



Transit X, LLC offers a preliminary proposal for

Seaport District, Boston

For a privately-funded shared mobility service that is

High capacity • Automated • Wait-free
Solar powered • Last mile • Resilient

26-page companion Transit X Handbook is available at transitx.com/transitxhandbook.pdf



Project Description	Solar-powered automated transportation network infrastructure
Project type	Project financing of Green Infrastructure with Minimum Revenue Guarantees
Project cost	\$7 million
Structure	Equity and Debt
Debt term	10 years @ 5%
Equity terms	15 years with 15% Target IRR With a waterfall profit distribution of: 1. 90/10 split until Return of Capital, 2. then 50/50 until Target IRR met 3. then 10/90
Projected IRR	38%
ESG benefits	Extremely high

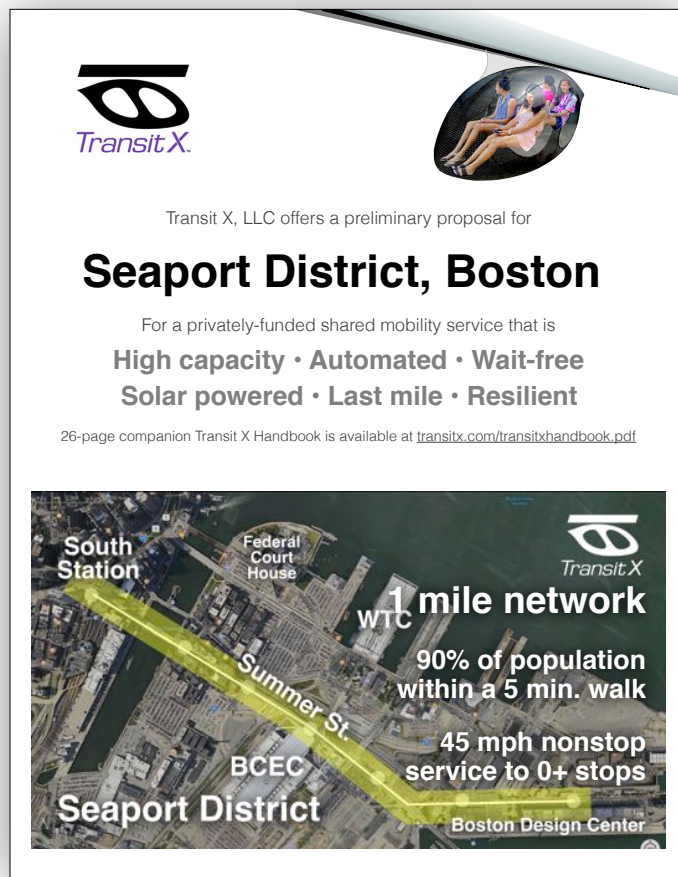
Financials

(US Dollars in millions)	Year 1	Total Years 1-10
Gross Revenues*	\$3	\$58
Operating Expenses	\$1	\$6
Debt service	\$1	\$6
Net Operating Income	\$1	\$46

* Gross Revenues are based on standard passenger fares and does not include other revenue sources such as: market-rate fares, freight, advertising, developer fees, pod leasing, private branch & stops, campus subsidies, bus contracts, carbon credits, conduit leasing, 3rd party services, para-transit, private shuttles, school busing, energy & storage tax credits, naming rights.

ESG (Environmental, Social, Governance) Benefits

Clean energy	yes	Resiliency	yes
Energy security	yes	Sustainable	yes
Emissions-free	yes	Equitable	yes
GHG-free	yes	Recyclable mat.	yes
Lowers pollution	yes	Affordable housing	yes
Clean water	yes	Improved Health	yes
Improved Safety	yes	Economic Devel.	yes
Fix Infrastructure	yes	Food security	yes



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1 mile network
90% of population within a 5 min. walk
45 mph nonstop service to 0+ stops

South Station, Federal Court House, WTC, Summer St, BCEC, Seaport District, Boston Design Center

About Transit X

Transit X designs, builds, and operates solar-electric shared mobility infrastructure to supplant buses, trains, cars, and trucks. Transit X offers its service to municipalities and commercial developers. A demonstration system will be ready in late 2017, and pilots will begin in 2018. Transit X is a privately held company founded in 2015, based in Boston, Mass, and intends to be certified as a public benefit company.

