



**PACE Presentation by Tim Cali
Commercial Sales manager for
Renew Financial**

Renew financial is a PACE Property Assessed Clean Energy Company located in Oakland CA. We offer Commercial Pace Financing in Partnership with CleanFund Commercial PACE Capital. Renew Financial was one of the first PACE companies. Our Founder Cisco DeVries is credited with coming up with this idea, and rolling out the first city managed program of it's kind. Renew Financial founded in 2008 has roughly 300 employees and has offices in GA, FL and CA.



Is PACE part of the solution?

I believe so!

PACE has unique benefits that make it a great fit for long term sustainability projects, complex energy efficiency projects and projects that are either owner occupied or tenant occupied.



The RPACE & CPACE Landscape?

Residential 4 Billion



Commercial 500 Million



Solar & EE Financing with PACE

Where is PACE today?

Residential vs. Commercial

3.5 Billion vs 450 Million

Recent successes stories

What are the roadblocks?

How to win with PACE

Case Study

Is this really to much to ask?



Success Stories?



India Community Cultural Center
Fremont CA

550K - Renew Financial / First Edison
Solar



Kids First, a sports facility in Cincinnati
600K

Greenworks Lending

More Success Stories

40 Million Dollars !!!

Seismic retrofit project

Project Partners

CleanFund

Petros PACE Finance Renew
Financial

Challenges

Awareness

Lender consent

Property Equity/LTV

Lack of Standardization

Maturity of the CPACE

Associated Fees

Title History

Occupancy

Monetization of the ITC

Cost of Capital - Interest Rate

Unique Advantages of PACE ?

- ✓ Requires no initial investment with terms to 30 yrs and up to 100% CLTV
- ✓ Creates instant pay back and increases cash flow and increases NOI
- ✓ Does not require traditional underwriting since debt is secured by a property tax
- ✓ The debt is nonrecourse debt - owner is not personally liable
- ✓ Paves the way for sustainability projects with long paybacks
- ✓ Naturally compliments triple net leases and gross leases
- ✓ Accommodates the split incentive for tenants and owners

The Split Incentive

- ① The property owner can take advantage of the ITC and MACRS depreciation
- ② The property tax passes through to the tenant via the triple net lease or modified gross lease. The tenant saves money on the utility bill

NonProfit Solutions - Pre Paid PPA ?

How can nonprofits monetize the ITC?

We can in some cases coordinate a 3rd party owner to buy the system and discount and project by 15-25%

Example 80% PACE and 20% 3rd party investor

Stop the Wild Goose Chase



They waste time and resources

They give you a false pipeline

They never actually fund!

They wear you out and can be fatal

How to win with PACE - Avoid the Goose Chase

1. Identify projects that are free and clear or have just one MTG lender
2. Identify projects that are not single use properties
3. Identify properties that are 65% occupied
4. Identify properties that need multiple measures
5. Ask if property taxes are paid
6. Simple ownership structure
7. Can the value support the project?

Monolithic Sample Case Study #1

HAVC Lighting and Controls Project

Project cost	\$745,546.00
Project savings	\$188,702.00
Annual Pace 20yr Assessment	\$73,000.00
Increased NOI (per year accelerating at approx. 3.5% per year)	\$115,702.00
Rebate	\$125,000.00



Monolithic Sample Case Study #2

HAVC Lighting and Controls Project and Boiler & 4 Chiller Units

Project cost	\$1,445,546.00
Project savings	\$188,702.00
Annual Pace 20yr Assessment	\$146,000.00
Increased NOI (per year accelerating at approx. 3.5% per year)	\$42,702.00
Rebate	\$125,000.00

Monolithic Sample Case Study #3

HAVC Lighting and Controls Project and Boiler & 4 Chiller Units

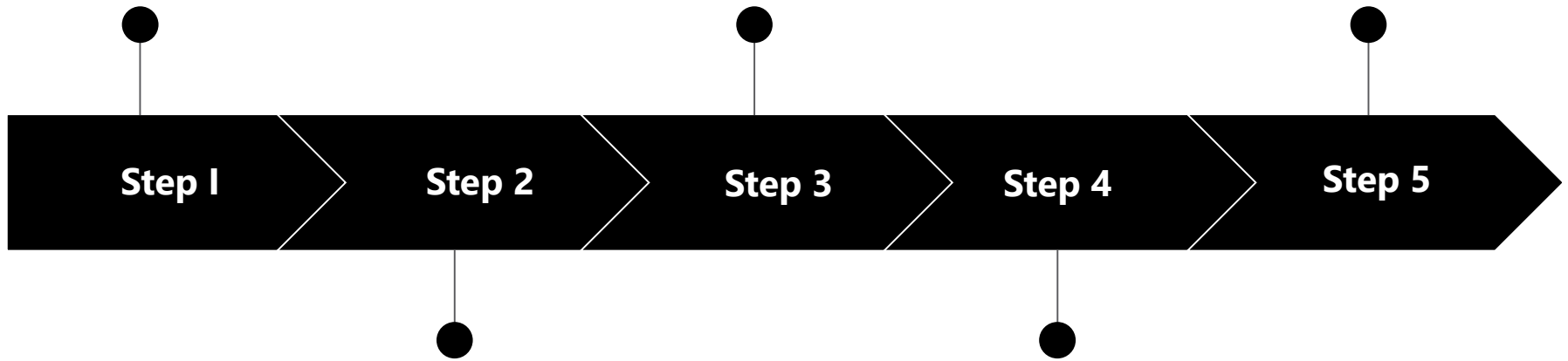
Project cost	\$1,945,546.00
Project savings	\$188,702 + 40,500.00 =\$229,202.00
Annual Pace 20yr Assessment	\$196,700.00
Annual Pace 30yr Assessment	\$150,000.00
Increased NOI (per year accelerating at approx. 3.5% per year)	\$32,500.00 / \$79,200.00
Rebate	\$125,000.00
Tax Credit and MACRS depreciation value is approx.	\$268,875.00
Plus delayed utility bill for 12 months -- cash flow!!!	

The Process

Get Property Pre-
Qualified and
Request Term
Sheet

Have Owner Submit
CleanFund
Application

Underwrite - Docs Out
Sign Docs - Fund !!



Provide Proposal and
Savings Analysis

LOI Call with
CleanFund and
Owner

Commercial PACE has a lot of potential!

Contact Information

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QUESTIONS? COMMENTS?