

LAST BEST PACE

Montana C-PACE Program

C-PACE, or Commercial Property Assessed Capital Enhancements, is a financing tool that provides building owners access to low-cost, long-term financing for building improvements. Eligible upgrades include energy and water efficiency, resiliency measures and renewable energy improvements that are fixed to the property. C-PACE helps building owners save money while investing in their property.

New construction, renovations and even retroactive projects, if completed within the last three years, are eligible for C-PACE. C-PACE is non-recourse, non-accelerated and transferrable.

C-PACE is secured by a tax assessment on the property, and payment is made through the property tax bill. Because the assessment is attached to the property, if/when the property is sold, the assessment can stay with the property. A property owner can install long-term improvements even if they don't plan on staying for the long term.

Projects with over \$100,000 in eligible improvements may qualify. C-PACE financing is flexible and allows for fixed and variable-rate loans with negotiable financing terms. C-PACE requires senior lender consent on all properties with existing loans. Contact us to see if C-PACE is right for your project.

ELIGIBLE PROPERTIES

- Commercial
- Industrial
- Agricultural
- Multifamily (five plus units)
- Mixed-use

PROJECT TYPES

- New construction
- Retrofit
- Retroactive — placed in service within last three years

PROJECT FEES

Origination

- 1.25% of project cost

Annual Administrative

- 1.0% of annual payment, not to exceed \$3,000

Montana Facility Finance Authority is the statewide C-PACE administrator.



C-PACE Program Checklist for Property Owners

☐ Discuss Project

Discuss your project with the C-PACE Program.

☐ Submit Application

Application can be found at lastbestpace.com.

☐ Obtain Senior Lender Consent

Borrower obtains written consent from senior lender(s) agreeing to a tax assessment lien being placed on the property.

☐ Acquire Energy Assessment/Solar Quote

An appropriate certified professional will establish the project's cost effectiveness, documenting that the savings generated by the project are greater than the costs of the project.

☐ Procure Independent Third-Party Assessment

Borrower selects a C-PACE-registered contractor with the relevant professional certifications and no financial interest in the project to review the energy assessment/solar quote to ensure the project's cost effectiveness requirements are met.

☐ Secure Financing

Work with a lender to secure financing for the project. Borrower selects the lender, which must meet program's eligible lender requirements, and negotiates loan terms.

☐ Get C-PACE Program Project Approval

C-PACE reviews documents and process to ensure statutory program requirements are met.

☐ Close the Loan

Work with lender and C-PACE Program to get proper documentation in place, then proceed to loan closing.

☐ Complete Project

Ensure project is completed properly. Contractor who completed the project must submit written verification that the project was properly installed and is operating as intended.

☐ Repay Loan

Pay assessment as billed on property tax statement. Local government provides loan payment funds to the C-PACE Program, which then submits the required payment to the lender.

