The Collateral Is the Contract

POWER, MODELS, AND MOATS · ISSUE 01

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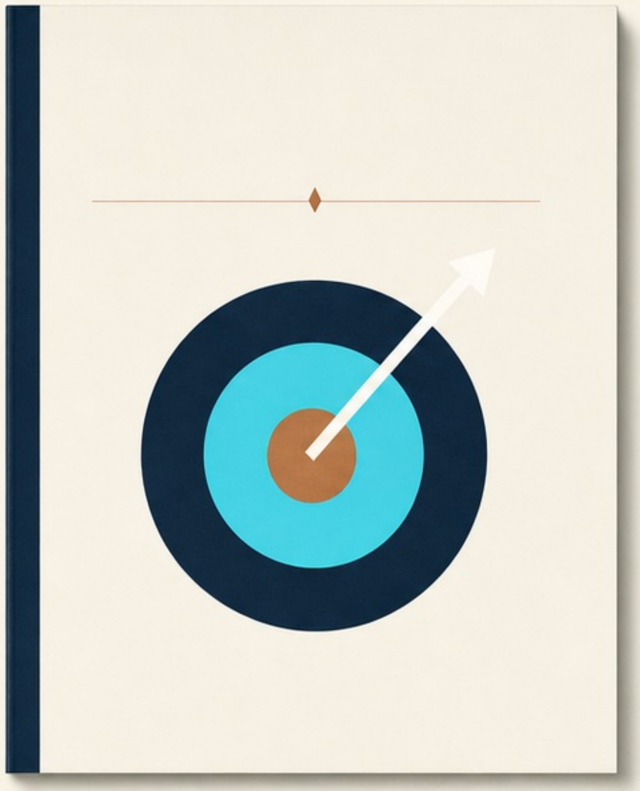
The magazine is the journal. This is the board packet.

THE PROOF

THE BRIEF



WHY IT MATTERS

Use this packet to brief a room. Use the magazine to defend a number.

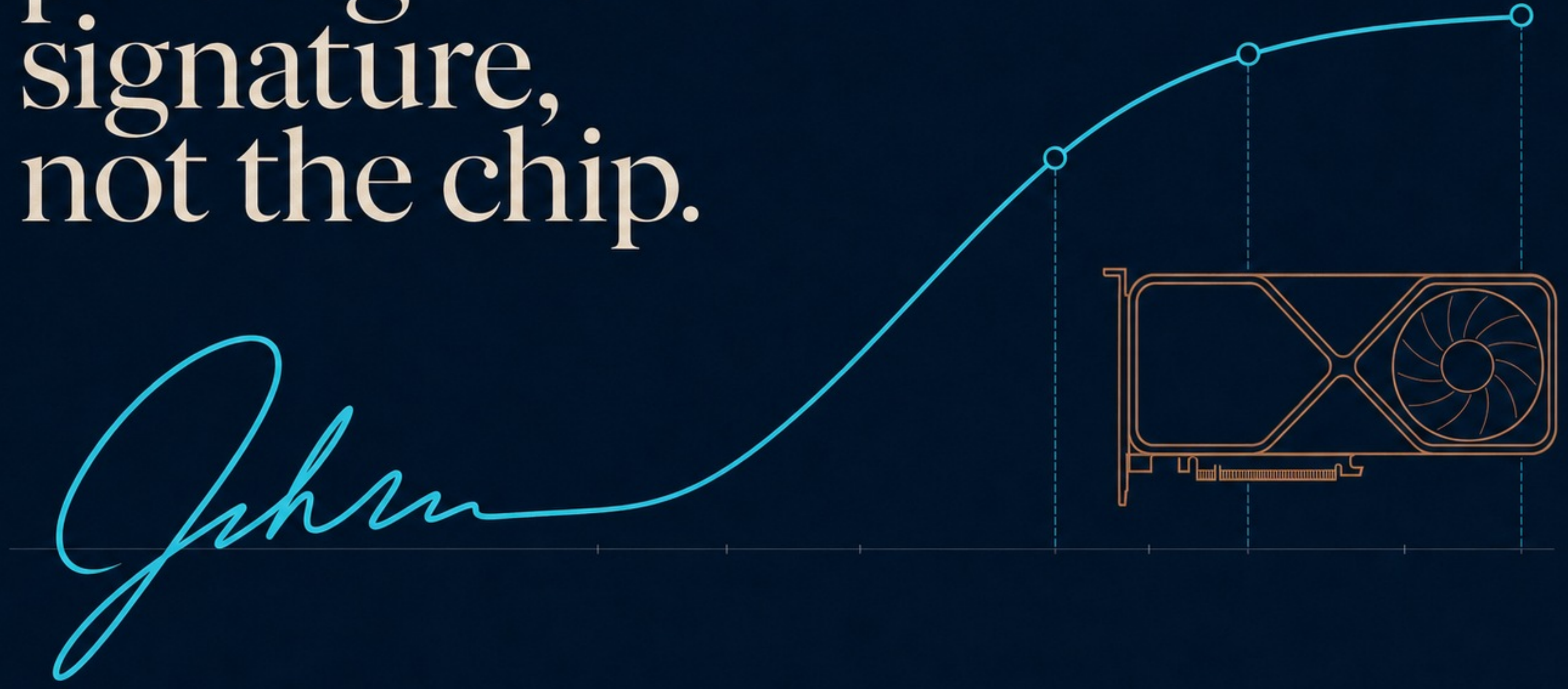
PLAIN ENGLISH

This is the short version. The web issue contains the proof.