Status

	Now	Prior to close
Proven concept	Yes	Yes
Demonstration system	In development	Yes
Minimum Revenue Guar.	Verbal	Yes
Impact studies	TBD	Yes
Air rights	Letter of Intent	Signed agreement
Permits	Known process	Yes
Safety certification	Guar. fixed price	Yes
Construction (BOP):	Letter of intent	Guar. fixed price
Operations & Maint:	Letter of intent	Guar. fixed price
Project Engineering	TBD	25% design

General information available at transitx.com. Detailed information and references can be provided under appropriate non-disclosure/non-compete/non-circumvent agreements. Contact: Mike Stanley, CEO, Transit X, mike@transitx.com, 508-596-7024



Project inputs

Route length (km)	2
Starting Pods	44
Projected revenue growth	15%
Project Cost	\$7,055,363
% Debt financed	70%
Debt	\$4,938,754
Equity	\$2,116,609
Capital return per year	\$423,322
Target IRR	15%
Target return per year	\$317,491
Debt payment (per year)	\$639,591

Inputs/Assumptions

Travel per year per pod (km)	210,085
Revenue per vehicle-km	0.37
Cost per pod	\$5,000
OPEX as % of project cost	5%
OPEX as % of revenue	5%
Debt Interest rate	5%
Debt term (yrs)	10
Equity term (yrs)	15
Years to return equity capital	5
Below capital return investor share	90%
Below Target IRR investor share	50%
Above Target IRR investor share	10%

Pro Forma

Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Revenue	\$0	\$3,449,074	\$3,966,435	\$4,561,401	\$5,245,611	\$6,032,452	\$6,937,320	\$7,977,918	\$9,174,606	\$10,550,797	\$12,133,416	\$13,953,429	\$16,046,443	\$18,453,410	\$21,221,421
OPEX	\$0	\$525,222	\$551,090	\$580,838	\$615,049	\$654,391	\$699,634	\$751,664	\$811,498	\$880,308	\$959,439	\$1,050,440	\$1,155,090	\$1,275,439	\$1,413,839
Debt service	\$0	\$639,591	\$639,591	\$639,591	\$639,591	\$639,591	\$639,591	\$639,591	\$639,591	\$639,591	\$639,591	0	0	0	0
Free cash flow	\$0	\$2,284,261	\$2,775,754	\$3,340,971	\$3,990,971	\$4,738,470	\$5,598,095	\$6,586,663	\$7,723,516	\$9,030,898	\$10,534,386	\$12,902,989	\$14,891,353	\$17,177,971	\$19,807,582
Waterfall distribution															
1. Capital return	\$0	\$423,322	\$423,322	\$423,322	\$423,322	\$423,322	\$169,329	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Expected return	\$0	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491	\$317,491
3. Over Exp return	\$0	\$1,543,448	\$2,034,941	\$2,600,158	\$3,250,158	\$3,997,657	\$5,111,275	\$6,269,172	\$7,406,025	\$8,713,406	\$10,216,895	\$12,585,498	\$14,573,862	\$16,860,480	\$19,490,091
Investor share	\$0	\$694,080	\$743,229	\$799,751	\$864,751	\$939,501	\$822,269	\$785,663	\$899,348	\$1,030,086	\$1,180,435	\$1,417,295	\$1,616,132	\$1,844,794	\$2,107,755
Investor share %		30%	27%	24%	22%	20%	15%	12%	12%	11%	11%	11%	11%	11%	11%
Investor IRR	0%	13%	15%	18%	21%	24%	31%	37%	42%	49%	56%	67%	76%	87%	100%
Investor balance	-2,116,609	-1,422,529	-679,300	120,452	985,203	1,924,704	2,746,973	3,532,635	4,431,984	5,462,070	6,642,505	8,059,801	9,675,932	11,520,726	13,628,481
Investor IRR to date	loss	-67%	-22%	3%	17%	25%	29%	31%	33%	35%	36%	37%	37%	38%	38%

