



## Edgar Filing: Power REIT - Form 8-K

solar farms in New England.

Power REIT formed a wholly-owned subsidiary, PW Salisbury Solar, LLC ("PWSS") to acquire the property and consummate the Transaction. The Transaction was financed via cash on hand and an \$800,000 bridge loan to PWSS. Loan proceeds, together with cash on hand, were utilized to pay the net purchase price of the Transaction. PWSS also assumed a municipal financing with an unpaid principal balance of approximately \$122,000 as of the closing date. The Property is subject to a twenty-one (21) year ground lease with the solar farm tenant, with extension options on mutually agreeable terms. Pursuant to the lease, PWSS will receive \$80,800 of annual rent with a 1% escalation. The tenant is responsible for taxes related to the solar farm and PWSS is responsible for taxes related to the land.

The lender of the bridge loan is Hudson Bay Partners, LP, a wholly-owned affiliate of David H. Lesser ("DHL"), our CEO and Chairman. The bridge loan has a term of six (6) months, extendible for another six (6) months at PWSS' option. The interest rate is 5.0% during the first six (6) months and 8.5% during the extension period, if so extended. Interest is payable at the end of each six month period (i.e. semi-annually). The bridge loan is prepayable at any time, without penalty. The company expects to refinance the bridge loan during the initial period with bank debt and/or issuance of equity. The bridge loan is secured by a first-lien mortgage on the property and a parent guarantee from Power REIT.

The independent trustees of Power REIT met without DHL present to approve the bridge loan, deeming it to be in the interests of the company, on economic terms that are favorable to the company and demonstrative of the DHL's commitment to the company and its business plan. The Transaction is the first transaction consummated by the Registrant and is consistent with the expansion of its business plan and focus on infrastructure investments and renewable energy infrastructure in particular.

A copy of the press release is attached to this report as Exhibit 99.1 and incorporated herein by reference.

### SECTION 9 FINANCIAL STATEMENTS AND EXHIBITS

#### Item 9.01 Financial Statements and Exhibits

##### (d) Exhibits

##### Exhibit

No.	Description
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10.1	PW Salisbury Solar, LLC Mortgage
10.2	PW Salisbury Solar, LLC Note
10.3	Power REIT Guarantee
99.1	Press Release of Power REIT dated January 3, 2013

##### SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its

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behalf by the undersigned hereunto duly authorized.

Date: January 3, 2013

POWER REIT

By: /s/ David H. Lesser  
Name: David H. Lesser  
Title: CEO and Chairman