



EnhancedCapital

2024 COMMUNITY IMPACT REPORT

Year in Review

Enhanced Capital is proud to present our 2024 Community Impact Report, showcasing our achievements throughout the year.

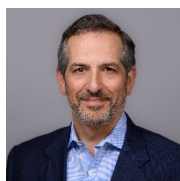
Over the past 25 years, we have remained committed to providing innovative financing solutions to the lower middle market and aligning private capital with public initiatives.

We advance our mission through our focus areas: Project Finance and Small Business Lending. These investments generate measurable outcomes across our Impact Themes: Underserved Communities, Environmental Sustainability, and Community Development Programs.

We are deeply grateful to our partners, stakeholders, and team members for their unwavering support. In the year ahead, we look forward to continuing our mission of bringing private capital to overlooked areas within the lower middle market.



A Message from Our President and CEO



Michael Korengold
President and CEO

“Our 2024 achievements reflect both new milestones and the deep-rooted mission that has guided Enhanced Capital for 25 years.

Alongside the achievements highlighted in this report, we also received a \$65 million New Markets Tax Credit allocation, closed our Louisiana New Markets Tax Credit Fund, and were named to the Impact Assets 50.

These successes, along with the dedication of our team—a third of whom have been with the firm for over a decade—underscore our long-standing commitment to excellence and delivering meaningful results.”

Since Inception Achievements

Raised
\$6.4 Billion
including both proprietary
assets and those of affiliates

1,000+
projects and businesses
supported

79%
of our investments focused
on Underserved
Communities²

71%
of our investments promoted
Environmental Sustainability

Raised
\$4.2 Billion
in impact assets¹

40 States
where we've invested

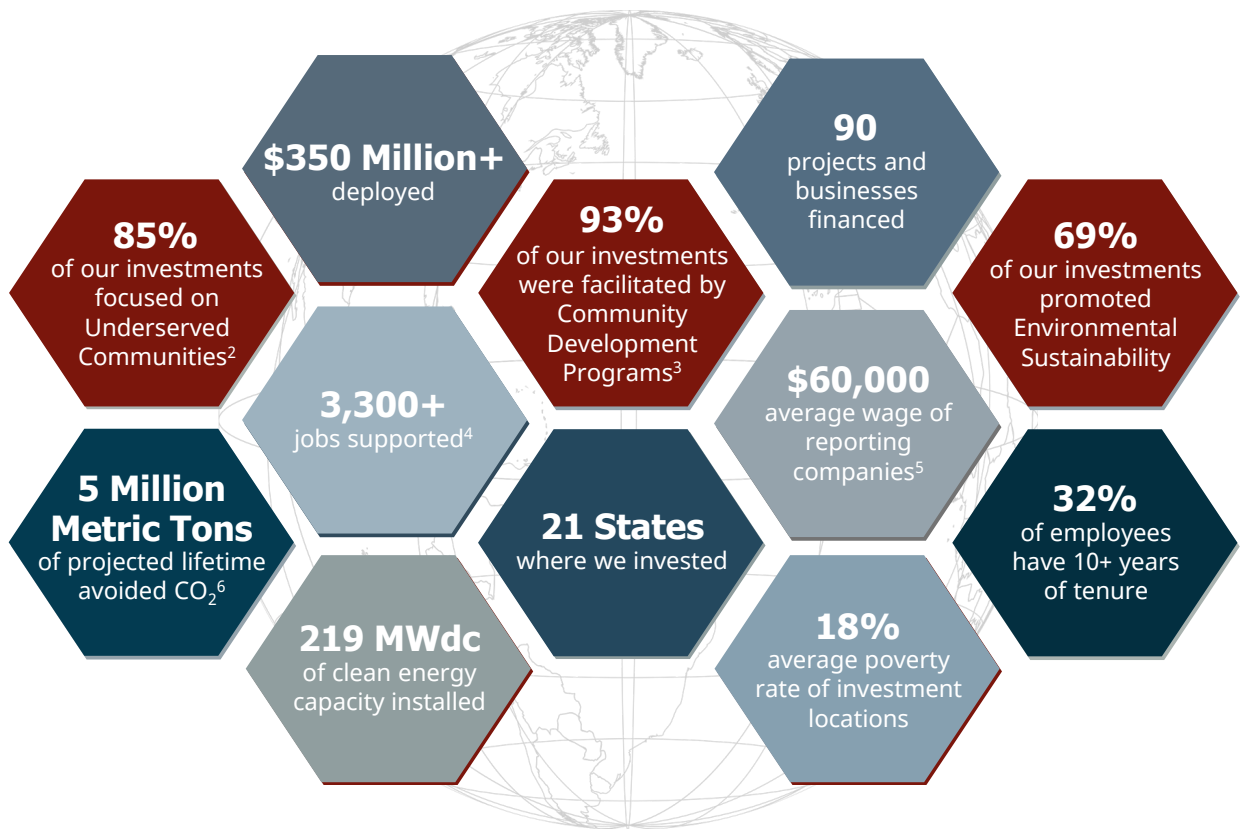
80%
of our investments were
facilitated by Community
Development Programs³

