

Summary of Terms – 2FM Chicago Infrastructure Trust

Financing Opportunity:	Each energy services company will guarantee an annual amount of savings based on the facilities they evaluated and included in their Final Investment Grade Audit Reports. Savings will be aggregated into one financing. The amount of the transaction is approximately \$27.5 million, with financial closing anticipated to occur around December 15, 2013.
ESCO/Contractors:	Noresco, LLC Ameresco, Inc. Schneider Electric Buildings Americas, Inc.
Owner:	Chicago Infrastructure Trust (CIT).
Issuer:	The CIT will be a permitted issuer of tax-exempt obligations “on behalf of” the City pursuant to authorities under section 103 of the Internal Revenue Code of 1986.
End User:	The City of Chicago.
Project Documents:	<p>Energy Savings Agreement (ESA) between the End User (City of Chicago) and the Owner (CIT). Under the ESA, the End User will agree to pay the Owner an amount equal to agreed upon savings as long as the agreed upon savings amounts are achieved. If agreed upon savings are not achieved in any year, the ESCO/Contractor will make up the difference between actual savings and agreed upon savings.</p> <p>Guaranteed Energy Performance Contract (GEPC) between ESCO/Contractor and the CIT for the benefit of the City. Pursuant to the GEPC, the City will enter into a program management agreement with the Public Building Commission of Chicago. The GEPC defines the scope of work, installation cost and timeline, and savings guaranty associated with the Project. In general, savings are not guaranteed per individual ECM project or per building but for the aggregate energy savings per ESCO group.</p> <p>Financing Agreement between the lender and the CIT. The Financing Agreement will provide the Lender with a security interest in the Project.</p>
Savings:	If more savings are realized than expected, additional savings are shared between the CIT and the City and do not go to the lender.
Loan term:	20 years; one year of construction and 19 years of amortization.
End of Term:	At the expiration of the ESA term, the End User will have the option to purchase the ECMs from the CIT for fair market value, extend the ESA, or request that the ECMs be removed by the ESCO/Contractor.
Security Interest:	Lender will file UCC financing statements against the CIT covering savings payments, the Projects and project Contracts. Lender will have customary cure and step-in rights under the ESA and GEPC in the event of default by the CIT.
Insurance:	ESCO/Contractor shall maintain liability insurance and builder’s risk insurance coverage on the Project during the construction period. In addition, the ESCO/Contractor will provide performance bonds. Following completion, the End User shall procure insurance for the Project throughout the term of the ESA on behalf of the CIT.

Interest Rates: Expected to range from 3.84% to 4.75%.

Proposed Amortization: Project: Chicago Infrastructure Trust, Retrofit Chicago-2FM
Average Life: 11.85 years
Total Par: \$27.485 million

Year	Principal
1/1/2015	880,000
1/1/2016	960,000
1/1/2017	1,000,000
1/1/2018	1,040,000
1/1/2019	1,080,000
1/1/2020	1,125,000
1/1/2021	1,170,000
1/1/2022	1,215,000
1/1/2023	1,265,000
1/1/2024	1,315,000
1/1/2025	1,370,000
1/1/2026	1,425,000
1/1/2027	1,480,000
1/1/2028	1,540,000
1/1/2029	1,600,000
1/1/2030	1,665,000
1/1/2031	1,730,000
1/1/2032	1,800,000
1/1/2033	1,875,000
1/1/2034	1,950,000
Total	27,485,000