KEEP THE CAVEAT

No price targets. No buy/sell recommendation. No new claims.

Lenders are pricing the signature, not the chip.



THE THESIS

WHY IT MATTERS

Two operators with the same GPUs and different offtakers are not the same credit.

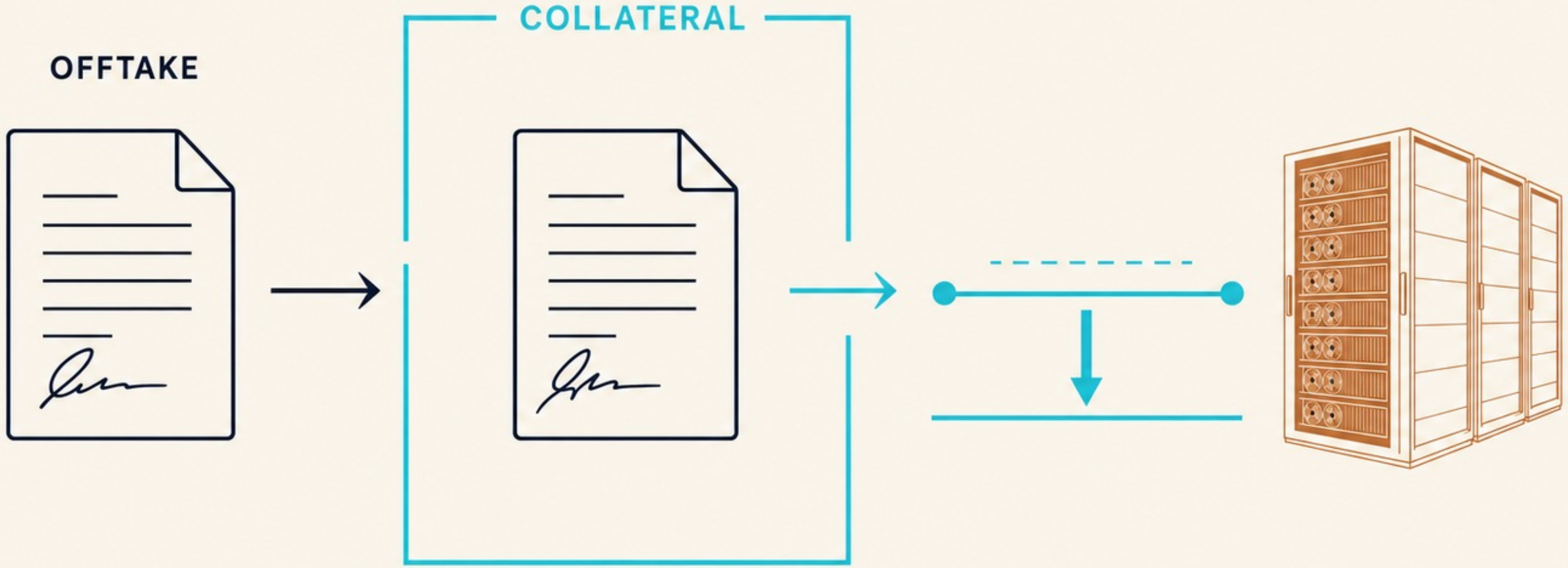
PLAIN ENGLISH

The customer signature can matter more than the chip.

KEEP THE CAVEAT

Power remains the physical bottleneck. Credit prices access to it.

A contract that says "I will pay" can be pledged.



WHY IT MATTERS

If the contract cannot be pledged, the loan prices more like equipment risk.

