

C-PACE FOR MORTGAGE LENDERS



What is C-PACE financing?

Commercial Property Assessed Clean Energy (C-PACE) allows commercial and industrial property owners to finance up to 100% of the costs of energy efficiency projects. The financing is provided by private lenders and secured by an assessment against the property. C-PACE has an extended amortization period which makes it possible for annual energy savings to exceed annual C-PACE payments, meaning projects can be cash flow positive from day one.

Why do mortgage lenders consent to a C-PACE assessment?

- o Energy improvements improve collateral value.
- o Energy improvements help reduce operating expenses and increase cash flow.
- o Assessment financing is non-accelerating; only annual C-PACE assessments and taxes are paid first.
- o Assessment payments can be escrowed.

C-PACE FINANCIAL STRUCTURE

