

CASE STUDY: The Studio Fund

Petros PACE Finance Funds New Construction/Special Purpose in Buffalo, NY

Project Highlights



The Studio Fund
Buffalo, NY

65,000 sq. ft. Film & Television Studio Complex

THE CLIENT

The Studio Fund, LLC formerly Great Point Media, is a U.K. based company founded in 2013 by Robert Halmi and Jim Reeve specializes in film and television infrastructure, concentrated on investments in qualified economic opportunity zones. Studio Fund manages three investment funds that have deployed millions into film and television studios across the Northeastern US and the United Kingdom.

THE CHALLENGE

The PACE transaction partially funded the new construction of a film and television studio complex in Buffalo, NY. The property contains three sound stages totaling 30,160 square feet, 30,240 square feet of office space, and 4,600 square feet of mill space, which can be used for filming or set construction.

THE NEEDS

- Building Envelope
- HVAC
- Lighting
- * Plumbing

THE SOLUTION

C-PACE financing enabled efficiency measures of \$11.36MM. The PACE loan and Seller's Note is the only debt secured by the property which received multiple incentives. The project qualified for approximately \$4.1MM in Brownfield Tax Credits through the Brownfield Cleanup Program. The Borrower was also approved for a PILOT abatement which the appraiser valued at \$390,000.

Additionally, within the first two years of operations, the Sponsor anticipates receiving a \$1,027,490 Employment Incentive Tax Credit and an \$821,992 Investment Tax Credit through New York State. C-PACE financing provided the Sponsor with fixed-rate, non-recourse construction financing in a rising rate environment.

THE RESULTS

- Private capital incentivized forward thinking, sustainable building designs.
- Efficient building design minimized future utility expenses, boosting NOI and property values for the owner.
- The energy efficient measures make it more attractive to investors and guests, while minimizing the carbon footprint of the development.
- Developer secured lower-cost, non-recourse capital to finance the project.
- Developer secured a more efficient capital stack and long-term interest rate hedge, ensuring long-term stability.

THE PARTNERS

Lindsay Goldberg
The Krog Group
EBI Consulting
Bernhard TME





BENEFITS OF PETROS C-PACE FINANCING



100% financing of hard and soft costs with no out-of-pocket



Promotes economic development and urban revitalization



Fixed-rate financing with up to 30-year terms



Ability to recover as an operating expense



Facilitates sustainable building design



Displaces higher cost mezzanine and equity capital

WHO WE WORK WITH

Multi-Family, Mixed-Use, Office, Hospitality, Industrial, Retail, Non-Profit, Healthcare, Manufacturing, Education

WHAT IS ELIGIBLE?

Energy efficiency and water efficiency, renewable energy, and broad resiliency coverage for seismic, indoor air quality, wind/fire resistance, heat/climate change

WHY PETROS PACE FINANCE?

Expertise

Our leadership team's 100+ years of combined experience in C-PACE, monetizing tax credits, and commercial lending means certainty of close for our clients.

Execution

We've earned the trust of our clients because we break barriers and execute efficiently. We're defining the future of C-PACE every day.

Scalability

We're growing quickly and we're taking our clients with us. With billions in committed capital, we can provide C-PACE financing ranging from \$500,000 to \$200 million or more.

Sustainability

We use private funds from committed institutional investors to promote environmental sustainability and economic development.

For more information on our projects, visit our website at www.petros-pace.com

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