenities and community uses at the Midtown Site.

Is a plan for everybody!

The Midtown Site will become a new center for Santa Fe, with open spaces, community uses, and new amenities that will serve all Santa Feans. Better connectivity and mobility will make the Site easier, safer and more convenient to reach across the City.





A NEW CENTER FOR SANTA FE

The Midtown Site will be a center for arts, culture, celebrations and everyday life, anchored by a new Plaza and community-serving uses in historic buildings.

connecting communities



MOBILITY AND ACCESS

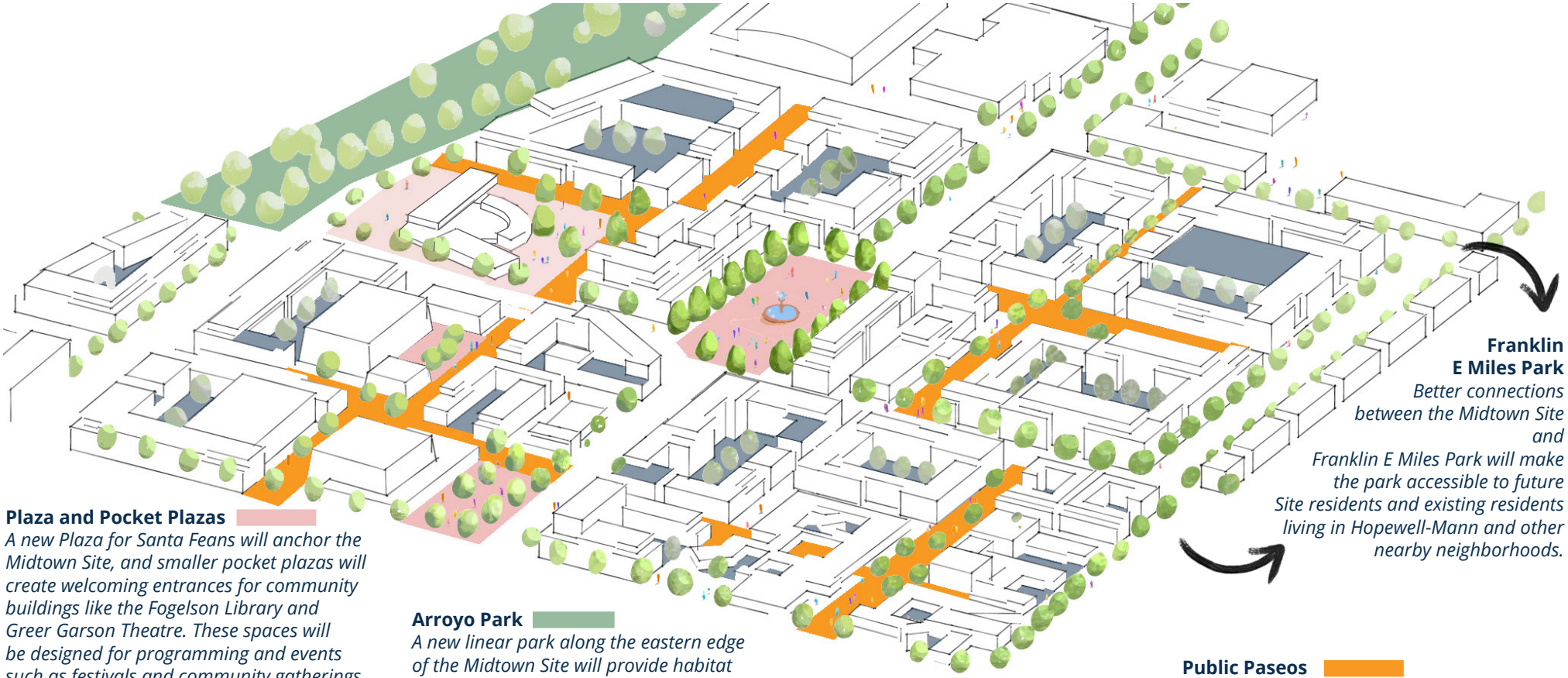
New streets and paseos, and improvements to existing streets, will make the Midtown Site more accessible and provide better connections to nearby neighborhoods and destinations.