69,500+
jobs supported through our
investments⁴

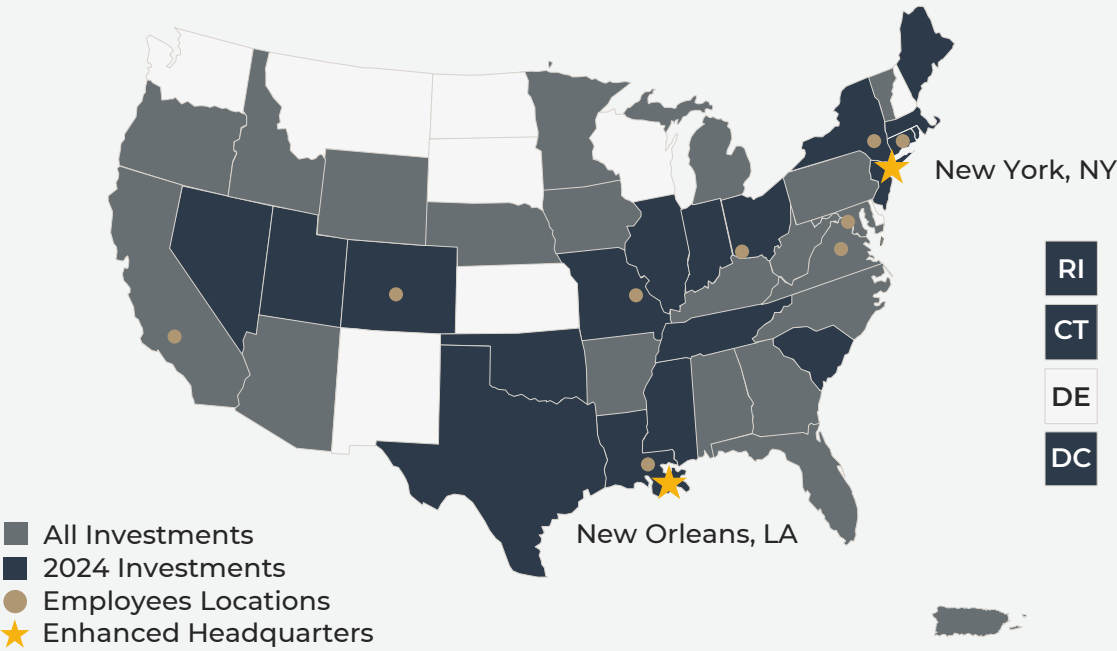
Mission Statement

Enhanced Capital provides flexible capital solutions that support public policy initiatives and growth in communities underserved by traditional financing. We transform local economies in ways that generate meaningful outcomes for both investors and community stakeholders.

2024 Achievements



Nationwide Impact



Financing Government Incentives

Government incentives have existed for decades to encourage the private sector to advance public policy initiatives. Incentive programs are the engines that fuel investments in projects and businesses that otherwise would not be economically viable. Enhanced Capital's experience spans a variety of different state and federal programs and investment strategies, with the common goal of achieving attractive risk-adjusted returns while providing downside protection for our investors.

Enhanced Capital specializes in structuring investments in the lower middle market that channel private capital to projects and businesses that create jobs, revitalize communities, and promote renewable energy. For 25 years, our focus on these market segments have provided proprietary deal flow as a well-known participant in the incentive market. We are proud of our history in fulfilling this important role as lenders and investors in often overlooked and underfunded areas.

