



# Frederick County, Maryland Business Toolbox

## C-PACE – COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY LOANS

### SAVE ENERGY, SAVE MONEY

#### PROGRAM BENEFITS

- 100% up-front capital to commercial property owners to implement building upgrades that save energy and lower operating costs
- Improvements are repaid through a long-term surcharge on the property tax bill that transfers with the sale of the property
- Can be cash flow positive from day one - up to a 20-year payoff
- A clean energy loan may be used for all costs incurred by qualifying improvements such as the cost of the energy audit, feasibility studies and reports, design, installation and construction, insurance and closing costs of the loan

#### ELIGIBLE PROJECTS

- Installing solar, geothermal or wind energy systems
- Water conservation devices not required by law
- Any construction, renovation, or retrofitting to reduce energy consumption, including high efficiency lighting and building systems, HVAC upgrades, high efficiency boilers, furnaces, hot water heating systems, and more

#### ADVANTAGES TO BUSINESSES

- Improves asset value
- Lowers operating costs and utility bills
- Can finance larger projects
- Greater tenant retention in conditioned space
- Creates local business opportunities

#### ADVANTAGES TO LENDERS

- PACE surcharge has priority over mortgage liens on the property and is recouped if property goes to tax sale
- Marketing tool for commercial loans

#### ADVANTAGES TO SERVICE PROVIDERS

- Access to 100% of the capital necessary to quickly turn proposals into funded projects

#### REQUIRED FEES AND SETTLEMENT COSTS

- Property owners repay the loan through a surcharge on the owner's Frederick County real property tax bill on July 1 of the year immediately following the agreement
- \$150 application fee
- Closing Fee: 1.05% of the amount financed through PACE
- Servicing Fee: 1.5% of the annual surcharge payment amount each year, with a min \$300/year and a max \$2000/year
- 0.5% County administrative fee

## Get Started.

Visit [DiscoverFrederickMD.com](http://DiscoverFrederickMD.com) or call (301)600-1058 or (800)248-2296 for more information.



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