

What is C-PACE?

(PACE = Property Assessed Clean Energy)

- Innovative financing tool for existing buildings that provides C&I building owners a smarter way to modernize their buildings:
 - **100% financing** - no out-of-pocket expense
 - Includes soft & hard costs
 - **Long term** - up to 25-year finance term
 - Special purpose **assessment** (akin to sewer assessment)
 - Non-recourse and transferable, typically no personal guarantees



What's Eligible? (Existing Building Retrofits)

■ Eligible Property Types (C&I)

- Office
- Retail
- Hotel
- Industrial
- Agricultural
- Healthcare
- Mixed-use
- Education
- Warehouse / storage
- Non-profit
- Multifamily (5+ units)

■ Eligible Improvements (examples)

- HVAC upgrades & controls
- Boilers, chillers & furnaces
- Pumps, motors, drives
- Hot water heating systems
- Combined heat & power (CHP)
- High efficiency lighting
- Solar PV systems
- Building envelope (windows, roofs)
- Green roofs / cool roofs
- Low-flow plumbing; smart irrigation
- Elevator modernization
- EV charging stations
- Beneficial electrification
- Demand response / demand limiting



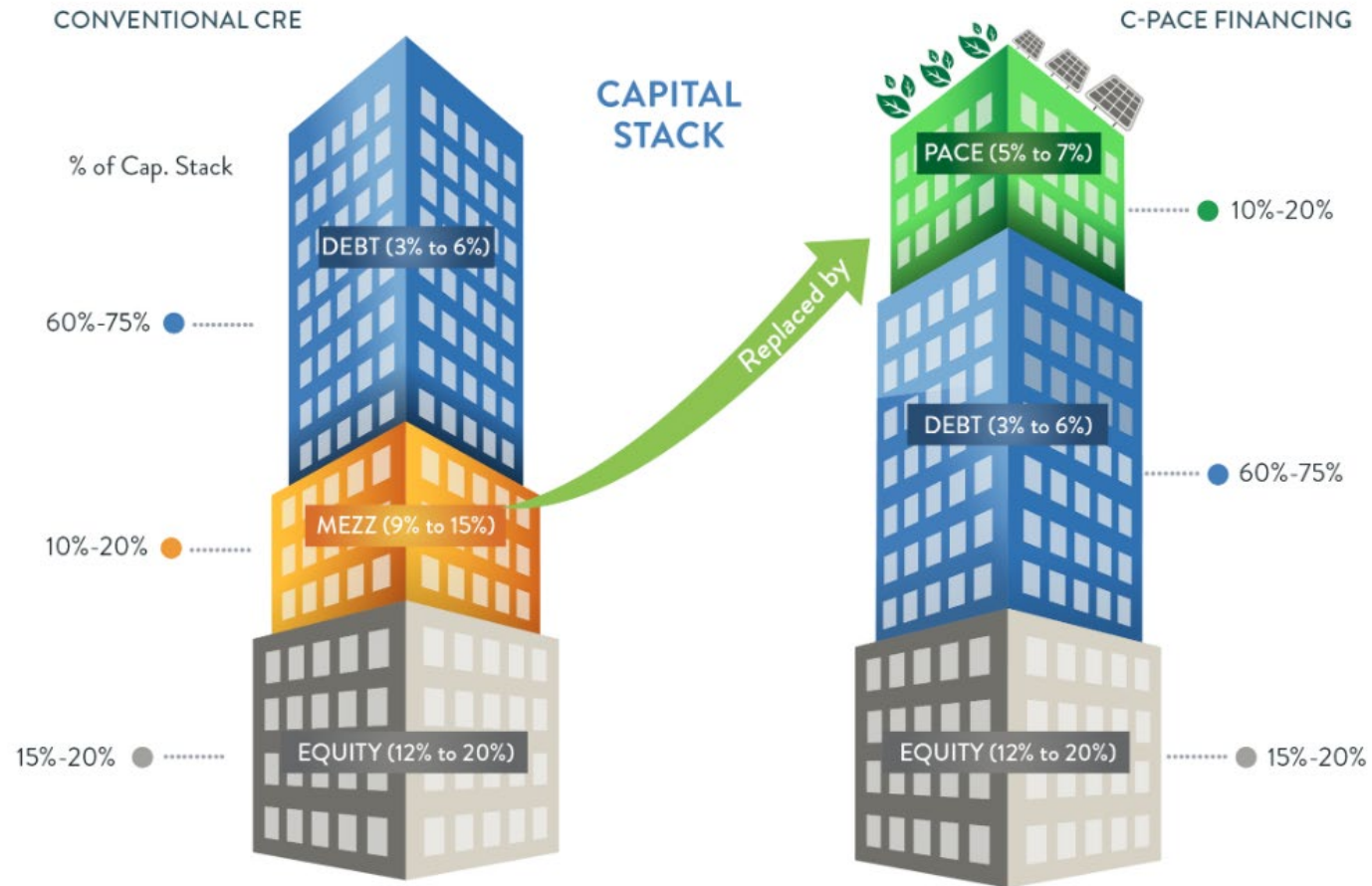
C-PACE for New Construction

- C-PACE financing for 15% to 20% of total eligible new construction costs
- Build to the 2018 IECC to be eligible for 15% of total construction costs
- Exceed (>5%) 2018 IECC to be eligible for 20% of total construction costs
- Enables building design to “push the envelope”