People Walking and Rolling. *All streets on the Midtown Site will include shaded sidewalks and crosswalks at intersections. Pedestrian paseos will provide easy access between destinations and help to reduce walking distances at the Site. The Plan provides guidance for how these networks can extend across greater the Midtown Site.*

People Riding Bikes. *All streets on the Midtown Site will be comfortable for people with varying levels of bike riding confidence. Marked bicycle lanes and multi-use paths will provide dedicated routes for people riding bikes within and across the Site.*

People Taking Transit. *New external pedestrian connections to transit stops along Cerrillos Road, St. Michael's Dr and Siringo Rd will make taking transit to and from the Site easier and more convenient.*

People Driving Cars. *While other modes of travel will be prioritized at the Midtown Site, studies for traffic and parking have shown that planned facilities will be able to accommodate future vehicle traffic generated by activities at the Site.*



Plaza and Pocket Plazas
A new Plaza for Santa Feans will anchor the Midtown Site, and smaller pocket plazas will create welcoming entrances for community buildings like the Fogelson Library and Greer Garson Theatre. These spaces will be designed for programming and events such as festivals and community gatherings, and will help to promote a lively, dynamic environment at the Midtown Site that reinforces the neighborhoods role as a new center for Santa Fe.

CIVIC AND OPEN SPACE

The Midtown Site will have over 29 acres of open spaces designed to host a variety of activities in diverse outdoor settings designed to respond to the climate and culture of Santa Fe. These public spaces will be designed for hosting a broad range of community festivals and events, such as powwows, and arts, film and music festivals.

Arroyo Park
A new linear park along the eastern edge of the Midtown Site will provide habitat for native species and form an important north-south connection for people walking, rolling, and riding bikes. Green infrastructure will be integrated into open space design to incorporate sustainable stormwater management strategies.

Open Spaces on Development Parcels
New development at the Midtown Site must include outdoor space in the form of courtyards and roof terraces. These spaces will help to provide additional outdoor access for residents and workers at the Site.

Public Paseos
These walkways will connect open spaces and community use buildings around the Midtown Site. In addition to their role as connectors, these spaces can also be used for passive recreation, strolling, and catching up with neighbors on shaded benches.

Franklin E Miles Park
Better connections between the Midtown Site and Franklin E Miles Park will make the park accessible to future Site residents and existing residents living in Hopewell-Mann and other nearby neighborhoods.

gathering + recreation

authentic + appropriate

SENSE OF PLACE

Standards in the Plan require new buildings to reflect the climate, culture and urban form of Santa Fe so the Midtown Site will have an undeniably local sense of place.

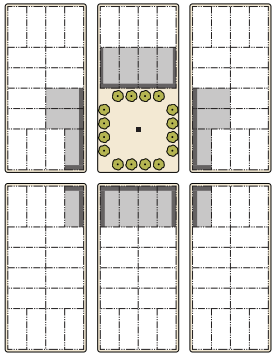




Emphasis on the Public Realm
The Master Plan prioritizes a high-quality public realm — the streets, sidewalks, and open spaces that will characterize the experience of being in the Midtown Site.