Project Finance

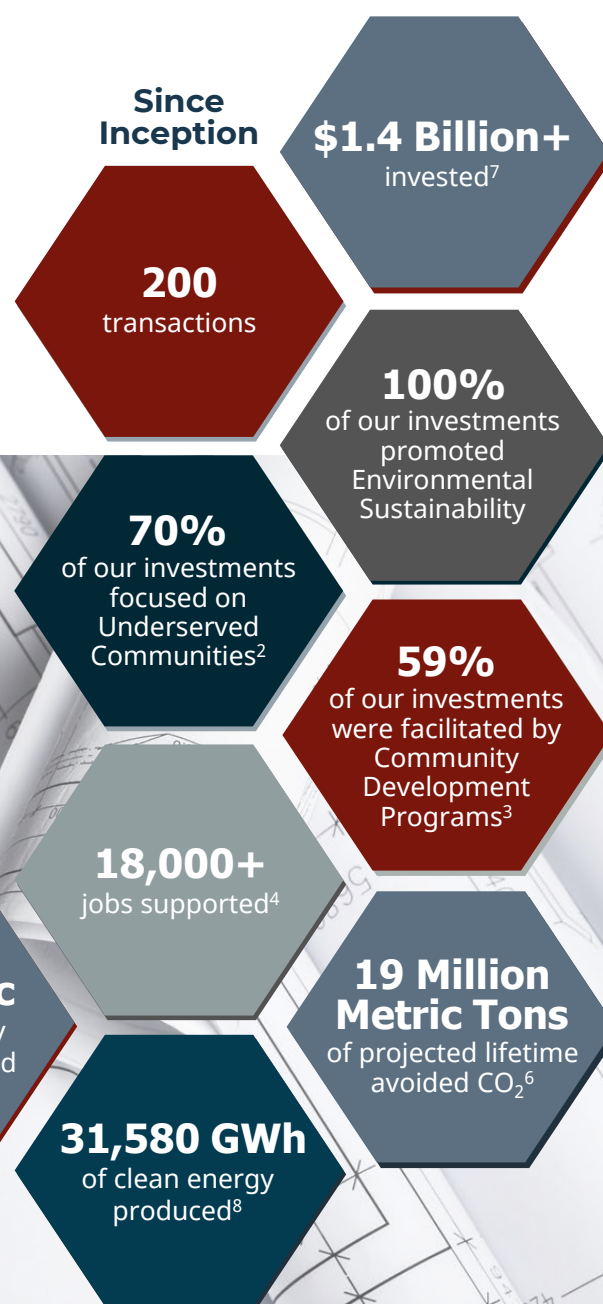
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Our Project Finance strategy consists of Lending and Tax Credit Investments.

The strategy focuses on financing projects that qualify for government subsidies or other incentives through Lending and Tax Credit Investments. Project Finance investments generally range from \$5 million to \$50 million.

Types of Projects:

- Historic building restoration
- Brownfield remediation
- Solar, wind, battery storage, and other renewable technologies
- Energy efficiency



Project Lending

Enhanced Capital provides incentive-backed loans to projects during their construction phase. We help developers access capital to support construction until they monetize the incentive at the completion of the project.

Focus Areas:

- Real Estate and Historic Restoration
- Brownfield Remediation
- Sustainable Infrastructure

Types of Financings:

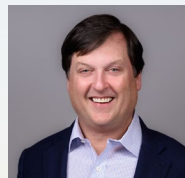
- Bridge Loans backed by incentives
- Additional construction financing opportunities, including Senior and Mezzanine Debt, and Preferred Equity

Since Inception:

