



AVANA Capital Provides \$1.7MM Equipment and Construction Loan for a Solar Project that Will Power a Wastewater Treatment Plant

LOAN DETAILS

Project Type: Renewable Energy

Loan Type:
Equipment & Construction

Loan Amount: \$1.7 million

Project Description:
Municipal Wastewater Treatment Plant

Location: Freeport, IL

Key Takeaways:

- Closed and funded in 5 days
 - Funded loan pre-NTP
- First loan with new borrower
 - Jobs created, positive environmental impact, taxpayer money saved

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AZ CBK# 0921662 | CA DBO# 603K752

Challenge

AVANA Capital (AVANA) was approached by Billy DePhillipo and Anthony Fotopoulos of Keystone Power Holdings (Keystone) about a financing challenge. Keystone had put down a deposit to purchase solar panels for one of its prominent municipal projects but needed to secure financing for the remainder of the panels prior to reaching “Notice to Proceed” (NTP) on the project. If this additional funding was not secured quickly, Keystone risked losing the panels, and, thus delaying the project.

This project was important to Keystone, as well as the City of Freeport, Illinois. The municipality planned to use this project to power its wastewater treatment plant, lowering the overall electricity costs for the city.



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According to the EPA's calculation, through this project, on an annual basis, 65MM driven miles will be erased from our ecological footprint. In addition, this project will result in significant cost savings in power generation to both the city of Freeport and ordinary citizens over the entire 25-year life of the project.

Solution

After receiving Keystone's time-sensitive request, AVANA quickly moved forward with the loan approval process. Specifically, AVANA decided that the most efficient solution would be to originate a short-term equipment loan that would roll into a full construction loan once the project reached NTP. The initial \$350,000 equipment loan was completed in less than a week and once the project reached NTP, AVANA converted the equipment loan into a \$1.7 MM construction loan so that the project could be built.

Although this was a first-time borrower for AVANA and Keystone was also acting as their own EPC/General Contractor, which added to the complexity of the deal, the team was able to evaluate the risk quickly and meet the timeline required by Keystone. In cases like this, AVANA prides itself on its ability to develop creative and time-sensitive solutions that enable our borrowers to efficiently grow their businesses.

The WHY Behind the Deal

AVANA Capital has long been committed to growing the economy through job creation, and to the furtherance of clean energy in the United States. Through this project, AVANA not only created significant numbers of jobs at the local level, including electricians, engineers, designers and technicians, but also contributed to the development of clean energy in Illinois.

Moreover, according to the EPA's calculation, through this project, on an annual basis, 65MM driven miles will be erased from our ecological footprint. In addition, this project will result in significant cost savings in power generation to both the city of Freeport and ordinary citizens over the entire 25-year life of the project.

Meet our Renewable Energy Team

To learn more our renewable energy practice and our financing capabilities, please contact:

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