

What are the Benefits of C-PACE Financing?

Increases Building Value

Greater efficiency increases the value of the building and provides other benefits:

- Reduced operating costs - energy, repairs, and water
- Improves tenant retention and the ability to fill vacant space
- Enhanced employee productivity due to a more comfortable work environment

Borrower Friendly Private Capital

The credit protection provided by C-PACE allows lenders to offer excellent terms:

- 100% financing covers total project installation costs plus closing fees
- Long-term financing of up to 30 years resulting in very low annual payments
- Self-funding financing: the reduction in operating costs typically offset debt payment
- Non-recourse: no guarantee required from owners
- No debt acceleration: the C-PACE lender *does not have the right to accelerate the full outstanding balance*. Instead, only the amount billed but unpaid can be accelerated.

Provides Low Maintenance Financing

Once the deal closes, the building owner avoids the headaches of managing a separate financing, other than paying the annual assessment. There is no need for typical lender reporting requirements such as:

- Providing annual audits or quarterly financial statements
- Performing tedious calculations of compliance with financial covenants

Preserves Operating Flexibility

The owner's hands are not tied when it comes to managing the business:

- No prohibitions in selling the building: the C-PACE assessment is attached to the building and is automatically assumed by the buyer
- Absence of typical lender requirements such as limits on asset sales, distributions, capital expenditures, additional debt, and others
- Preserves existing capital sources

To sum it up, C-PACE provides financial and operational flexibility not found in traditional financing.

Feel free to contact us to learn more.