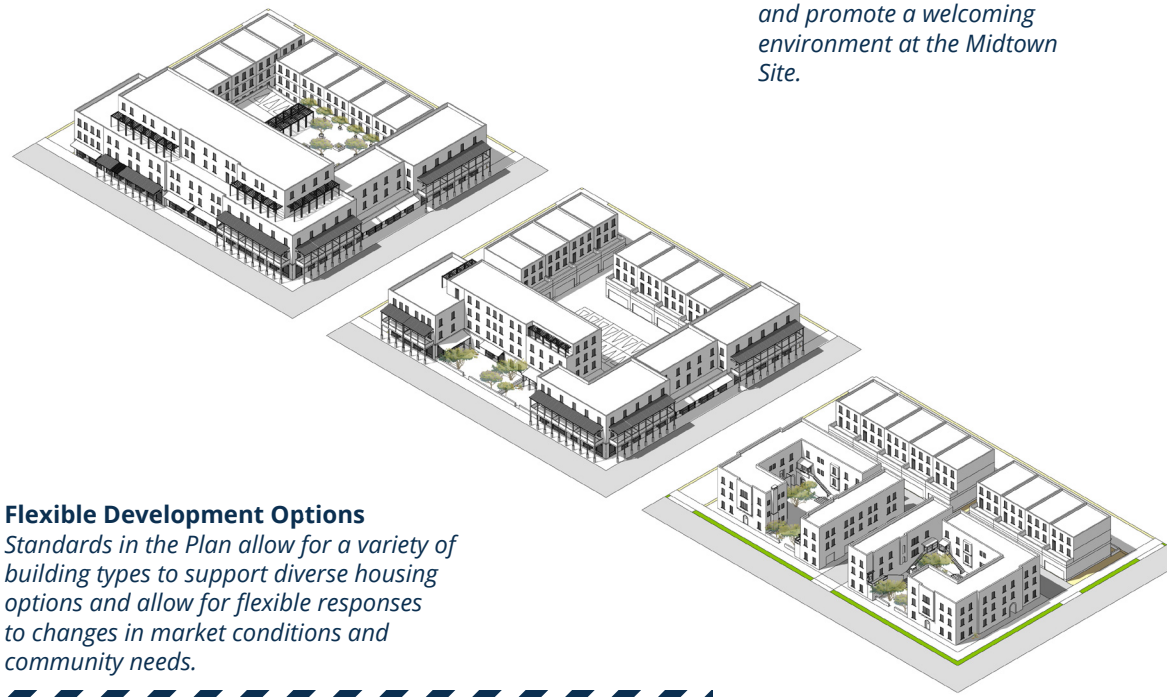


Sizing Buildings for Santa Fe
Development standards require height stepbacks and establish maximum building dimensions to promote a scale of development that is consistent with Santa Fe's existing urban form while providing substantial opportunities for the construction of new housing and employment spaces at the Site.



Prioritize Open Spaces
Development standards will require buildings adjacent to open spaces to engage with the space through frontage designs that will help to activate the space and promote a welcoming environment at the Midtown Site.





Flexible Development Options
Standards in the Plan allow for a variety of building types to support diverse housing options and allow for flexible responses to changes in market conditions and community needs.

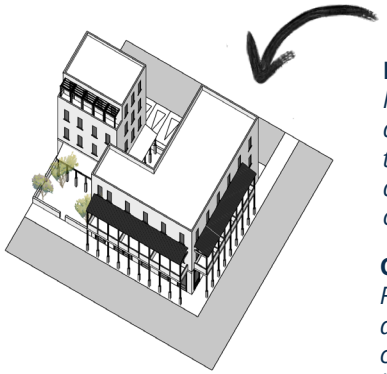


Not "One-Size Fits All"
Vibrant neighborhoods are unique places, with a variety of buildings, uses, and spaces. Standards in the Plan will support a diverse neighborhood at the Midtown Site.

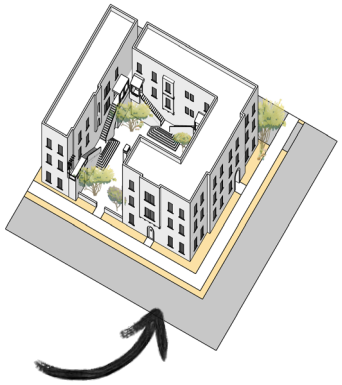
desirable living options

Housing Choices and Affordability

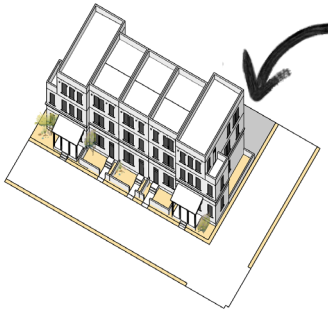
People who call the Midtown Site home will reside in a variety of affordable and market-rate units, in diverse building types that provide options for different unit sizes, prices, and lifestyles.



