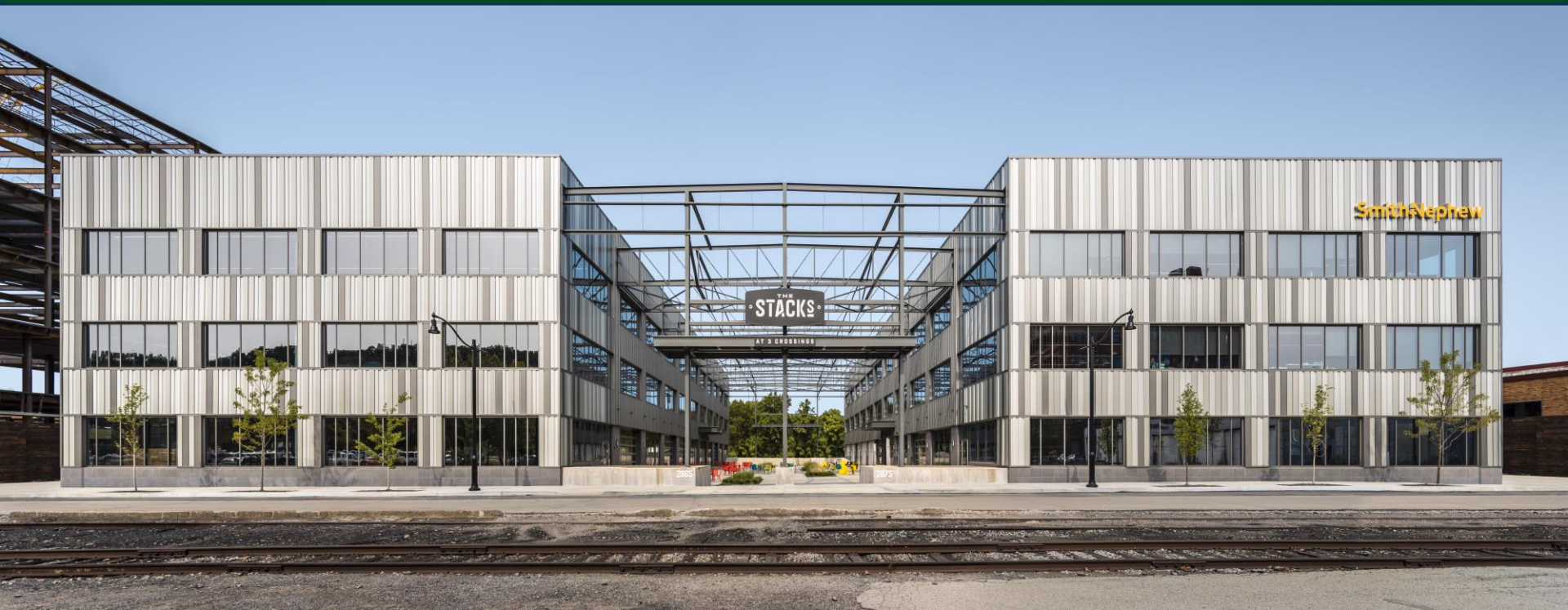




# Appalachian Sustainable Finance Hub

April 2, 2025



# About PenTrust

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PenTrust is a full-service investment advisor with a primary focus on commercial real estate, providing the insight and experience to help our clients preserve, protect, and grow their investment portfolio.

Our flagship fund, The ERECT Fund, was founded in 1987 in alliance with the Building Trades of Western PA to leverage union pension fund investments to facilitate projects that are built using 100% union labor.

PenTrust has worked with PA DCED on the Building PA Loan Program and advised the Allegheny Conference's Strategic Investment Fund. We have placed venture investments in local start ups operating in the AI and robotics space through subsidiary Chrysalis Investments. Currently we are working with Level Communities on a for-sale affordable housing program.



