



C-PACE TERM SHEET

General guidelines to better understand Commercial Property Assessed Clean Energy financing

Borrower	Single-asset entity, either for profit or nonprofit
Public Benefit Requirement	Projects must exceed local code by 5%-10% through utility conservation reduction measures
Recourse	Non-recourse upon completion; carry and completion typically guaranteed through CO
LTV	New Construction: Up to 35% based on appraisal Rehab: 35% of stabilized value if 50% or more occupied
Interest Rate for Term	Typically 300-400 bps over 10-year Treasury (fixed)
Funding Amount	\$100K to \$200M
Term	Typically 20-30 years. Cannot exceed weighted average of expected useful life of improvements
Amortization	Capitalized interest and interest-only periods up to 5 years combined; full-term amortization follows
Prepayment	Prepayable at any time via tailored fees that decline over time and are set by a capital provider
Assumption	Fully assumable. C-PACE obligations can never be accelerated and transfer with ownership change
Disbursement Terms	Assessment proceeds are funded into an escrow account at closing and are available to draw as qualified costs are incurred
Third-Party Reports	Independent third-party review by state-licensed engineer post term-sheet acceptance
Senior Mortgage	C-PACE financing requires lender consent from any lienholder on the property
Timeline	Typically 60 days; C-PACE assessment closings will align with other capital stack sources