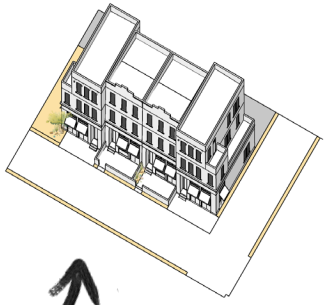
Mixed-Use Buildings
Residences are located above active uses on the ground level such as shops, cafes and community spaces.



Courtyard Buildings
Residences are oriented around a shared courtyard for use by residents of the buildings.



Rowhouse Buildings
Residential units are located side-by-side with small front dooryards and sideyards for corner units.



Live/Work Buildings
Flex spaces for small businesses and artist studios are located below a residential unit where the business owner/artist lives.

At least 30% of homes developed at the Midtown Site will be priced affordability for low and moderate-income households. The City will work to ensure that community objectives around affordable housing can be realized and that affordable housing can be sustainable and long-term.

Efforts to ensure affordable housing at the Midtown Site will include:

- Housing projects developed at the Midtown Site will provide affordable housing through the City's Housing Inclusionary Zoning requirements, including the Santa Fe Homes (SFCC 26-1) and Low-Priced Dwelling Unit Programs (26-2).
- In addition the City intends to work with developers at the Midtown Site to create additional opportunities for mixed-use, mixed-income development through:
  - requirements for inclusionary homeownership units with affordability controls or deed restrictions that provide long-term affordability;
  - requirements for affordable rental units, also with deed restrictions or covenants that provide long-term affordability;
  - options for developers to provide cash contributions in lieu of affordable housing units that will generate affordable housing construction within the Midtown Site/ LINC Overlay zoning area - the Midtown District; and
  - incentives to generate diverse tenure models on certain parcels, including shared equity models like community land trusts and co-housing.

Housing at the Midtown Site is expected to include a broad variety of housing types and sizes that help to meet the diverse housing needs of Santa Feans.



Administration Building*



Benildus Hall



Fogelson Library Complex*



Greer Garson Studio Complex*



Greer Garson Theater Center*



Visual Arts Center

** Denotes building designed by local architect Philippe Register, a practitioner of "southwest regional modernism" that is unique to Santa Fe.*



REUSE OF EXISTING BUILDINGS

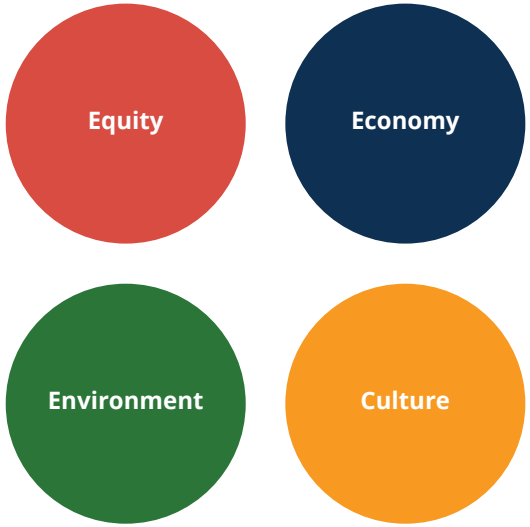
The buildings indicated on the map will be adaptively reused to honor the history of the Midtown Site while providing venues for cultural uses and amenities.

leveraging our legacy

FROM VISION TO REALITY

The Midtown Master Plan provides a development framework to support future redevelopment activity at the Site. It is the first step in creating a new center for Santa Fe at the Midtown Site.