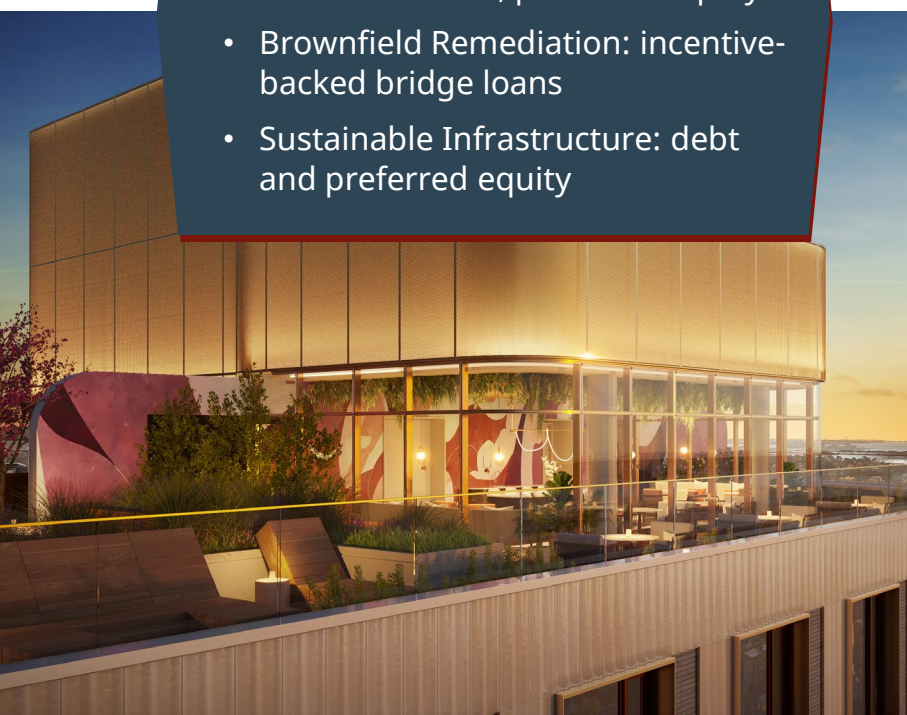
\$745 million invested across:

- Real Estate: incentive-backed bridge loans, senior and mezzanine debt, preferred equity
- Brownfield Remediation: incentive-backed bridge loans
- Sustainable Infrastructure: debt and preferred equity

“Bridge Lending to incentive-based projects provides an important role in the restoration of historic buildings, the cleanup of polluted land, and renewable energy projects. Since the incentive is realized at the end of the project’s completion, capital is needed through construction, and Enhanced steps in to fill that gap. As an active participant in the market since our first historic investment in 2010, our knowledge and experience make us the go-to solution for developers in the space.”



Richard Montgomery
Managing Partner at
Enhanced Capital



Project Lending Spotlight



The Alary

Real Estate & Brownfield Remediation Lending

The Alary is a 28-story mixed-use development at 33 Westchester Place in New Rochelle, NY, and the city's first to utilize PACE financing. Situated on a remediated brownfield site, the project includes 315 apartments, retail space, and communal rooftop amenities. The project is advancing the city's vision to transform the area into an immersive arts community inspired by New Rochelle's historic artist colony. Enhanced Capital provided financing through a construction loan, a PACE loan, and a Brownfield Tax Credit bridge loan to support environmental remediation and development of the site. The Alary is the final phase of the three-building "Westchester Place" initiative. The initiative consists of 524 apartments, including market-rate and affordable artist-focused residences, 8,000 square feet of retail space, and the creation of 300 construction jobs and 25 permanent jobs.

Impact themes: Underserved Community², Environmental Sustainability, and Community Development Program³



Cambrian Innovation

Sustainable Infrastructure Lending

Cambrian Innovation is a Watertown, MA-based company that is a commercial provider of distributed wastewater treatment and resource recovery solutions. Through its patented technology and service-based Water-Energy Purchase Agreement (WEPA) model, Cambrian helps industrial producers reduce operational costs and environmental impact by recycling their wastewater and creating renewable energy. To date, Cambrian has treated over 3.5 billion gallons of wastewater, reused 125 million gallons of clean water, and generated 3 GWh of clean energy. Enhanced Capital provided financing through a corporate loan to support the company's growing business, including the construction of three new industrial wastewater treatment projects. The company has over 30 projects globally, primarily serving the food and beverage industry, and continues to expand its project pipeline to meet growing demand for sustainable water solutions.

Impact themes: Environmental Sustainability, and Community Development Program³



Tax Credit Investments

Enhanced Capital helps finance projects that utilize tax credits and other incentives. We partner with developers to monetize their projects' tax credits by allocating them to investors, who receive tax benefits under the US tax code along with potential return opportunities.