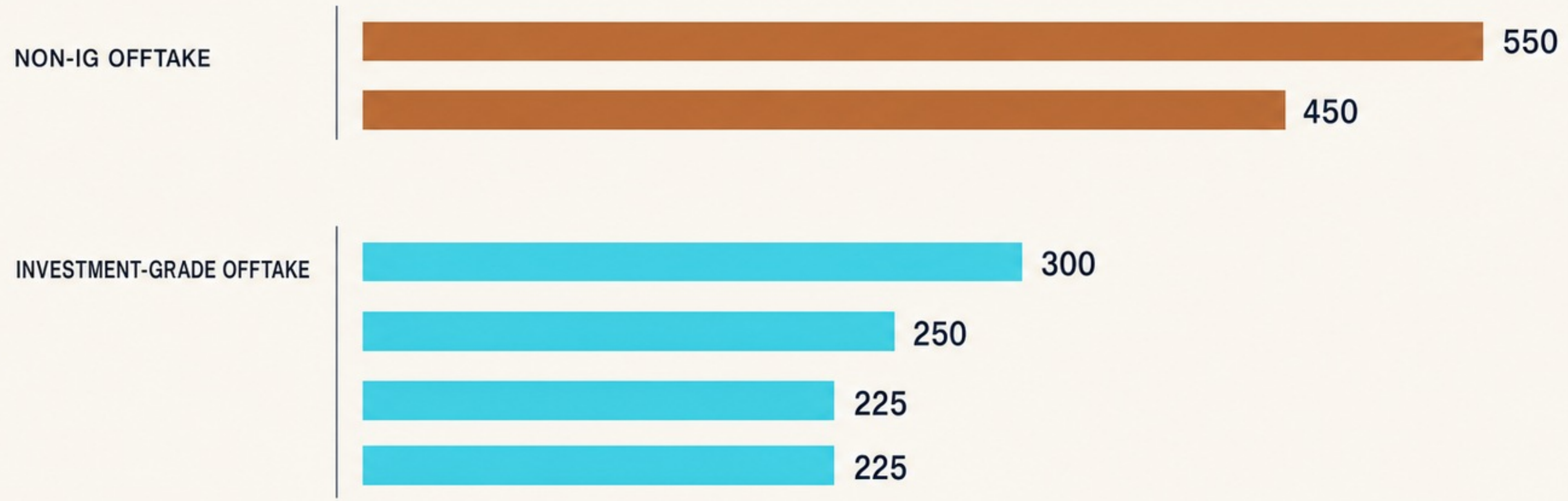
PLAIN ENGLISH

A strong customer's promise to pay works like collateral.

KEEP THE CAVEAT

The hardware still matters, but its resale value is uncertain.

Six GPU facilities, two visible pricing bands.



WHY IT MATTERS

A 200–325 bp gap on multi-billion facilities dominates most operating differences.

PLAIN ENGLISH

A stronger customer can make the same GPUs much cheaper to finance.

KEEP THE CAVEAT

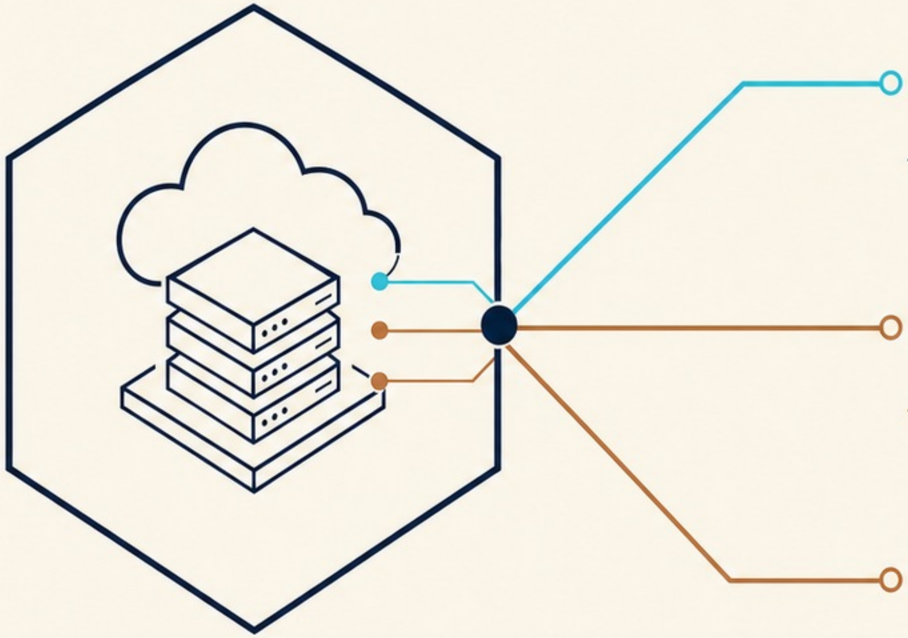
Announced spreads, not option-adjusted. Fees and OID are mostly undisclosed.

SOURCE / CONTEXT

CoreWeave SEC filings, 31 Mar and 18 May 2026; CoreWeave release, 1 Aug; IREN FY26, 27 Aug.

Full citations: magazine Evidence index

One sponsor, five months, three prices.



+225	RATED CUSTOMER
+450	NON-IG CUSTOMERS
+550	SHORTER NON-IG

WHY IT MATTERS

Same sponsor and asset class isolate the counterparty as the clearest visible variable.

PLAIN ENGLISH

One company, three loans. The strongest customer produced the cheapest loan.