Elements of Sustainable Development
More than 2,800 people shared their ideas for the Midtown Site as part of the initial outreach process, which concluded in 2018. Based on the input received, four elements were identified to guide development.



Sustainable Development

The Plan lays the groundwork for a neighborhood that is environmentally, economically, socially and culturally sustainable, reinforcing green design, affordable housing, access to amenities and services, and spaces for cultural activities.

History and Culture

To support cultural uses and historic remembrance, some existing buildings will be reused and civic spaces for cultural uses and gatherings will be provided. Santa Fe's history will be celebrated through place-based design that is responsive to local climate and culture.

Walkable

The Midtown Site will be a place where a person can walk, roll or bike to fulfill daily needs. Transit use will be supported, and while vehicular travel will be accommodated, alternative modes of active transportation will be prioritized.

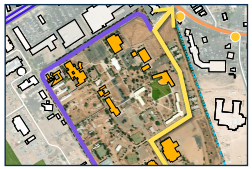
Housing Choice

The variety of building types enabled by the Plan lays the groundwork for more housing choices for Santa Feans, and provides the opportunity for both affordable and market rate housing at the Midtown Site.

A LOOK AT THE MASTER PLAN DOCUMENT



Chapter 1 Mission + Statement *Provides an overview of the Midtown Master Plan and its relationship to the City's planning framework.*



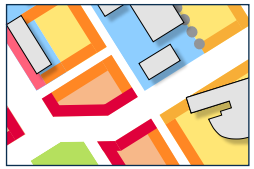
Chapter 2 Background + Setting *Summarizes existing conditions and identifies key characteristics of the Midtown Site and surrounding areas.*



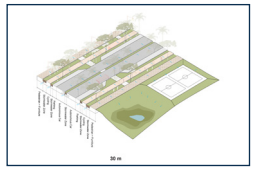
Chapter 3 Vision *Gives an overview of the development vision and phasing, and articulates goals for sustainability, mobility, stormwater, open space and built form.*



Chapter 4 Connectivity + Mobility *Defines and provides the design direction for the future street network, modal prioritization, and parking policies.*



Chapter 5 Development Standards *Establishes form-based development standards that regulate the future built character on the Midtown Site.*



Chapter 6 Infrastructure + Public Facilities *Describes green infrastructure and addresses necessary improvements for infrastructure and utilities.*



Chapter 7 Appendices *Includes supplementary documents developed throughout the Master Plan process.*

Zoning

The Midtown Site is currently zoned as single-family residential (R5). Only five homes per acre can be built in an R5 zone. To foster variety, the Plan proposes changing the zoning to C-2 (General Commercial District) which allows commercial and retail uses to be mixed with residential units and will enable many more homes to be provided at the Midtown Site.

Areas adjacent to the Site are currently zoned C-2. On their own, standards are designed to guide future additions or changes to existing strip commercial developments in the area.

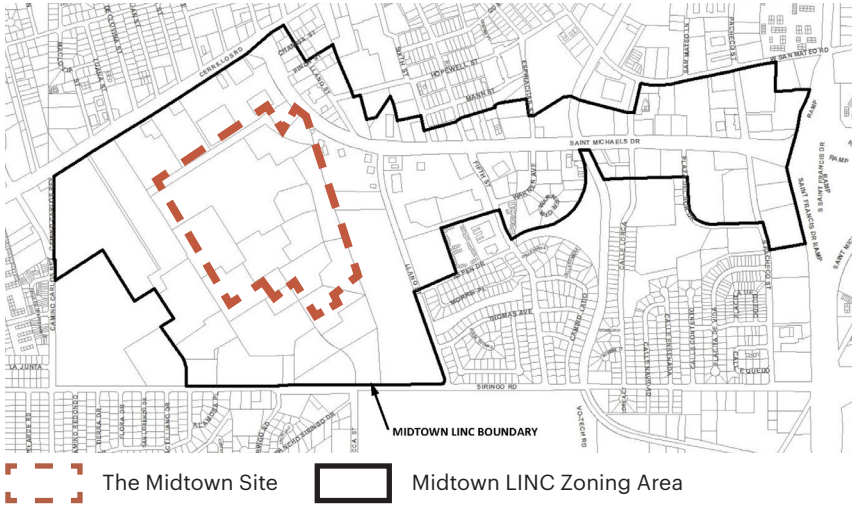
Together with new development standards included in the Plan, this update will ensure that the buildings, streets and public spaces that get built at the Midtown Site are consistent with the community's vision.

