

# The Role of the Entrepreneur

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# Forsite's EIP Platform

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- ▶ With ReVenture, Forsite acquired a highly specialized skillset to extract substantial value from similar sites. We are creating an investment fund to expand this platform.
  - Re-branding sites through targeted PR strategy
  - Navigating public policy
  - Relationships with regulators
  - Environmental Liability Risk Transfer
  - Maximizing/utilizing tax and economic incentives
  - Extracting “hidden” value
  
- ▶ Trends supporting future EIPs
  - Multiple State and Federal agencies are focused on promoting clean energy project development on brownfield sites.
  - Sarbanes Oxley creates incentive for companies to get these sites off their balance sheets.
  - Manufacturing is returning stateside
  - Corporate Trends in sustainability and the ecological economy
  
- ▶ Corporations are approaching Forsite with “portfolios” of similar sites. [***No shortage of opportunities***]

# What We Look For in a Potential EIP Site

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- 500,000+ SF on at least 500 acres
- Existing power and/or steam infrastructure
- Active air permits
- Waste water treatment with active permits
- Heavy electrical infrastructure including
- Rail with dedicated spur rail car storage
- Deep water ports
- Water rights (intake, withdrawal, discharge)
- States that have a RPS are a plus
- Companies who want these sites off their books (risk transfer)
- ***A community that wants to see the site repurposed***

# Investment Criteria – Money Good Day 1

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- Sources of value identified during due diligence
- High degree of confidence that value extraction exceeds initial capital needs
- Focus on high return on investment
- 3-Tiers of Value Creation

# Tier 1 – Value Creation

IMMEDIATE (UPON CLOSING TO 1 YEAR)

**All EIP transactions must be cash positive Day 1 – or – have a clear path towards significant value creation within 12 months**

## Excess Land or Building Sale

## Metal Recovery

- Demolition
- Metal Commodity Play
- Selective Demo

## Monetize Existing Permits

- NOx, SOx Credits
- Nutrient Trading (Phosphorus & Nitrogen)

## Environmental Liability Risk Transfer

- Paid to Take Title
- Risk Arbitrage

## Partial Lease Back to Seller

## Equipment Sales

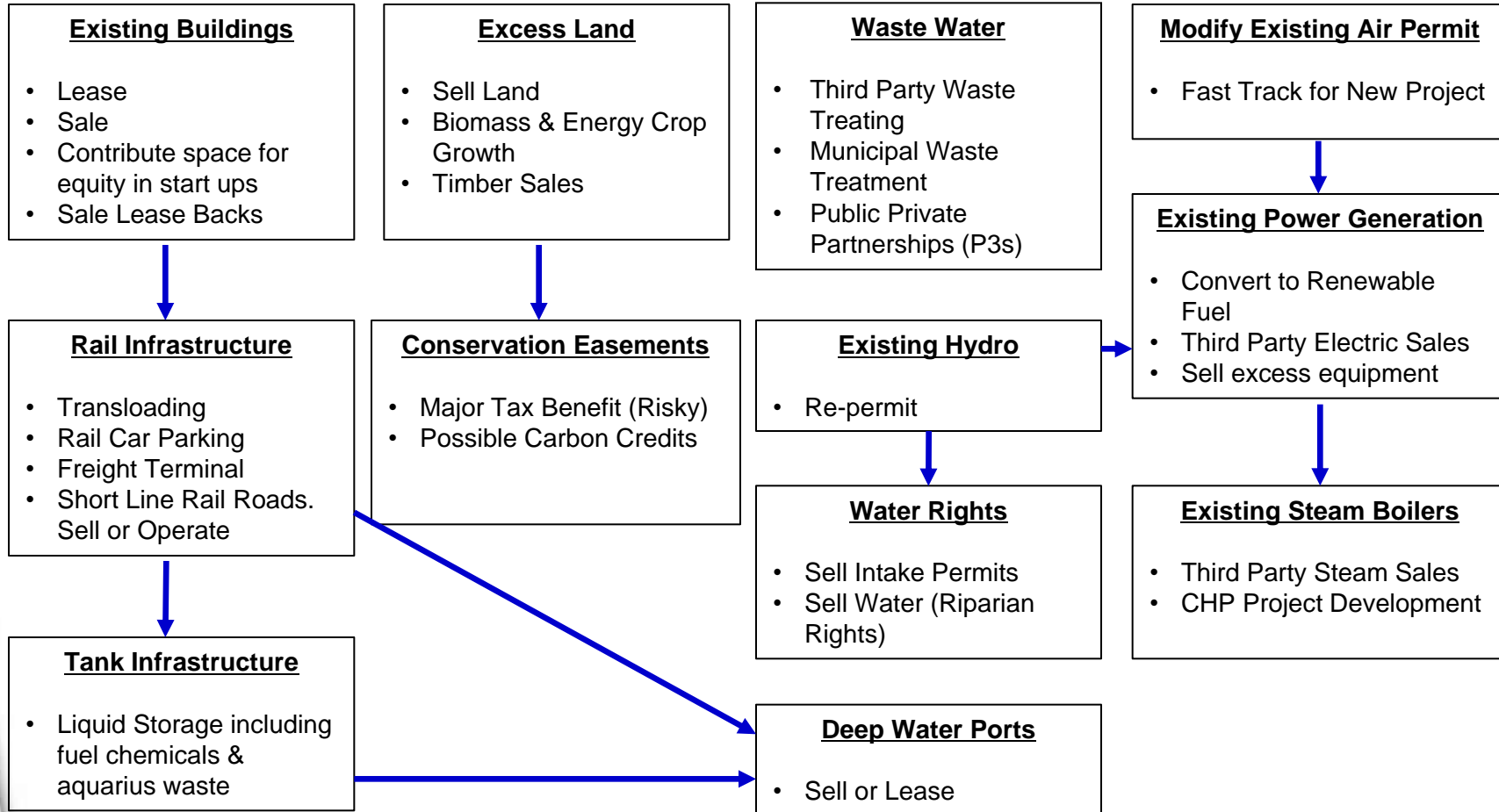
- Manufacturing
- Process

## Third Party Steam Contract

- Existing Boilers Provide Steam to Neighboring user

# Tier 2 – Value Creation

## REPOSITION EXISTING INFRASTRUCTURE (1 – 3 YEARS)



# Tier 3 – Value Creation

## INCENTIVES, TAX CREDITS, GRANTS, MITIGATION BANKS AND ENVIRONMENTAL ATTRIBUTES (1 – 5 YEARS)

### Mitigation Banks

- Wetlands Mitigation Banks
- Stream Restoration Credits
- Habitat Restoration Credits
- Tree Save Mitigation Banks
- Pollution Mitigation Banks (NOx, SOx Credits)
- Nutrient Banks (Phosphorus & Nitrogen)
- Existing WWTP' s

### Tax Credits

- Brownfield
- New Market
- Historic Preservation
- State/Local Job Creation
- Investment Incentives
- Accelerated Depreciation

### Renewable Energy Credits (RECS)

- Renewable Energy Credits (RECS)
- Investment Tax Credits (ITC)
- Thermal REC' s

### Grants

- USDA
- DOE
- EPA
- Various

### Environmental Attributes

- Carbon Offset Credits ?
- Sustainability Index ?

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*“Entrepreneurs, therefore by the very nature of introducing new ideas, capabilities, and opportunities, are opposed in their endeavors by everyone whose security is tied to things staying the same.”*

-Dan Sullivan