KEEP THE CAVEAT

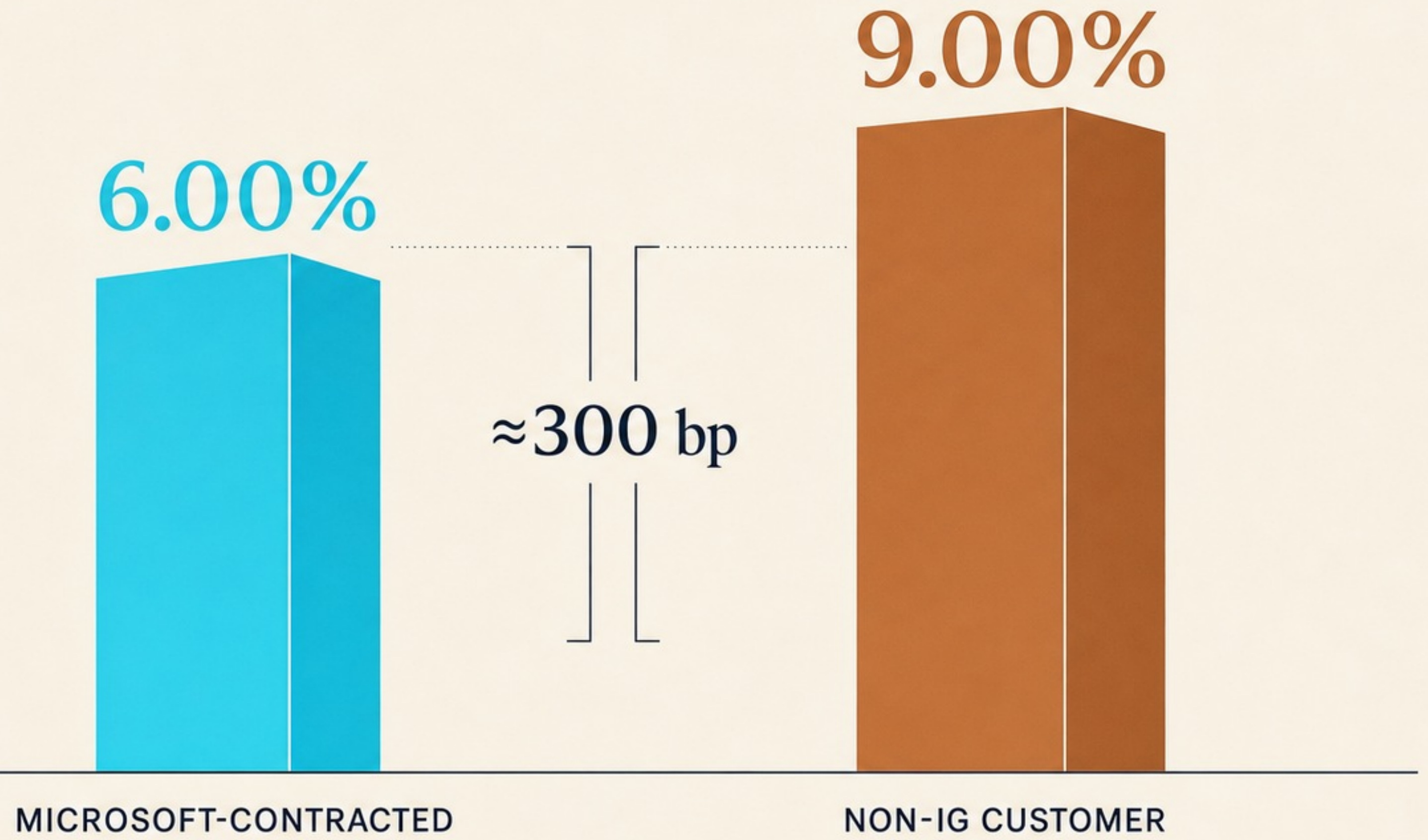
Structures and contract tenors still differ.

SOURCE / CONTEXT

CoreWeave SEC filings, 31 Mar and 18 May 2026; CoreWeave investor release, 1 Aug 2026.

Full citations: magazine Evidence index

IREN showed the *same gap* without being CoreWeave.



WHY IT MATTERS

IREN independently reproduces the pattern: Microsoft-backed paper cleared materially cheaper.

PLAIN ENGLISH

This is not only a CoreWeave story.

KEEP THE CAVEAT

The 9% loan has a parent guarantee and different collateral.

SOURCE / CONTEXT

IREN FY26 results, 27 Aug 2026; Fitch rating analysis, 2 Jun 2026.

Full citations: magazine Evidence index

Investment-grade paper underwrites the payment stream.

WHY IT MATTERS

Rated paper is built around cash-flow durability, not a heroic GPU resale assumption.

PLAIN ENGLISH

Banks prefer a Microsoft IOU to used hardware they may have to sell.

KEEP THE CAVEAT

Investment-grade tenancy is not sufficient if completion risk dominates.

SOURCE / CONTEXT

Fitch IREN rating analysis, 2 Jun 2026; CoreWeave SEC filing, 31 Mar 2026.

Full citations: magazine Evidence index

NVIDIA rented OpenAI a rating, capped at $105 billion.

4.25 GW | 2028+

WHY IT MATTERS

The landlord can underwrite NVIDIA until OpenAI can stand on its own credit.

PLAIN ENGLISH

NVIDIA is co-signing the lease.

KEEP THE CAVEAT

The co-sign terminates if OpenAI earns a satisfactory rating.

SOURCE / CONTEXT

NVIDIA Form 8-K, 17 Aug 2026; NVIDIA Form 10-Q, 26 Aug 2026.

Full citations: magazine Evidence index

The mechanism is old. The scale is new.

WHY IT MATTERS

Ask whether reported demand is independent of the supplier's balance sheet.

PLAIN ENGLISH

A vendor can help a customer buy what the vendor sells.

KEEP THE CAVEAT

Historical analogue, not a prediction that NVIDIA repeats Lucent's outcome.

SOURCE / CONTEXT

Lucent Technologies Form 10-K, 15 Dec 2000. Historical analogue only.

Full citations: magazine Evidence index

Cheap credit does not create megawatts.

WHY IT MATTERS

Financing can expand faster than energisable capacity, moving scarcity downstream.

PLAIN ENGLISH

You can print a loan faster than you can build a substation.

KEEP THE CAVEAT

Turbines, transformers, permits, and interconnect still set delivery dates.

SOURCE / CONTEXT

Context: ERCOT, GE Vernova and Siemens Energy disclosures cited in the magazine.