Important Notices

The information contained in this document is not an offer to sell or a solicitation to buy any security. These materials and documents and information from which they are derived or which are referred to by or accessible from them may contain forward looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 2E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward looking statements and are subject to risks and uncertainties. Forward looking statements generally can be identified by the use of forward looking terminology such as "may," "will," "expect," "intend," "estimate," "project," "anticipate," "believe" or "plan" or the negative thereof or variations thereon or similar terminology. Although Transit X believes that the expectations reflected in such forward looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. All forward looking statements speak only as of the date made. Except as required by law, Transit X undertakes no obligation to update any forward looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances. These materials and documents and information from which they are derived or which are referred to by or accessible from them represent Transit X's best estimate as to the allocation of the funding proceeds based upon its present business plan and financial condition. The costs and expenses to be incurred in pursuing the Company's business plan cannot be predicted with certainty. There can be no assurance that unforeseen events will not occur or that the Company's business plan will be achieved or that it will not be changed, and it is possible that the funding proceeds may be applied in a manner other than that described herein.

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Size of region	2.6	km ²	1.0 sq miles
Number of people in region (residents + visitors)	25,000		
Travel distance per year by all people (residents and visitors)	362,500,000	km	225,155,280 mi
Percentage of all travel that occurs within the region	10%		
Road coverage (percent of area conveniently served by paved roads)	80%		
Service area size	2.08	km²	0.8 sq miles
Coverage: percent of people convenient (5 min walk) to Transit X	90%		
Estimate #1 for network length based on desired coverage	2	km	1.4 miles
Length of paved roads (non-highway) in region	3	km	2.2 miles
Estimate #2 for network length based on length of public roadways	2	km	1.0 miles

Transit X network length **2 km** 1.4 miles

Route density ratio (route length to service area)	1.10		
Total costs for project not including pods	\$6,395,363		
...per person	\$256		
Mode share of travel on Transit X	77%		
Distance traveled on Transit X, per year	27,731,250	km	17,224,379 mi
...per day	75,976	km	47,190 mi
Daily number of people riding Transit X	19,125	customers	
Distance per Transit X customer per day	4	km	2.5 mi
Average trip distance	1	km	0.8 miles
Cost for an average trip (at \$0.30 per km)	\$0.40		
Distance traveled during peak hour	15,195	km	9,438 mi
Breakeven (customers per day)	3,483	customers	
Number of pods needed to meet peak demand	132	pods	
Distance per pod per year	210,085	km	
Pod shed parking volume [in cubic 40' shipping containers (sc)]	2	sc ³	
Cost of pods	\$660,000		
Cost of pod per person	\$26		

Project finances

Total project cost (privately financed)	\$7,055,363		
OPEX (O&M) per year	\$766,657		
Private equity	\$2,116,609		
Financed	\$4,938,754		
Gross Revenue from fares	\$8,277,778		
EBITA (Profit)	\$7,511,121		
Debt service	\$740,813		
OPEX + Debt service	\$1,507,470		
Net income	\$6,770,308		
Operating Margin	91%		
Project costs — per person	\$282		
Number of cars displaced	1,913	motor vehicles	
Yearly cost of cars displaced — per person	\$689		
Operating costs — per passenger-mile	\$0.09		
Breakeven revenue distance per day	13,836	km	8,594 mi
Network capacity (number of pods)	69	pods	
% of max network capacity at peak	96%		

Assumptions

Ratio of road length to track length	2	
Convenient walk time to Transit X route	5	min.
Walking speed	4.9	km/h (3 mph)
Width of convenient swath along track	0.82	km (1 mi)
Fixed cost for main route per km	\$3,100,000	
Fixed cost per km for branch	\$1,550,000	
Percentage of Dual Track	80%	
Average cost of fixed infrastructure per km	\$2,790,000	
Median distance traveled per person per year (for trips under 1600 km)	14,500	km (9,006 mi)
Mode share % of people convenient to Transit X	85%	
Percentage of daily travel during peak hour	20%	
Max capacity: number of pods per km of track	150	pods
Max track capacity during peak hour as % of capacity	20%	
Average speed of pod	72	km/h 45 mph
Average # of trips for people riding Transit X	3	per day
Average occupancy per pod	2	people
Maximum occupancy per pod	5	people
Empty pods: Percentage non-revenue vehicle travel	25%	
Cost per pod	\$5,000	
Median per capital income	\$25,000	
Base fare per km (per mile)	\$0.30	\$0.48
O&M as % of project cost	5%	
O&M as % of gross revenue	5%	
Percentage debt financed	70%	
Length of loan/debt	10	years
Interest rate for debt	5%	
kg CO2 emissions	2.37	per liter of gasoline
Monetary value of 1 hour personal time	\$6	
Public roadway maintenance per year per km	\$51,000	
Area of one parking lot space	23	m ² (247 sf)
Commercial income of land per m ²	\$10	
Width of convenient swath for road	0.6	km

