Reorg Credit Intelligence – 5/3/2021

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Secure Home Holdings Plan to Hand Equity to 1L Lenders

Chart

Capital Structure as of April 25, 2021	
Instrument	Approx. Principal Outstanding (in millions)
First Lien Facility	$197.5
Second Lien Term Loan	$34.0
PPP Loan	$6.8[3]
Total	**$238.3[4]**

Structure Post-Emergence	
Instrument	Principal Outstanding (in millions)
Exit Facility and/or DIP Takeback Loans	$20.0
Reorganized Equity Interests	$125.0
Total	**$145.0**

[3] In November, the Debtors submitted a request for loan forgiveness of approximately $6.1 million. To the extent the PPP Loans are not forgiven, they will be treated as General Unsecured Claims in Class 4 under the Plan and shall be cancelled, released, and discharged as of the Effective Date, and of no further force or effect.

[4] The Capital Structure as of April 24, 2021 does not show the additional outstanding principal amount anticipated to be drawn from the Debtors' proposed DIP Facility. The DIP Facility is in the form of a superpriority senior secured debtor in possession credit agreement providing $45.0 million in aggregate term loan commitments, inclusive of $15.0 million of the New Money DIP Facility and $30 million of the Roll-Up DIP Facility. The Debtors anticipate making a draw on the DIP Facility upon entry of the interim financing

Secure Home Holdings LLC and various affiliates, including My Alarm Center LLC, which provides security and smart home automation to residential and small-business customers throughout the United States, and ACA Security Systems LP, a customized home security services provider provider, filed for chapter 11 protection on Sunday night, April 25, in the Bankruptcy Court for the District of Delaware. The debtors have secured $45 million in DIP financing commitments from the majority holder of the debtors' first lien prepetition obligations, Invesco, and the remaining first lien lenders, including $15 million of new money and a rollup of $30 million of prepetition first lien obligations. Click through to read our full case summary here: https://reorg.com/secure-home-holdings-bankruptcy/

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