Full citations: magazine Evidence index

REPORT: 10 DEC 2026

A queue slot is not evidence of demand.

WHY IT MATTERS

Queue cleanup may look like a demand shock when it is actually a measurement correction.

PLAIN ENGLISH

A waitlist is not the same as a funded, build-ready project.

KEEP THE CAVEAT

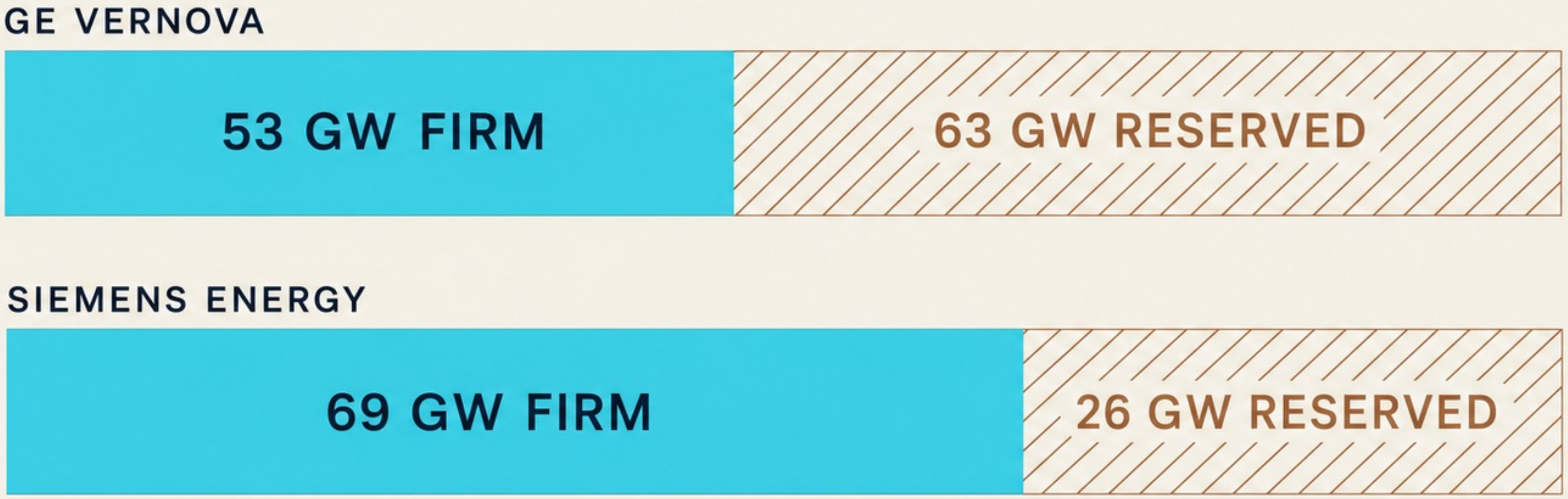
~90% data-center share refers to the overall queue, not Batch Zero.

SOURCE / CONTEXT

ERCOT Senate presentation, 29 Jul 2026; Batch Zero PUCT presentation, 20 Aug 2026.

Full citations: magazine Evidence index

Headline gigawatts mix orders with holds.



WHY IT MATTERS

Announced behind-the-meter generation is less contracted than headline GW imply.

PLAIN ENGLISH

Holding a factory slot is not buying the turbine.

KEEP THE CAVEAT

Slot reservations remain distinct from firm backlog at both suppliers.

SOURCE / CONTEXT

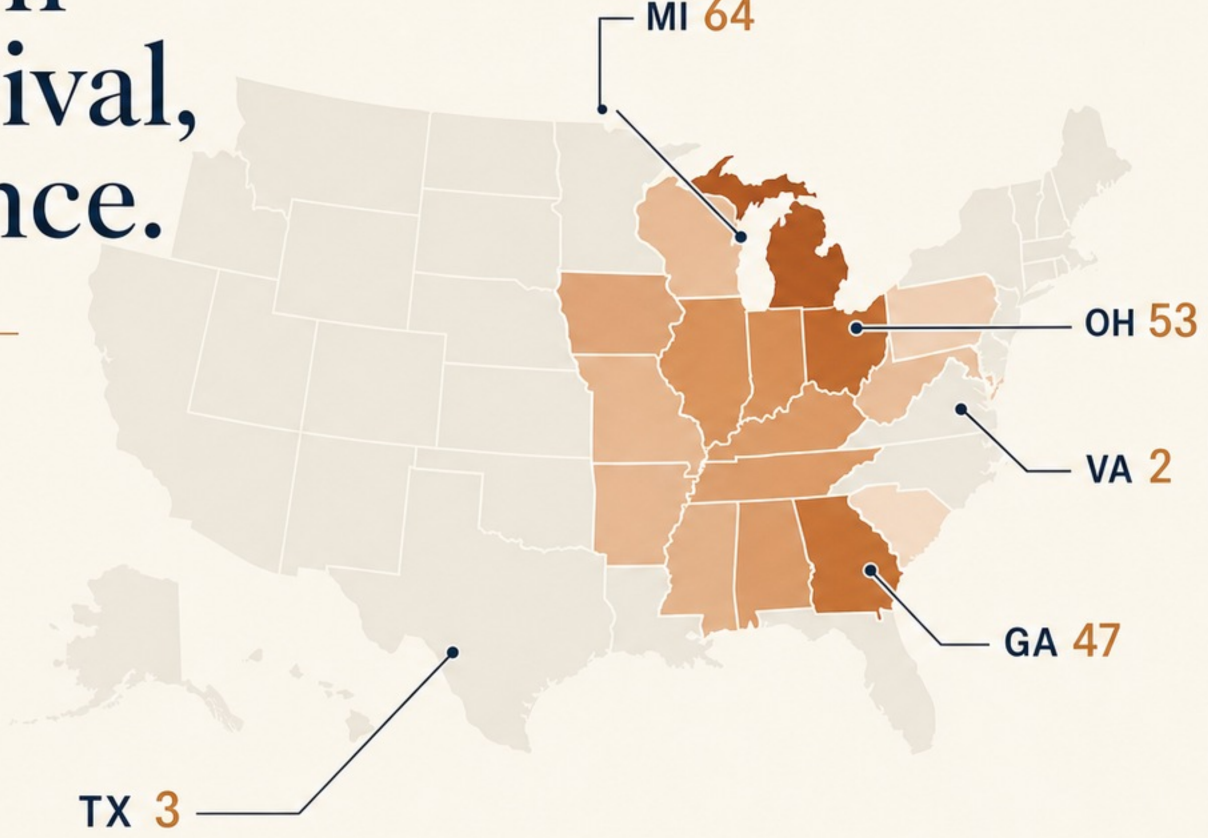
GE Vernova Q2 results, 22 Jul 2026; Siemens Energy Q3 presentation, 5 Aug 2026.