Externalities

Reduction in CO2 emissions	3,286	metric tons CO ₂
Public cost for maintaining roadways	\$176,800	
Reduced waste products per year	179	metric tons
Travel time saved per year	70	hrs/person
Cost savings per household per year over personal car ownership	\$466	
Increase in household income from time saving and car costs	4%	
Reported injuries avoided per year	17	
Lives saved per year	0	
Land freed from parking	43,988	m ²
...and its income	\$439,875	per year
Health care savings	High	
Heat island reduction	1 to 3	°C
Change in global temperature	TBD	°C
Decrease in sea level	TBD	mm

Pod & Car

	Pod	Car
Service life (years)	20	12
Full cost of vehicle per year	\$200	\$9,000
Public cost to maintain infrastructure (per km)	\$0	\$100,000
Energy Efficiency (MPGe)	1000	20
mass of CO2 per vehicle per km (kg)	0	0.1185
Vehicle mass (kg)	45	1950
Average speed of travel (km/h)	72	16
Average travel time (hours)	0.06	0.25
Fare per km	\$0.30	\$0.62
Number of deaths per 100M passenger-km	0.00001	1
Number of injuries per 100M passenger-km	0.0006	62
Volume to park (cubic meters)	5.7	70.9

Currency conversion

Currency name

Equal to US\$1

1





Yearly fees and taxes

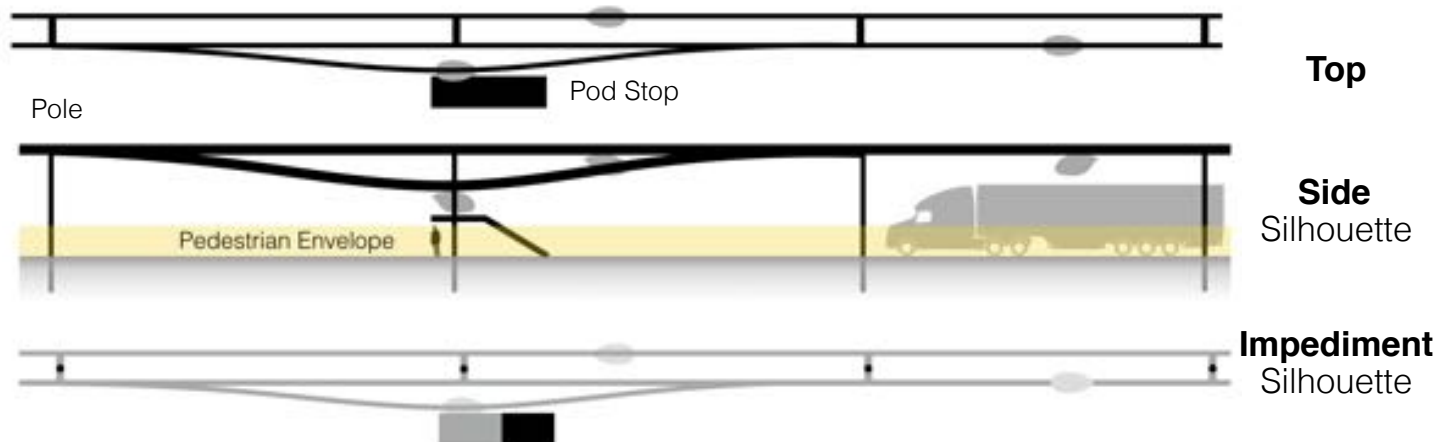
Fee summary: 4% of gross revenue to air rights owners and a municipal fee/tax of 1% of gross revenue. Both air rights and fee/tax have a minimum payment based on the Footprint and the Transit X Commercial Rate (TXCR).

