

LAST BEST PACE

Montana C-PACE Program

The Commercial Property Assessed Capital Enhancements Program 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-accelerable 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 or more 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.

Montana Department of Commerce | cpace@mt.gov | 406-444-3367 | commerce.mt.gov

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 Project Assessment**
  Property owner works with C-PACE registered contractor to obtain required project documentation. For energy efficiency, water conservation and renewable energy projects, documentation must include costs and projected savings. For resiliency improvement projects, documentation must include costs and eligibility criteria. Based on initial project assessment, an independent third-party review may also be required.

- [ ] **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 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.



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