Full citations: magazine Evidence index

Opposition tracks arrival, not presence.

533

LOCAL INSTRUMENTS



WHY IT MATTERS

Emerging markets may carry more entitlement risk per megawatt than established cores.

PLAIN ENGLISH

Communities often resist the first wave more than the installed base.

KEEP THE CAVEAT

Community-maintained inventory; a floor, not a complete census.

SOURCE / CONTEXT

Moratorium Data 2026 open dataset, 19 Aug 2026; underlying local instruments.

Full citations: magazine Evidence index

Near-term silicon revenue is a deliverability story.

$89.0B | **$108.0B** ±2%

NO CHINA COMPUTE IN GUIDANCE

WHY IT MATTERS

Near-term silicon revenue is constrained by delivery, not a search for demand.

PLAIN ENGLISH

Customers are waiting for supply; NVIDIA is not waiting for customers.

KEEP THE CAVEAT

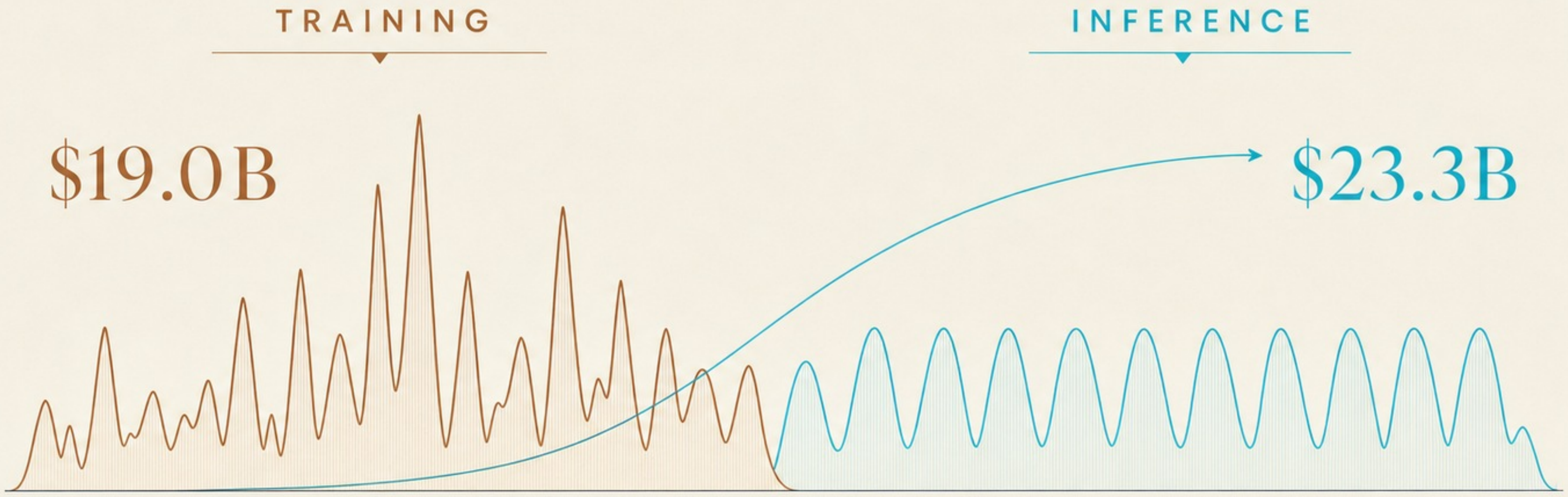
The $108.0B figure is guidance and assumes no China data-center compute.

SOURCE / CONTEXT

NVIDIA Q2 FY2027 results, 26 Aug 2026.