C-PACE for New Construction

Where lower cost C-PACE financing can be used in lieu of mezzanine debt or equity, the developer can often lower their weighted average cost of capital



Graphic credit: EnFlux Building Solutions and Counterpointe Energy Solutions, LLC.



Colorado Commercial Property
Assessed Clean Energy

Mortgage Holder Consent

- **C-PACE assessment requires written consent from existing mortgage holder(s) or construction lender(s)**
 - C-PACE assessment lien has priority status akin to sewer assessment
 - Liens for assessments imposed by other governmental entities have coequal priority with the District special assessment lien

- **Case to provide mortgage lender consent**
 - Increase owner's ability to repay mortgage (better NOI)
 - Increase building's value
 - C-PACE assessment is non-accelerating; i.e. in a default scenario only payments in arrears come due (usually less than 0.4% of building's value)



Consenting Mortgage Holders

- **43 unique mortgage holders have consented to a C-PACE project**
- **13 mortgage holders have consented MULTIPLE times**
- **10 mortgage holders have provided C-PACE project financing**

▪ Academy Bank	1 project	▪ Frist National Bank of Hutchinson	1 project
▪ Access Point Financial	1 project	▪ First National Bank of Monument	1 project
▪ Adams Bank & Trust (1)	1 project	▪ Great Western Bank	1 project
▪ Alpine Bank (4)	5 projects	▪ Guaranty Bank and Trust	1 project
▪ ANB Bank (6)	3 projects	▪ iBorrow	1 project
▪ Bank of Colorado (2)	2 projects	▪ Impact Development Fund	1 project
▪ Bank of the Ozarks	1 project	▪ InBank	1 project
▪ Bank of the West	1 project	▪ Independent Bank	5 projects
▪ Bellco Credit Union (5)	4 projects	▪ JR&B	1 project
▪ Berkley Bank (5)	2 projects	▪ Legacy Bank	1 project
▪ Centennial Lending	1 project	▪ LoanCore Capital	1 project
▪ Citizens State Bank	1 project	▪ Midfirst Bank	4 projects
▪ Citywide Banks (4)	3 projects	▪ Midland States Bank	1 project
▪ Collins Community Credit Union	1 project	▪ Money 360 Advisors	1 project
▪ Colorado Business Bank	1 project	▪ Mutual of Omaha	2 projects
▪ Colorado Historical Society	1 project	▪ Pacific Western Bank	1 project
▪ Colorado Structures Inc (1)	2 projects	▪ Pueblo Bank and Trust	1 project
▪ First Bank (8)	5 projects	▪ Security Services FCU	1 project
▪ First Citizens Bank	1 project	▪ TBK Bank	1 project
▪ First National Bank	1 project	▪ UMB Bank	1 project
		▪ Vectra Bank	1 project
		▪ Waypoint Bank (1)	2 projects
		▪ Wells Fargo	8 projects



Consenting Senior Lenders – New Construction

- **28 unique senior lenders have consented to a new construction C-PACE project**

- **Two senior lenders** have provided C-PACE project financing

■ Access Point Financial	1 project	■ Greater Nevada Credit Union	1 project
■ Adams Bank and Trust	1 project	■ Greater Commercial Lending	1 project
■ Alpine Bank (1)	2 projects	■ Guaranty Bank and Trust	1 project
■ Bank of the Ozarks	1 project	■ iBorrow	1 project
■ Broadmark Realty	2 projects	■ Independent Bank	1 project
■ Centennial Bank	1 project	■ Origin Bank	1 project
■ Collins Community Credit Union	2 projects	■ Pacific Coast Banker's Bank	1 project
■ Cornhusker Bank	1 project	■ Park View Financial Fund	1 project
■ Cost Fund 1	1 project	■ PCSD Resorts SB Credit Private Limited	1 project
■ Exchange Bank	1 project	■ Plains Commerce Bank	1 project
■ First Bank (2)	4 projects	■ Romspen	3 projects
■ First National Bank of Omaha	1 project	■ Trust of Illinois	1 project
■ First Western Trust	1 project	■ UMB Bank	1 project
■ Glacier Bank	1 project	■ Waters Edge	1 project



Qualified Capital Providers

- 50 capital providers pre-qualified, representing multiple sectors:
 - Community banks, credit unions, and PACE-specialty investors
 - Serving small to large property/project sizes in both existing building & new construction



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