

Case Study:

New Hampshire Solar Portfolio



Project Backgrounds

Total Portfolio is 1.6 MW as follows:

Milton Town Solar:

The project is a 1.2MW commercial solar energy installation on land leased from the Town of Milton, NH, located at 803 White Mountain Highway, Milton, New Hampshire, 03851 (the "MT Facility"). The lease has a 20-year term with two (2) five (5) year extension options. Lease payments have been set at the reasonable amount of \$13,000 annually for the term of the lease.

Littleworth Road Solar:

The project is a 334kw DC fixed tilt ground mounted photovoltaic solar array set in an open field. The array location is relatively flat, and operates as a net metering facility, (the "LR facility"). The LR facility is located in Dover, New Hampshire, and has entered into a Group Net Metering Agreement whereby the apartments at 21 Madbury Road, Durham, New Hampshire purchased 392,116 kw's of power from the LR facility, representing all of its annual production.

Second Chance Solar, LLC:

The Second Chance for Success ground-mounted solar photovoltaic array is sized at 66kw, covering 7,175 sq. ft. using 180 trina solar 310w Modules Mounted on Gamechange post-driven racking at 881 Marlborough Road in Keene, New Hampshire (the "SC Facility"). The panels were installed with sufficient space between each panel for rain water to fall, disperse and infiltrate. Construction included assembling a ClearSpan, Economy Round, Style High Tunnel that will cover approximately 900 sq. ft.

The total project cost for all three (3) facilities was \$3,827,967, generating a Federal Solar Investment Tax Credit of \$1,148,390 (30% of the total project cost) and depreciation of \$1,256,281. Of this Tax Credit, 99% or \$1,136,906 was allocable to our Investors.

P&R Tax Credit Equity Fund 2016, Limited Partnership

Two Investors with passive income and a combined federal tax liability of at least \$2,393,188 agreed to be a part of the P&R Tax Credit Equity Fund 2016, Limited Partnership (the "Limited Partnership"). Once the Limited Partnership was created and funded, investor funds were able to flow through to the separate ownership entities that owned the three (3) solar installations identified above. The Developer of the solar installations is a 1% Member and the Limited Partnership a 99% Member of each ownership entity. The Tax Credits and depreciation flowed from each ownership entity back to the Limited Partnership and then to each Investor. The Limited Partnership was made by and between CTG Holdings, LLC and one outside Investor as the General Partners and CTG Holdings, LLC and a separate outside Investor as the Limited Partners. Within the Limited Partnership, both Investors contributed a total of \$1,253,161. For their contribution, the Investors received total benefits of \$1,140,027 towards their federal tax liability. The Limited Partnership and its investors filed their tax returns in 2017, and the tax returns have been accepted by the IRS with no challenge or audit request.