Full citations: magazine Evidence index

Recurring load is what a lender can underwrite.



WHY IT MATTERS

Recurring inference load supports the long-dated contracts lenders can underwrite.

PLAIN ENGLISH

Serving deployed apps is steadier than running a one-off training job.

KEEP THE CAVEAT

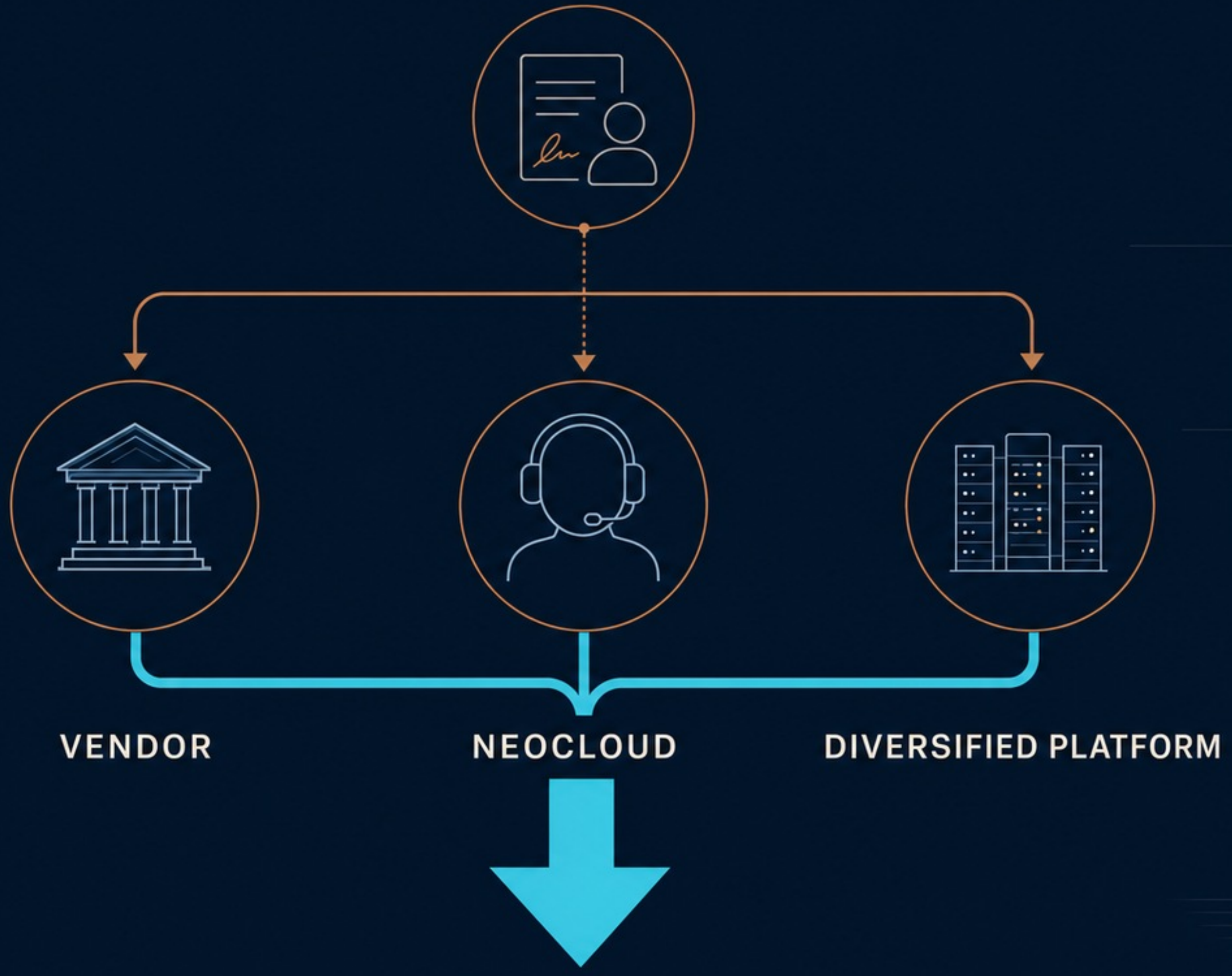
Single-forecaster projection, not reported revenue.

SOURCE / CONTEXT

Gartner AI-optimised IaaS forecast, 10 Aug 2026.

Full citations: magazine Evidence index

Follow the balance sheet that absorbs a tenant miss.



WHY IT MATTERS

Concentration is a financing fact. Diversification can become a cost-of-capital advantage.

PLAIN ENGLISH

Find the balance sheet that pays if the tenant does not.

KEEP THE CAVEAT

NVIDIA commitments combine unlike obligations and should not be summed casually.

SOURCE / CONTEXT

NVIDIA and CoreWeave Forms 10-Q; Equinix Q2 results, Jul–Aug 2026.

Full citations: magazine Evidence index

Four rooms, one line each.

WHY IT MATTERS

Investors price WACC; executives inspect guarantees; REITs separate capacity states; analysts verify queues.

