

**Executive Summary**  
**Re: Empowercom, Inc.**  
**Contract Control # GE55009-1**

Empowercom, Inc. is a technology based business that focus on voice, video, audio and security systems and was established in 1998. On July 28, 2005, OED provided another loan (i.e. \$400,000) with a term of five years and 1% interest rate. The loan has been secured by two Deeds of Trust on the residences of both owners/personal 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.

The loan matured on August 1, 2010 and the borrowers are requesting that we extend the maturity date of this particular loan August 1, 2013. The current outstanding loan balance is \$283,332.82 and they are current with their payments. 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 1<sup>st</sup> of the following year based on the past year's financials.
- (3) 60% of these annual payments will be applied to this particular loan.
- (4) Interest rate will increase from 1% to 5% p.a. upon execution of this 1<sup>st</sup> amendment & modification agreement.