

BRIDGE LOAN INVESTMENT OPPORTUNITY

Timperly Condominium TES+HP Retrofit

1255 N Ogden St, Denver, CO 80218

LOAN TERMS

Loan Amount: \$2,382,380	Origination Fee: 2%
Interest Rate: 12% annual	Type: Interest accruing
Term: 12 months	Security: 1st lien on equipment

COVERAGE RATIOS

Take-out Coverage: 0.6x Collateral Coverage: 1.3x Loan-to-Cost: 85%

REPAYMENT SOURCES

Federal Tax Credits (ITC)	\$691,600	Month 3
Depreciation Benefits	\$433,160	Month 3
DRCOG Grant	\$260,000	Month 10
Xcel Clean Heat Rebate	\$182,000	Month 12

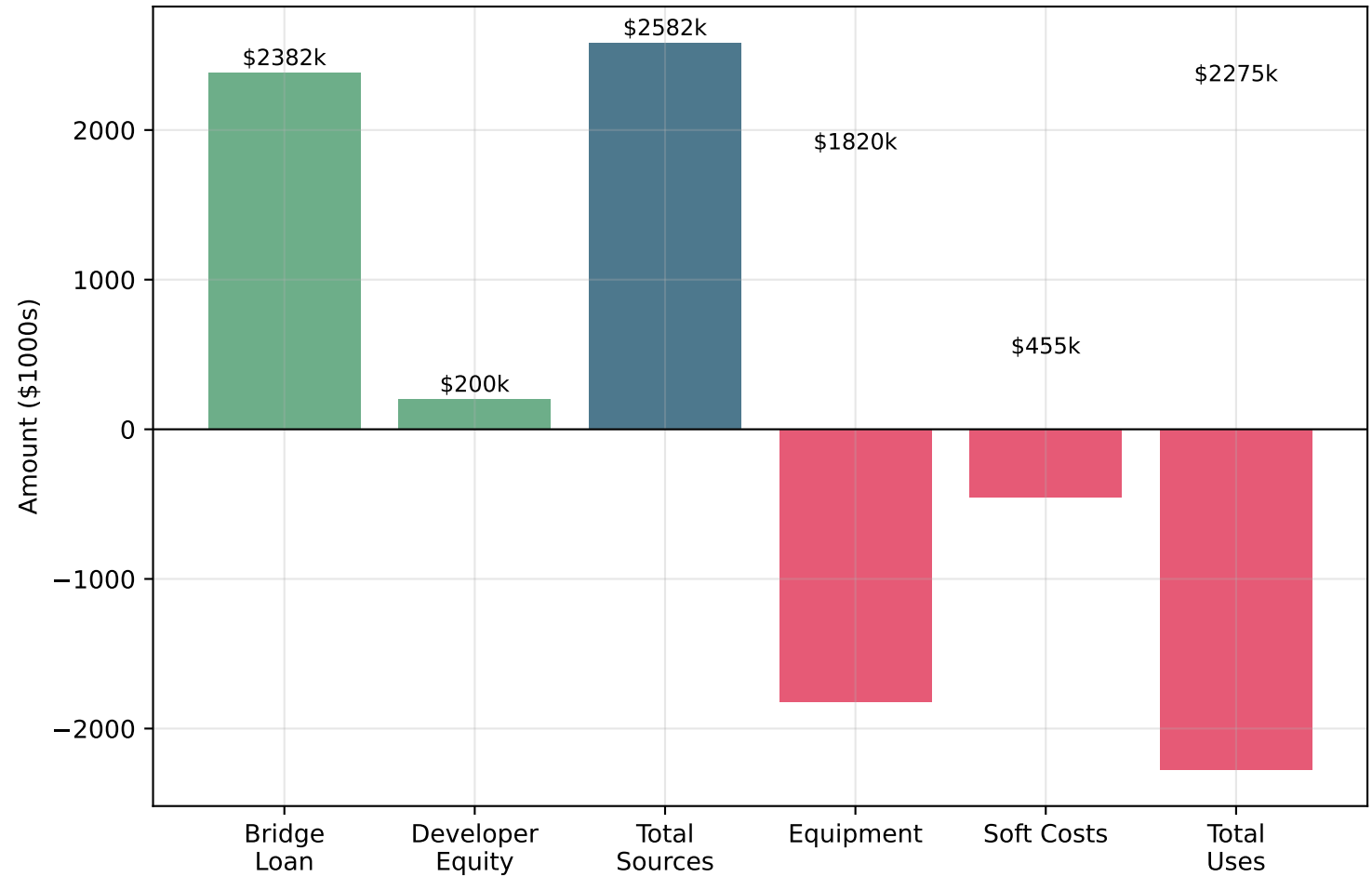
Total Take-out	\$1,566,760	0.6x coverage
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INVESTMENT HIGHLIGHTS