Midtown LINC Zoning Area

The Midtown Local Innovation Corridor Overlay District (Midtown LINC Zoning Area) aims to create a vibrant, mixed-use neighborhood within the demographic and geographic center of the city.

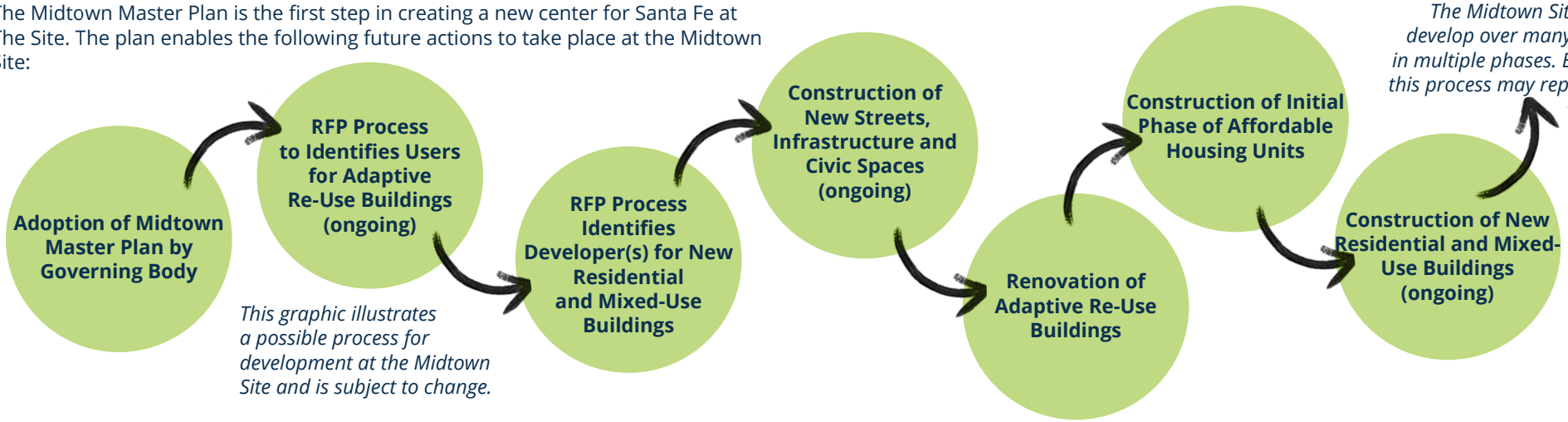
Adopted in 2016, it incentivizes multi-family residential development, complementary nonresidential uses, and an enlivened, street-oriented pedestrian environment by freeing development capacity of existing under-developed land and buildings, while allowing existing uses to continue as redevelopment occurs.

The Plan provides guidance for how nearby properties in the LINC can evolve to be complementary with new development on the Midtown Site.



PROCESS

The Midtown Master Plan is the first step in creating a new center for Santa Fe at The Site. The plan enables the following future actions to take place at the Midtown Site:



This graphic illustrates a possible process for development at the Midtown Site and is subject to change.

The Midtown Site will likely develop over many years and in multiple phases. Elements of this process may repeat several times.



