NOTICE OF CONTRACTUAL ASSESSMENT LIEN PURSUANT TO COMMERCIAL PROPERTY ASSESSED CAPITAL ENHANCEMENTS ACT OF MONTANA

RECITALS

I. The Commercial Property Assessed Capital Enhancements Act of Montana ("PACE Act"), Title 90, Chapter 4, Part 13, Montana Code Annotated (MCA), authorizes the governing body of a local government to establish a program and designate a region within the local government's jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of a privately owned commercial or industrial facility, covered multifamily housing facility as defined in Section 90-4-1302, MCA, or agricultural property to impose assessments on the property to finance the cost of energy conservation measures, renewable energy systems, or public safety and resiliency improvements on existing or new buildings. Unless otherwise expressly provided herein, all terms used herein have the same meanings ascribed to them in the PACE Act.

II. _____ ("Local Government") has established a program under the PACE Act pursuant to Resolution No. ____ dated _____, adopted by the _____ (the "PACE Program"), and has designated the Montana Facility Finance Authority ("Authorized Representative") as the representative authorized to provide notice of the Assessment and enter into the Owner Contract and Lender Contract described herein, and has designated the entire territory within the _____ of _____ jurisdiction as a district ("District") within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of C-PACE projects on the owner's property pursuant to the PACE Program.

III. _____, its representatives, successors, and assigns ("Property Owner") is the legal and record owner of the qualified "real property," as defined in Section 90-4-1302, MCA, within the District located at _____, _____, Montana, and more fully described in Exhibit A attached hereto and made a part hereof (the "Property").

IV. Property Owner has applied to Local Government to participate in the PACE Program by installing or modifying on the Property certain permanent improvements described in Exhibit B attached hereto and made a part hereof, which are intended to decrease water or energy consumption or demand, add renewable energy, and/or add public safety and resiliency improvements and which are or will be fixed to the Property , as defined in Section 90-4-1302, MCA, (the "C-PACE Project"). The installation or modification of such improvements on the Property will be a "C-PACE Project" as defined in Section 90-4-1302, MCA. Property Owner has entered into a written contract (the "Owner Contract") with Local Government pursuant to the PACE Act and the PACE Program and has requested Local Government to impose an assessment on the

Property to repay the financing of such C-PACE Projects. The Property Owner had an opportunity to cancel the Owner Contract within three (3) business days of signing the Owner Contract and by signing below hereby represents that no such cancelation was intended nor did any such cancelation in fact occur.

V. The financing of such C-PACE Projects will be provided to Property Owner by _____, its representatives, successors, and assigns ("Lender"), a third-party lender selected by Property Owner, pursuant to a written contract executed by Lender and Local Government as required by Section 90-4-1304(2)(b), MCA, and by the PACE Program (the "Lender Contract"). Lender will be responsible for all servicing duties other than those specifically undertaken by Local Government in the Lender Contract.

NOW, THEREFORE:

Section 1. Local Government hereby gives notice to the public that it has imposed an assessment on the Property in the amount of $_____, payable in equal semi-annual installments of principal and interest as set forth on Exhibit C attached hereto, which together with all interest, fees, penalties, costs and other sums due under and/or authorized by the PACE Act, PACE Program, and the financing documents between Property Owner and Lender (the "Financing Documents") is herein referred to as the "Assessment".

Section 2. Pursuant to Section 90-4-1307, MCA, the Assessment, including interest and any penalties, costs, or fees accrued thereon:

(i) is a first and prior lien on the Property from the date that this Notice of Contractual Assessment Lien is recorded in the office of the Clerk and Recorder of _____, Montana, until such Assessment, interest, penalties, costs, and fees are paid in full; and

(ii) such lien shall be included in each tax bill issued under Section 15-16-101, MCA, and must be collected at the same time and in the same manner as taxes collected under Title 15, Chapter 16, MCA. Local Government has the same rights in the case of delinquency in the payment of such Assessment installments described in Exhibit C as it does with respect to delinquent property taxes.

The lien created by the Assessment runs with the land, and according to Section 90-4-1307(3), MCA, any portion of the Assessment that has not yet become due is not eliminated by foreclosure of: (i) a property tax lien, or (ii) the lien for any past due portion of the Assessment. In the event of a sale or transfer of the Property by Property Owner (including, without limitation, a foreclosure sale for a past due portion of the Assessment), the obligations under the Financing Documents (including, without limitation, the portion of the Assessment that has not yet become due) will be transferred to the succeeding owner without recourse on Local Government or the Authorized Representative and with recourse on Property Owner only for any unpaid installments of the Assessment that became due during Property Owner's period of ownership. In the event the

Property is subdivided or otherwise split the Assessment shall continue to be levied upon the new parcel on which the C-PACE Projects are located.

Section 3. This Notice may be executed in any number of counterparts, each counterpart may be delivered originally or by electronic transmission, all of which when taken together shall constitute one agreement binding on the parties, notwithstanding that all parties are not signatories to the same counterpart. This document may also be executed in identical counterparts to facilitate recording of this document on Real Property in multiple counties.

EXECUTED on _____, 20___.

MONTANA FACILITY FINANCE AUTHORITY AS AUTHORIZED REPRESENTATIVE FOR LOCAL GOVERNMENT:

By: _____

Name:

Title:

Address:

STATE OF MONTANA)
) ss.
County of _____)

Signed and sworn to (or affirmed) before me this _____ day of _____, ___ by _____, as-_____.

_____
Signature of Notary

(Montana notaries must complete the following if not part of stamp at left)

(SEAL)

_____
(Print Name of Notary)
Notary Public for the State of Montana
Residing at _____, Montana
My commission expires: _____

ACKNOWLEDGED:

Borrower: _____

Name:

Title:

NOTICE OF CONTRACTUAL ASSESSMENT LIEN

EXHIBIT A

PROPERTY DESCRIPTION

NOTICE OF CONTRACTUAL ASSESSMENT LIEN

EXHIBIT B

C-PACE PROJECTS

NOTICE OF CONTRACTUAL ASSESSMENT LIEN

EXHIBIT C

Assessment Payment Schedule

Assessment Total:

Payment Schedule:

Project Completion Date:

Payment Date	Total Payment	Principal Paid	Interest Paid	Administration Fee	Remaining Balance