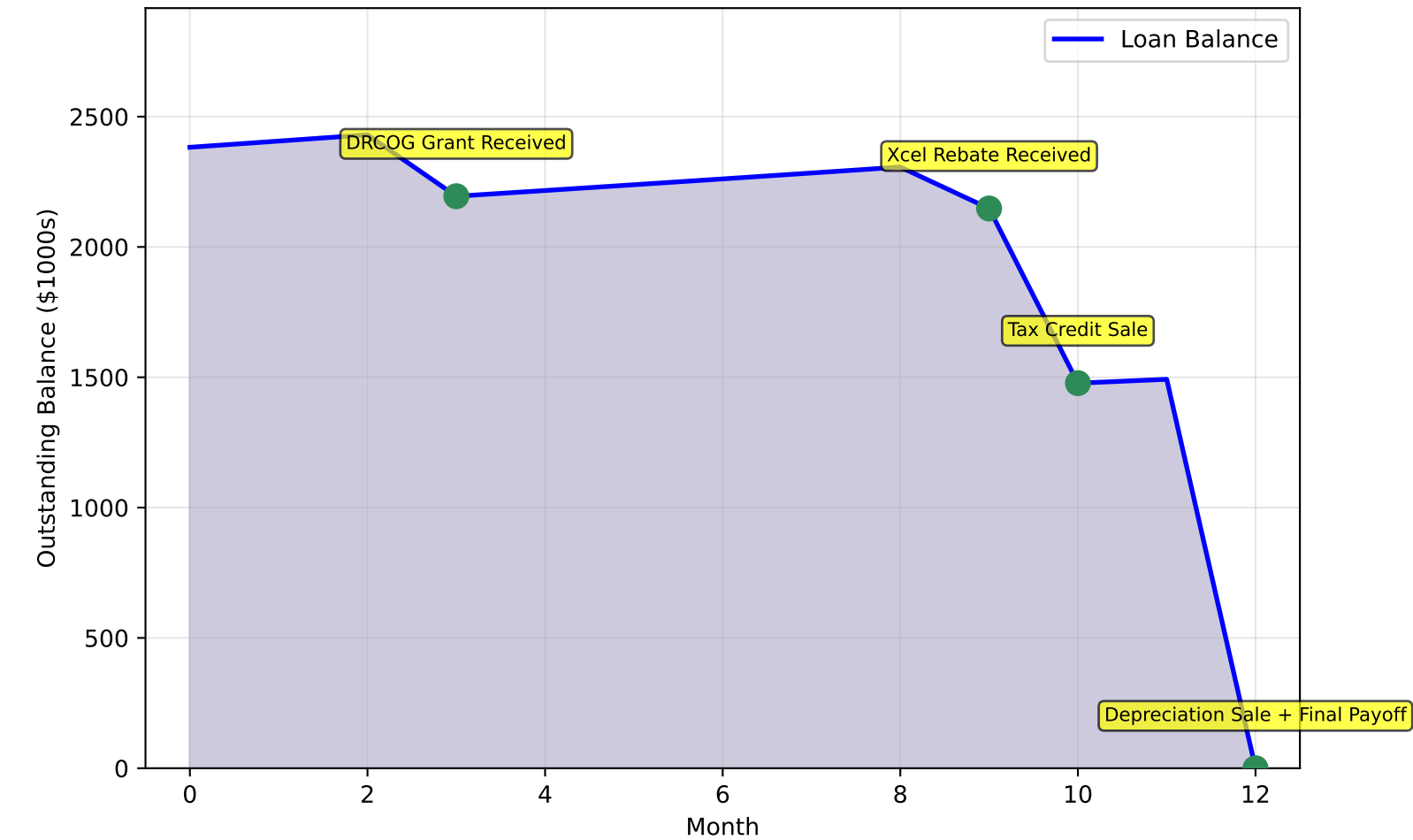
- ✓ 91%+ of project cost covered by federal incentives
- ✓ Multiple uncorrelated repayment sources
- ✓ First lien position on \$1.3M equipment
- ✓ Experienced developer with successful track record
- ✓ Essential infrastructure for affordable housing (EPB)