Focus Areas:

- Real Estate
- Sustainable Infrastructure

Types of Financings:

- Federal Renewable Energy Tax Credits
- State and Federal Historic Tax Credits
- State investments in Textile Mill Tax Credits, Abandoned Building Tax Credits, Brownfield Remediation Tax Credits, and Riverfront Historic Tax Credits (River Edge)

Since Inception:

Real Estate:

Financed over \$800 million in tax equity investments towards the restoration of historic buildings⁹

Sustainable Infrastructure:

Financed over \$500 million in Renewable Energy Tax Credits

"In 2024, we executed multiple tax credit sales and achieved several firsts, including closing our first instance of hybrid tax equity financing and financing an anaerobic digestion project. These milestones, along with our new partnership focused on preferred equity, demonstrate our continued commitment to advancing Sustainable Infrastructure solutions."



Shane McCarthy
Managing Partner
at Enhanced Capital

Tax Credit Investments Spotlight



Jefferson Arms Building

Real Estate Tax Credit Investment

Once a grand hotel that welcomed guests to the 1904 Louisiana Purchase Exposition, the 13-story Hotel Jefferson in St. Louis, MO, has sat vacant for several years since 2006. The Jefferson Arms project will bring new life to this historic landmark, converting it into a 225-key hotel, 235 residential units, and commercial space. To support the revitalization efforts, Enhanced Capital provided a construction loan, a bridge loan, Missouri Historic Tax Credits, and PACE financing. The project is helping to reinvigorate a key corridor of downtown St. Louis, and is expected to deliver significant economic impact, including approximately 350 permanent jobs and 1,500 direct and indirect construction jobs between the hotel, residence, retail, and restaurants.

Impact themes: Underserved Community², Environmental Sustainability, and Community Development Program³



Solar of Alamosa

Sustainable Infrastructure Tax Credit Investment

Located in Colorado's San Luis Valley, Solar of Alamosa is a 34-megawatt photovoltaic solar generation system originally built in 2012. Following an unexpected, accelerated degradation of its specialized solar collection system, the project was acquired in 2022 by Whetstone Power and an affiliate of Rosemawr Sustainable Infrastructure Management to extend the project's lifespan and improve performance. Financing provided by Enhanced Capital supported the repowering effort through the installation of modern solar panels, inverters, and wiring while retaining high-performing components like trackers and transformers. Upgrades to the project's 504 dual-axis towers were made in phases to ensure continuous clean energy generation. Once fully repowered, the project is expected to generate over 83 million kilowatt-hours of clean energy for off-takes in its first year of operation.

Impact themes: Underserved Community², Environmental Sustainability, and Community Development Program³



Small Business Lending

Our Small Business Lending strategy supports small businesses through senior and subordinated debt financing solutions. The Small Business Lending strategy generates meaningful, quantifiable impact nationwide with financings of up to \$15 million. We prioritize downside risk mitigation and focus on businesses that help catalyze community development, often located in rural areas and distressed urban census tracts.

"We expanded our Small Business Lending initiatives this year by receiving our greenlight letter from the Small Business Administration (SBA) in November 2024 for our third Small Business Investment Company (SBIC) Fund set to launch in 2025. These efforts underscore our continued commitment to empowering small businesses, catalyzing growth, creating jobs, and strengthening communities through access to capital."



Mark Slusar

Managing Partner at
Enhanced Capital

**Since
Inception**

\$1.1 Billion+
invested

460+
businesses
financed

74%
of our investments
focused on
Underserved
Communities²

87%
of our investments
were facilitated by
Community
Development
Programs³

41%
of our investments
promoted
Environmental
Sustainability

31,000+
jobs supported⁴



Small Business Lending Spotlight



Early Bird Education Group

Small Business Lending

Early Bird Education Group operates a growing network of high-quality early childhood education centers across the Midwest, Southern, and Eastern United States. Founded in 2021, the company provides a nurturing and safe learning environment designed to support the developmental and educational needs of young children. Financing from Enhanced Capital helped Early Bird simplify its capital structure, complete a strategic acquisition, and position the company for continued expansion with working capital. Each school in the network maintains a local identity while sharing a core commitment to accessible, high-quality early education.

