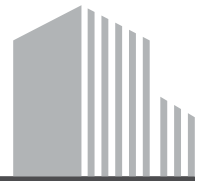


Case Study: Class A Multifamily Utilizes PACE Equity to Keep Equity 100% Internal



6200 Penn | Minneapolis, MN

\$4 MILLION



”

PACE EQUITY FUNDS 11% OF THE CAPITAL STACK OF 127 UNIT MULTIFAMILY DEVELOPMENT

A new construction multifamily housing complex will be built adjacent to a long-standing grocery store. The residential community and grocery store will create a village feel as it meets pent-up demand for Class A apartments just minutes from downtown Minneapolis.

Because they used the low-cost and non-recourse funding from PACE Equity, the developer of the project will not have any outside equity investors and will own 100% of the project.

In addition, our *Fast Track™ Funding* process allowed the developer to construct the building they wanted with no design changes. PACE Equity managed the funding process and leveraged our own engineering team. Our experience with the Minnesota statutory requirement (that mandates project energy savings exceed the investment) combined with our 200-project legacy, allowed the developer to meet the Minnesota requirement while optimizing the funding of \$4 million over a 20-year term.

PACE Equity was proactive in addressing all questions that arose related to the financing and engineering—they clearly had a deep understanding of the intricacies of the financing model. This education was hugely helpful so nothing delayed us getting to our closing.

Brad Lis, Real Estate
Lund Food Holdings, Inc.

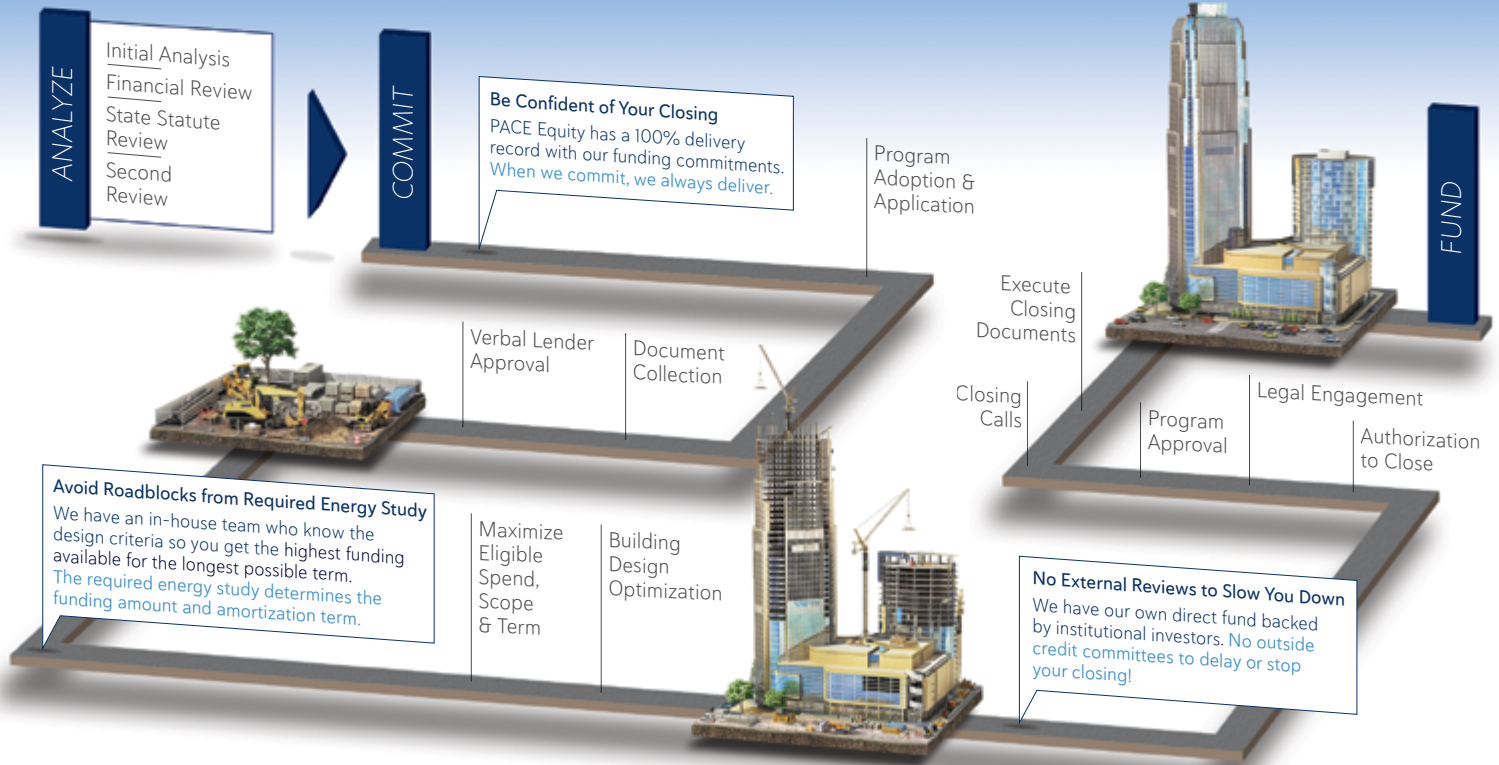
METRIC TONS OF CO₂ SAVED OVER LIFE OF PROJECT:  12,778

\$36 M
CAPITAL STACK

CONSTRUCTION LOAN	73%	\$26.0 M
EQUITY	16%	\$5.8 M
PACE EQUITY	11%	\$4.0 M

THERE ARE 87 STEPS NEEDED TO EXECUTE PACE FINANCING. Don't worry, we do all 87.

Fast Track™ Funding Process with End-to-End Execution

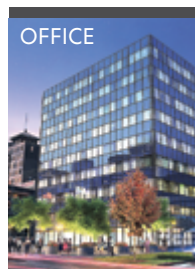


WHAT IS PACE EQUITY?

PACE legislation allows for a new funding vehicle in your capital stack. Your construction budget can use our funding for quantifiable utility, water, renewable or seismic (select states) efficiencies. The repayment of the capital is made through a long-term special tax assessment on the property. PACE Equity is available in 25 states and growing.

The PACE Equity team has funded over 200 projects and pioneered funding for new construction and NMTC/HTC projects. We provide an easy experience with an upfront commitment so you have *certainty of funding*, right from the beginning. Let us show you how.

FUNDING FOR A VARIETY OF ASSET CLASSES



BOOST IRR AND REDUCE WACC

UP TO 50% LOWER COST of capital compared to mezzanine or equity. PACE Equity funding will not decrease your bank leverage.

WE FUNDED IT FIRST. We figured out first how to use our capital for new construction plus NMTC/OZ/TIF...and we won't stop there. We'll help you solve your financing challenge.

0% COST OF CAPITAL using our Pass-through Principle.™ Many clients pass 100% of their repayment costs to guests/tenants who benefit.

10 BPS RATE REDUCTION when you comply with our Low Carbon Building Specification. We'll even help you design for it.