PREPARED BY:
SANTA FE OFFICE OF COMMUNITY
AND ECONOMIC DEVELOPMENT

planning@santafenm.gov

Learn more and stay up to date by visiting:

MidtownDistrictSantaFe.org

QUALIFICATIONS OF THE APPRAISER

APPRAISER'S QUALIFICATIONS- TIM CONNELLY, MAI

Professional Memberships

- Member of the Appraisal Institute – Designated as an MAI
- The New Mexico Real Estate Appraisers' Board (General Certification #03225-G)

Professional Education

- BS, College of Education, The University of Maryland (1988)
- Masters of Social Work, West Virginia University (1993)

Appraisal Courses and Seminars

- Real Estate Appraisal (1998)
- Applications of Real Estate Appraising (1998)
- National USPAP update (2001, 2006, 2011, 2013, 2015, 2017, 2018, 2020, 2022, 2023)
- Standards and Ethics (1998)
- Introduction to Income and Cost Approach (1998)
- FHA Appraising (1999)
- Appraising Small Commercial Properties (1999)
- Appraising Commercial and Industrial Properties (1999)
- The Narrative Report (1999)
- The Cost Approach (2007)
- Private Appraisal Assignments (2007)
- Appraisal Trends (2007)
- Construction Details and Trends (2007)
- Appraising Factory Built Housing (2007)
- Developing and Growing an Appraisal Practice (2007)
- Understanding Factory Built Housing (2007)
- Information Technology for Real Estate (2007)
- Appraising for the Secondary Market (2007)
- Income Capitalization (2007)
- Fair Housing (2007)
- Disclosures and Disclaimers (2011)
- Legal Descriptions (2011)
- Green Buildings (2011)
- Minimize your Liability (2011)
- Greening the Appraisal and Real Estate Industry (2011)
- Mortgage Fraud (2011)
- Sales Verification (2011)
- Land and Site Valuation (2011)
- REO and Foreclosures (2011)
- Environmental Issues for Appraisers (2011)
- Environmental Contamination of Income Properties (2011)
- General Appraiser Site Valuation & Cost Approach (2011)
- General Appraiser Sales Comparison Approach (2011)
- Statistics and Modeling (2011)
- General Appraiser Income Approach (2011)
- Expert Witness (2011)
- General Appraiser Market Analysis (2011)
- Advanced Market Analysis (2012)
- Advanced Income Capitalization (2012)
- Advanced Concepts and Case Studies (2012)
- Quantitative Analysis (2012)
- Business Practice and Ethics (2012)
- General Appraiser Report Writing (2013)
- Condemnation Appraising: Principles & Applications (2016)
- Valuation of Conservation Easements (2017)
- Regional Economic Forecast (2019)
- Residential Construction (2023)
- Fundamentals of Appraising Luxury Homes (2023)

Professional Experience

01/18 – Present:	Hippauf Dry & Connelly: CMO
05/11 – 12/17:	Hippauf and Associates, Inc., Appraiser
02/08- 02/11:	Westholm and Associates, Assistant Appraiser
03/05- Present	Self- employed, Conservation Consulting
03/00- 02/05	The Conservation Fund, Maryland Representative
01/98- 02/01	Mid-Shore Appraisal Service, Associate Appraiser

Clients

Clients include local and national lenders, attorneys, institutions, including state and local governmental entities, Non-government organizations and individuals.

Classes of Properties Appraised

Commercial, existing and proposed, such as offices, retail light industrial, self-storage, subdivisions, vacant land, special use properties, farm and ranch. Conservation easements.



State of New Mexico

NMRLD
NEW MEXICO REGULATION & LICENSING DEPARTMENT

Real Estate Appraisers Board

HEREBY CERTIFIES THAT

Tim Connelly

HAVING GIVEN SATISFACTORY EVIDENCE OF THE COMPLETION OF PROFESSIONAL AND OTHER REQUIREMENTS PRESCRIBED BY LAW IS GRANTED A LICENSE TO PRACTICE IN THE STATE OF NEW MEXICO

General Certified Appraiser

License No. 03225-G Issued 10/5/2011 Expires 4/30/2025

THIS LICENSE SHOULD BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS OR AS REQUIRED BY LAW