CASH FLOW ANALYSIS

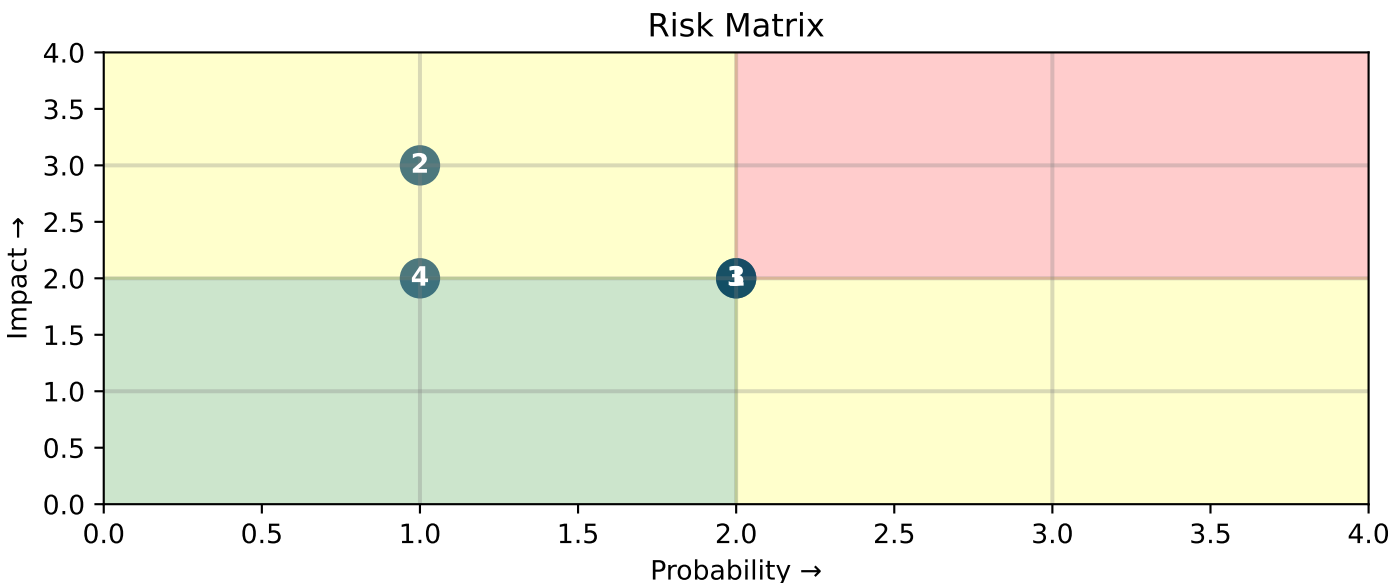
Sources and Uses of Funds



Loan Balance and Repayment Schedule



RISK ANALYSIS & MITIGATION



RISK MITIGATION STRATEGIES

1. Construction Delay:

Mitigation: Fixed-price contract, proven contractor

2. Incentive Timing:

Mitigation: Multiple sources, staggered timing

3. Tax Credit Price:

Mitigation: Conservative 95¢ pricing, strong market

4. Grant Approval:

Mitigation: EPB pre-qualified, strong application

SECURITY PACKAGE

- First lien position on all equipment (\$1.3M value)
- UCC-1 filing on all project assets
- Assignment of all incentive payments
- Personal guarantee from principals
- Completion guarantee with 10% retainage
- Assignment of Energy Service Agreements
- Lockbox control on grant/rebate receipts

PROJECT TIMELINE

Month -2

Month 3

Month 9

Month 12

PROJECT DETAILS & TIMELINE

Close bridge loan facility Receive DRCOG grant (\$260k) Commission system, receive Xcel rebate (\$182k) Depreciation, repay bridge loan

PROJECT OVERVIEW

Building: Multifamily Housing (52 units)
Location: 1255 N Ogden St, Denver, CO 80218
Scope: Install 4-pipe water-source heat pump system with thermal energy storage
Purpose: Achieve Energize Denver compliance while avoiding \$270k upfront cost
Model: Energy-as-a-Service with 20-year contract
Environmental: 25% energy reduction, full electrification



FINANCIAL SUMMARY

Total Project Cost:	\$2,802,800
Bridge Loan Amount:	\$2,382,380
Interest Rate:	12% annual
Take-out Sources:	
Federal Tax Credit:	\$691,600
Depreciation Sale:	\$433,160
DRCOG Grant:	\$260,000
Xcel Rebate:	\$182,000
Total Take-out:	\$1,566,760
Coverage Ratio:	0.6x

Execute agreements, begin construction 50% construction complete Close tax credit sale (\$494k) Stabilized operations

Month 0

Month 6

Month 10

Month 15

DEVELOPER TRACK RECORD

Denver Thermal Energy Solutions LLC

Founded: 2023 | Focus: Thermal energy infrastructure for multifamily buildings

Leadership: 20+ years combined experience in energy efficiency and real estate

Mission: Decarbonize affordable housing without resident displacement

COMPARABLE PROJECT EXPERIENCE

Aurora Apartments Heat Pump Retrofit

Size: 84 units | Completed: 2023

Result: On time, 15% under budget

Downtown Denver Office HVAC Upgrade

Size: 125,000 sq ft | Completed: 2022

Result: 30% energy reduction achieved

Boulder Student Housing Electrification

Size: 200 beds | Completed: 2023

Result: All incentives captured successfully

KEY RELATIONSHIPS

- Xcel Energy: Registered Trade Partner for Clean Heat Program
- DRCOG: Pre-qualified contractor for CPRG grants
- Engineering: Partnership with leading MEP firm
- Tax Credits: Established relationship with national syndicator
- Equipment: Direct dealer agreements with major manufacturers