# ERECT Funds Summary

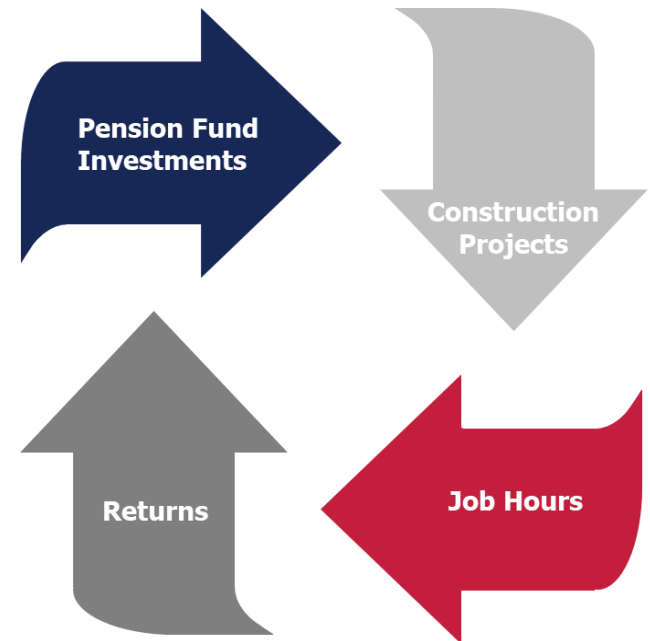
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The ERECT Funds are open ended, commingled trusts conceived by the Building Trade Unions in collaboration with PenTrust to provide financing for local commercial real estate projects built with union labor. The Funds' focus is on projects that foster economic growth through job creation, attracting new businesses, and revitalizing neighborhoods.

The ERECT Funds are committed to investing local capital in local construction and rehabilitation projects with a focus on socially responsible investing that balances the financial return with the social impact.

The Funds' have participated in over \$2.4 billion of projects, creating over \$880 million of wages and benefits for local workers.

Investors include the Commonwealth of Pennsylvania, Allegheny County, Beaver County, Highmark, and numerous building and construction trade pension funds.



# ERECT Funds Impact

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- Participation across the capital stack from senior debt to LP equity.
- Investing at various stages of the process from site development and demolition to vertical construction and rehabilitation.
- Engaged in the development of various types of commercial real estate including affordable housing, office, industrial, tech flex, multi-family, hotel, and retail.
- Offering C-PACE financing to upgrade building systems to modern environmental standards including photovoltaic panels, water conservation measures, and HVAC upgrades.

- C-PACE Financing
- First Mortgage Loans
- Subordinated/ Mezzanine Loans
- Equity Investments
- Site Development Loans
- Tax Increment Financing
- New Market Tax Credit Leverage Loans
- Historic Tax Credit Bridge Loans

# East Liberty

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Built in 1918, the Nabisco Bakery was a cornerstone of East Liberty and a beacon to the thriving neighborhoods around it. Failed urban renewal and the collapse of the steel industry diminished the prestige and population of the area. The bakery closed in 1998.

The ERECT Funds invested in Bakery Square starting in 2007 with a TIF loan. Now anchored by Google, Bakery Square has once again become a beacon to the community, and East Liberty has become one of the most desired markets in the Pittsburgh region.



# Strip District

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Built in 1926, the Produce Terminal on Smallman Street was an iconic structure stretching five blocks that served as the central clearinghouse for bulk produce. The neighborhood steadily declined after the PA Railroad disappeared in the late 1960s.

Today, the Produce Terminal is one of the latest success stories in the Strip District. Renovation is complete and the Terminal is ready for customers. Across the street, Aurora Innovation has leased the newly-renovated 1600 Smallman Street building, another historic building.

In recent years, numerous high-tech tenants such as UBER Technologies, Oculus VR, ARGO AI, and Smith & Nephew have come to call the Strip home, autonomous vehicles dot the landscape, and The Strip District is known as **ROBOTICS ROW**.



# 51 Bridge Street - Etna

Built in 1902, 51 Bridge Street is a three-story industrial building once used by Spang & Company for steel fabrication. This building is in the epicenter of Etna and is highly visible when passing Etna. The Borough of Etna had fallen on hard times and 51 Bridge Street was largely vacant and in disrepair.

Today, 51 Bridge Street is home to Westinghouse's eVinci micro-reactor. The ERECT Funds invested in three tranches over 5 years to rehabilitate the property. PenTrust pulled together equity partners, state funding, and worked with the developer to bring the project to market, eventually landing Westinghouse as a tenant.



# Quality Projects bring Quality Tenants

Projects financed by The ERECT Funds frequently achieve LEED Silver and Gold status and WELL certification. These projects have attracted numerous employers as tenants, particularly technology firms, professional service firms, energy companies, manufacturers, logistics companies, educational institutions and health care providers.

