

Executive Summary
Re: Empowercom, Inc.
Contract Control # GE04000-05

Empowercom, Inc. is a technology based business that focus on voice, video, audio and security systems and was established in 1998. On July 3, 2000, OED provided a \$375,000 five-year term loan with 5% interest and secured by a 2nd Deed of Trust on a residential property of one of the owners/guarantors and a blanket lien on the business assets. The loan proceeds were used to fund working capital and FF&E purchases. The business operations originally were headquartered at the former Denver Enterprise Center, a business/kitchen incubator located at 3003 Arapahoe Street which ceased operations in 2008. They relocated to the current facility known as 4650 Leyden Street.

There were four amendment and modification agreements which provided moratorium periods, increased prior encumbrances, extended the maturity date and released one of the personal guarantors in exchange for some principal pay downs on the loan.

The borrowers are requesting that we extend the maturity date of this particular loan August 1, 2013. The current outstanding loan balance of this loan is \$180,524.25 and the payments are current. OED has agreed to this extension with the following conditions and subject to City Council approval:

- (1) If gross revenues reach \$2.5 million to \$2.9 million, require 2% of revenues as principal pay down and if gross revenues reach \$3.0 million and above, require 2.5% principal pay down.
- (2) These principal payments will be due and payable by March 1st of the following year based on the past year's financials.
- (3) 40% of these annual payments will be applied to this particular loan.
- (4) Interest rate will remain at 5%.