Note: Inputs are underlined

Municipal rates		
Total commercial land area	<u>1,000,000</u> m ²	10,763,000 sq ft. (25,000 acres)
Total commercial income to muni	<u>\$10,000,000</u>	
TXCR (Transit X Commercial Rate)	<u>\$10.00</u> per m²	\$0.93 per sq ft
<small>TXCR is the yearly tax rate per land area. Calculation: total land area of commercial properties in the municipality, divided by all the municipal income generated by those properties. The TXCR is used to calculate the minimum tax/fee.</small>		
Fares		
Length of Transit X route	<u>2 km</u>	1 miles
Estimated gross revenue	<u>\$8,277,778</u>	
Municipal Tax		
	Greater of the two:	
1% gross revenue	<u>\$36,112</u> per route-km	\$58,245 per route-mile
Minimum	<u>\$14,077</u>	\$22,699
Air Rights		
% of route on municipal land	<u>100%</u>	
4% gross revenue	<u>\$144,448</u> per route-km	\$232,981 per route-mile
Municipal revenue	\$144,448	\$232,981
Non municipal revenue	\$0	\$0
Minimum	<u>\$14,077</u>	\$22,699
Total fee/tax		
Municipal income	<u>\$413,889</u>	
Minimum municipal income	\$46,345	
Non-municipal income	<u>\$0</u>	

Footprint calculations for minimum fee

Yearly fees and taxes



Note: Diagrams for illustrative purposes.

Footprint Calculations	Metric	Imperial
Track width	0.33 m	13.0 Inches
Track height	0.61 m	24.0 Inches
Pole diameter	0.3 m	11.8 Inches
Pole cross section	0.07 m ²	0.8 sf
Stop landing area	1 m ²	10.8 sf
...width	1 m	39.4 Inches
...length	1 m	39.4 Inches
Ramp length	21 m	68.9 feet
Pole span	23 m	75.5 feet
Poles per km	43.5 poles	70.0 poles
Pole height	6 m	19.7 feet
Single track	1046.7 m ²	11263 sf
...Area of Side Silhouette	688.3 m ²	7406 sf
...Area of Top Silhouette	343.1 m ²	3692 sf
...Impediment Area (adjusted)	15.4 m ²	165 sf
Dual track	1376.7 m ²	14814 sf
...Area of Side Silhouette	688.3 m ²	7406 sf
...Area of Top Silhouette	673.1 m ²	7243 sf
...Impediment Area (adjusted)	15.4 m ²	165 sf
Stop	48.5 m ²	522 sf
...Area of Side Silhouette	25.6 m ²	276 sf
...Area of Top Silhouette	17.9 m ²	192 sf
...Impediment Area (adjusted)	5.0 m ²	54 sf
Stops	2 stops per km	3.2 stops per mile
% of dual track	80%	
Total Area per unit	1,408 m² per route-km	24,430 sf per route-mile
Contract values		
% gross revenue for muni tax/fee	1%	
% gross revenue for air rights	4%	
Impediment Factor	5	



Fair Fare

Transit X Fair Fare is a universal model that applies to all regions and all times. Fares are proportional to the median income of the area and inversely proportional to per capita use. No pre-set fare escalations are needed.

		Initial	50% share	+50% Income	Max Market
Median Income in region	US\$	\$25,000	\$25,000	\$37,500	\$25,000
Nominal fare	US\$	\$0.25	\$0.25	\$0.38	\$0.25
Per Capita Usage %		1%	50%	50%	100%
Discount for usage	US\$	\$0.00	\$0.06	\$0.09	\$0.13
Base fare (US\$)	per km	0.25	0.19	0.28	0.13
	in local currency				
% Fares at Market rate		20%	<u>30%</u>	<u>40%</u>	<u>50%</u>
% Fares at Base rate		80%	60%	40%	20%
% Fares at Half Base rate		0%	10%	20%	30%
Estimated average fare	per km	0.30	0.23	0.35	0.16

Base Inputs

% of median per capita income for transportation	<u>20%</u>
Median travel distance per capita (under 1000 mile trips)	<u>20,000</u> km
Fare Discount at median travel per capita	<u>50%</u>