PLAIN ENGLISH

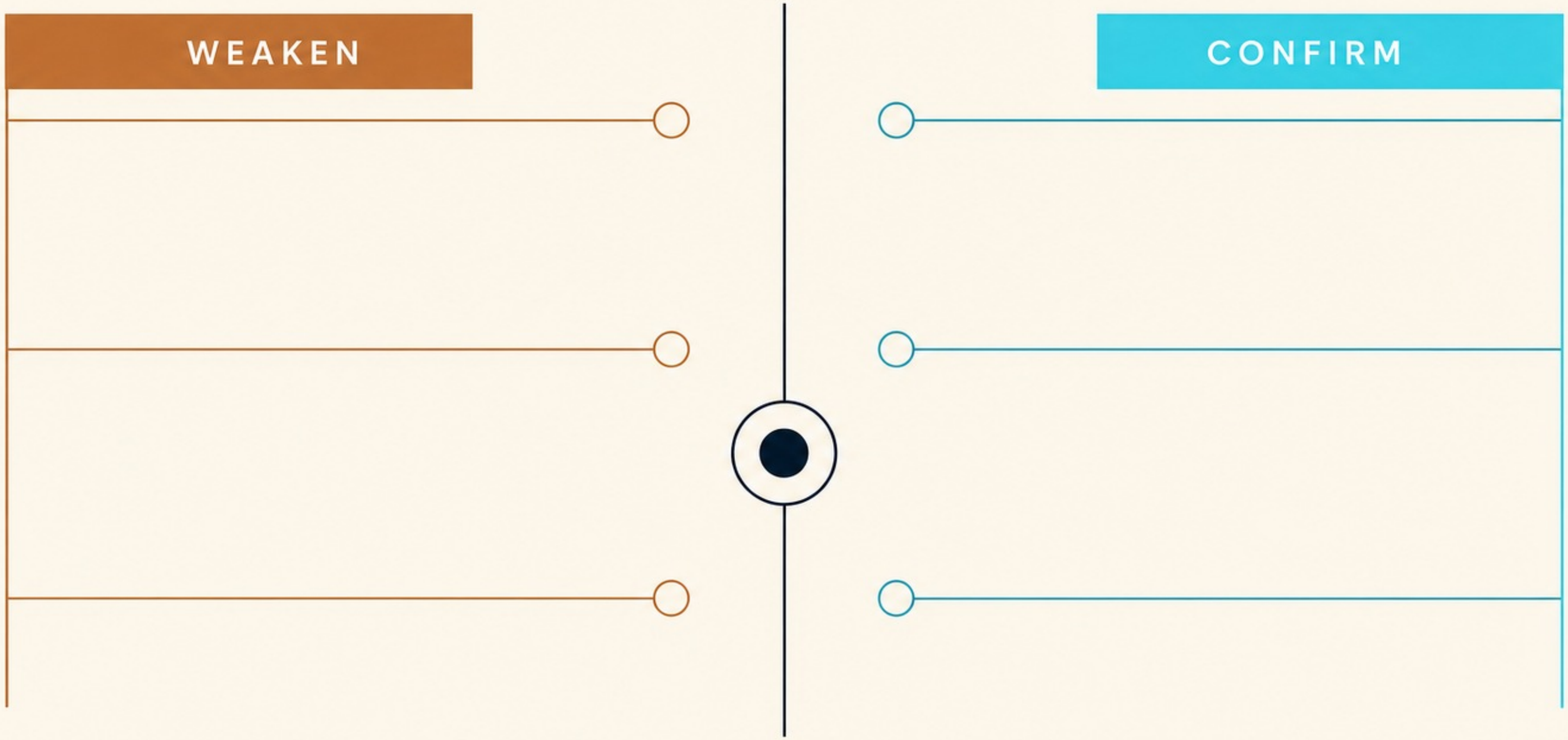
The same evidence changes four different decisions.

KEEP THE CAVEAT

Energised, contracted, and announced capacity are not interchangeable.

What would change the view.

TRIPWIRES, NOT TARGETS



WHY IT MATTERS

Act on observable thresholds, not narrative confidence.

PLAIN ENGLISH

Write down what would prove you wrong before the next filing arrives.

KEEP THE CAVEAT

Tripwires, not targets.

Three things this issue cannot see.

FEES + OID | OPENAI OBLIGATIONS | MISSING COUNTEREXAMPLE

WHY IT MATTERS

The thesis is actionable, but the market is still too opaque for false precision.

PLAIN ENGLISH

Important pieces of the bill are still hidden.

KEEP THE CAVEAT

Fees/OID, OpenAI's full obligation stack, and a clean non-IG counterexample remain unknown.

The six figures worth carrying into a meeting.

225 vs 550	$105.0B	300 bp
533	53 / 116 GW	$89.0B

WHY IT MATTERS

If you retain one comparison, retain 225 versus 550.

PLAIN ENGLISH

The strongest contract cut the visible spread by more than half.

KEEP THE CAVEAT

Every figure resolves to the magazine's evidence index.

SOURCE / CONTEXT

Compilation of cited filings, earnings releases, regulatory materials and open data.

Full citations: magazine Evidence index

What to read before the next issue.

WHY IT MATTERS

The next filings and verification dates can confirm or break the read.

PLAIN ENGLISH

Watch documents, not headlines.

KEEP THE CAVEAT

Key trigger: any public OpenAI rating would terminate the NVIDIA guaranty.

Every number lives in the magazine.

brianletort.ai/industry/market/2026-09-05