Impact theme:

Underserved Community²



BoRey

Small Business Lending

BoRey is a veteran-managed business based in rural East Collins, MS, and a provider of freestanding air and air/vacuum vending equipment for inflating tires, commonly found at convenience locations such as gas stations. Founded in 2013, the company's equipment is outfitted with advanced technology, including innovative payment systems and real-time performance monitoring. A loan from Enhanced Capital supported the refinancing of existing debt and provided working capital to expand BoRey's equipment. The investment contributes to the growth of a small business in an underserved community, spurring job creation and economic opportunity in an area with a 31% poverty rate.

Impact theme:

Underserved Community²



Investing with Impact











Impact Overview:

To incorporate impact alongside risk-adjusted financial returns, we employ evidence-based assessment methodologies through our proprietary Impact Measurement and Management (IMM) investment policies and implement rigorous data collection. Additionally, we encourage collective industry improvement by engaging in government initiatives and adhering to the following nationally and internationally recognized impact frameworks and standards:



Portfolio Impact Since Inception:

All investments align with at least one of our Impact Themes, supporting strategic investment with purpose. The following data reflects the percentage of our portfolio that contributed to these themes and specific United Nations (UN) Sustainable Development Goals (SDGs) since inception.

Since Inception Portfolio Percentages						
Impact Themes	Portfolio Percentage	SDG Percentage				
Underserved Communities ²	79%	 38%	 78%	 34%		
Environmental Sustainability	71%	 31%	 33%	 37%	 29%	
Community Development Programs ³	80%	 38%	 74%	 78%		

Enhanced Capital Group, LLC is a private credit investment manager founded in 1999 focused on Project Finance and Small Business Lending.

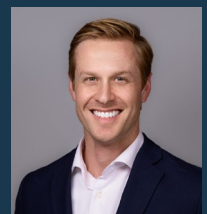
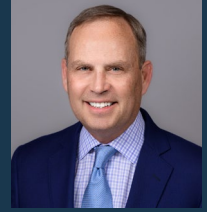
From inception through December 31st, 2024, inclusive of proprietary assets and assets managed by affiliates, Enhanced Capital has raised a total of \$6.4 billion. Of the total assets under management, impact assets represent \$4.2 billion, supporting investments in over 1,000 projects and businesses across 40 states, Washington DC, and Puerto Rico, not including investments made by non-impact affiliates.

Enhanced Capital invests within its impact themes: Underserved Communities; Environmental Sustainability; and Community Development Programs. Enhanced Capital is a subsidiary of P10, Inc. (NYSE: PX), a diversified, multi-asset investment platform.

- 1) *Total impact assets under management raised represent \$4.2 billion and does not include investments made by affiliates.*
- 2) *Enhanced Capital defines Underserved Communities as New Market Tax Credit Qualified Low-Income Areas, USDA Rural Areas, and Novogradac Opportunity Zones.*
- 3) *Enhanced Capital defines Community Development Programs as businesses and projects that comply with local, state, and federal economic development programs to augment stated community goals and initiatives.*
- 4) *Full-time and construction jobs supported and/or retained.*
- 5) *Tracked utilizing full-time employment data.*
- 6) *The expected lifetime amount of avoided CO₂ from Enhanced Capital's investments.*
- 7) *The Project Finance investment figure includes Federal Historic Tax Credits, Renewable Energy Tax Credits, Bridge Loans, and other financing.*
- 8) *Projected Lifetime Production of Clean Energy Generation (GWh).*
- 9) *The Project Finance Tax Credit Investment figure for Real Estate includes federal and state Historic Tax Credit investments.*

Enhanced Capital Group, LLC, and its affiliates, is an Equal Opportunity Provider. Information contained in this report is comprehensive, and extensive efforts were made by Enhanced Capital to verify all information herein. Assets under management figures represent impact assets only, except as stated otherwise, and include proprietary assets. All information herein related to energy is estimated and based on third-party sources. This report is intended for marketplace communication purposes only and is neither an offer to sell nor a solicitation of any offer to buy any securities, investment product, or investment advisory services. This is not an offering or the solicitation of an offer to purchase an interest in a fund. For more information on Enhanced Capital, please visit www.enhancedcapital.com.

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