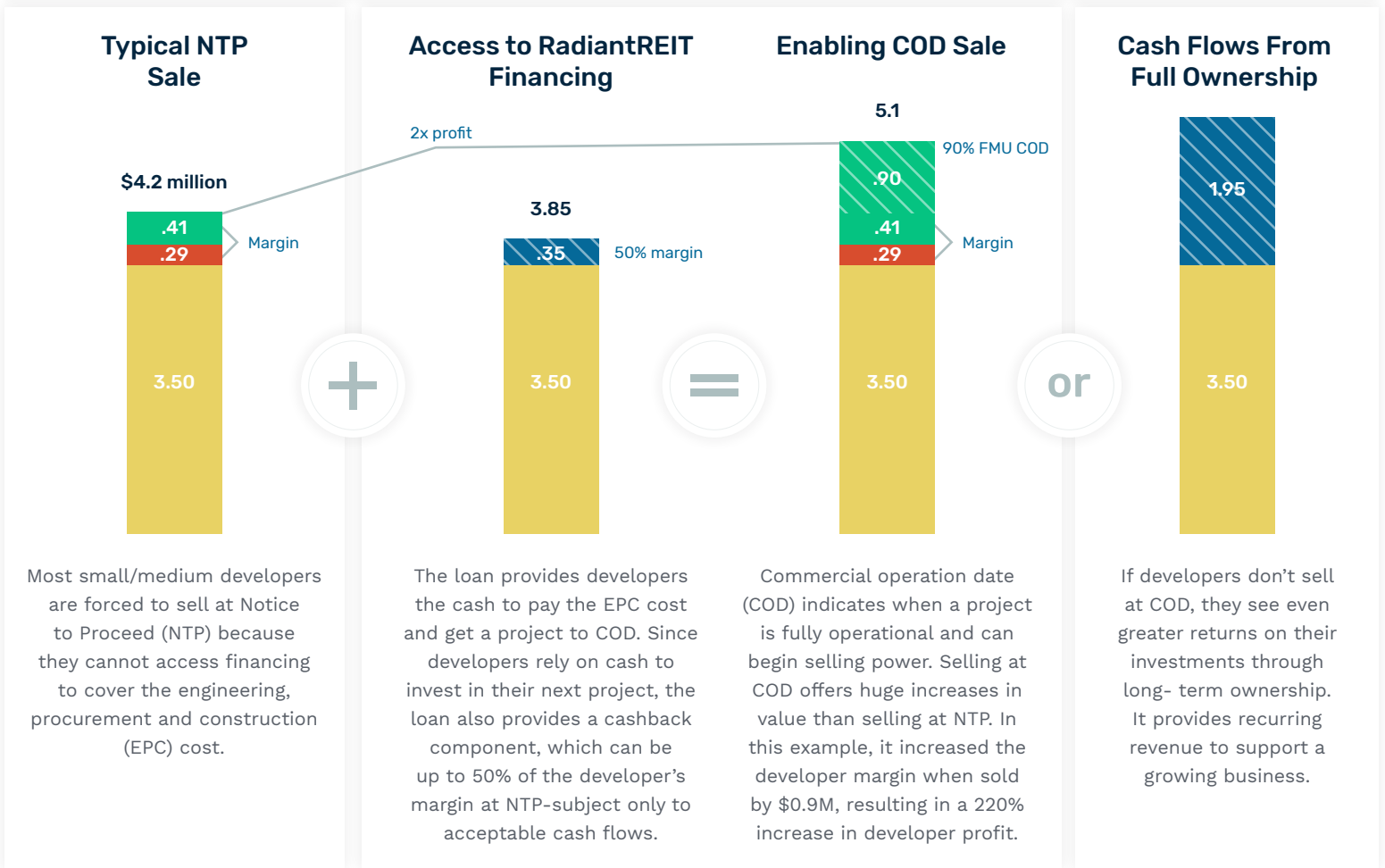


# The Benefits of Long-Term Ownership for Developers

Solar developers capture more value from projects they originate, if they can move them along the development process through construction. RadiantREIT eliminates the capital constraints for these developers, enabling them to sell at later stages and capture more value from long-term ownership, while retaining positive cash flows for their business. Below is a case study of a 2.50 MW project to represent the benefits of the RadiantREIT program for developers.

## Project Developer Options

■ EPC cost    
 ■ Developer soft costs    
 ■ Developer profit if sold    
 ■ Cash flow    
 ■ Added profit



Most small/medium developers are forced to sell at Notice to Proceed (NTP) because they cannot access financing to cover the engineering, procurement and construction (EPC) cost.

The loan provides developers the cash to pay the EPC cost and get a project to COD. Since developers rely on cash to invest in their next project, the loan also provides a cashback component, which can be up to 50% of the developer's margin at NTP-subject only to acceptable cash flows.

Commercial operation date (COD) indicates when a project is fully operational and can begin selling power. Selling at COD offers huge increases in value than selling at NTP. In this example, it increased the developer margin when sold by \$0.9M, resulting in a 220% increase in developer profit.

If developers don't sell at COD, they see even greater returns on their investments through long-term ownership. It provides recurring revenue to support a growing business.

