MD-PACE PACE PROGRAM GUIDELINES

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www.md-pace.com

MD-PACE is a partnership between

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Introduction

ABOUT C-PACE

Commercial Property Assessed Clean Energy (C-PACE) financing is a policy that says clean energy upgrades are a public benefit, like a sewer or road extension, and can be repaid through a special property tax assessment. C-PACE was enabled in Maryland through the passage of Senate Bill 186 in 2014 and revised in 2016 through House Bill 105.

C-PACE allows property owners to access financing to undertake qualifying energy efficiency and clean energy improvements for their buildings. These investments are repaid through an additional surcharge on their property tax bill. Similar to a sewer assessment, the surcharge under a C-PACE program is secured by a senior lien on the owner's property and paid back over time. Like other surcharges, C-PACE is non-accelerating, meaning only current or past due annual surcharge payments can be collected each year while future surcharge payments stay with the property. The C-PACE repayment obligation transfers automatically to the next owner if the property is sold and in the event of default, only the payments in arrears come due. This arrangement spreads the cost of clean energy improvements – such as energy- efficient boilers, upgraded insulation, new windows, or solar installations – over the expected life of the measure. For private lenders, C-PACE projects are viewed as less risky than typical loans because the payment is tied to the property tax bill, a secure payment stream; so low interest capital can be raised from the private capital markets with no government financing required.

Property secured surcharges are a safe and familiar tool which jurisdictions levy on real estate parcels to finance projects including street paving, water and sewer systems, and street lighting. C-PACE builds on a long history of using such surcharges and serves a public purpose by reducing energy costs, stimulating the economy, improving property values, reducing greenhouse gas emissions, and creating jobs.

ABOUT MD-PACE

The Maryland Commercial PACE Program (MD-PACE) is a partnership between PACE Financial Servicing (PFS) and the Maryland Clean Energy Center (MCEC) to build a turnkey, open-market, statewide administration program for C-PACE at no cost to jurisdictions that choose to participate. MCEC, as an instrumentality of the state of Maryland, has selected PFS to administer the statewide MD-PACE Program. A major benefit to having a statewide administrator is that it allows counties, cities, property owners, contractors, and lenders that are participants in the C-PACE market to adhere to a standardized set of rules across county lines and enables scale and lower administrative costs. Participating cities and counties in the MD-PACE program have passed enabling legislation and opted in MD-PACE through entering into an agreement with the program.

Prior to the formation of the MD-PACE program, Anne Arundel and Montgomery counties also independently passed enabling C-PACE legislation, vetted and selected PFS as their C-PACE program administrator.

Contact information for the MD-PACE Program is
443-910-4932
info@md-pace.com

MD-PACE Program Guidelines

The purpose of these program guidelines is to establish and describe the rules governing the MD-PACE program. In this document you can find information about:

- **List of participating jurisdictions in MD-PACE**
- **Statutory and programmatic eligibility requirements for C-PACE properties and projects in Maryland**
- **Process for applying for C-PACE project approval[1]**
- **Process to become a qualified contractor or capital providers**

ABOUT PACE FINANCIAL SERVICING

PACE Financial Servicing, LLC (PFS) was founded by key architects of the Connecticut PACE program and provides outsourced administration for PACE programs. PFS combines an unprecedented track record in Commercial PACE administration with extensive expertise in tax lien finance. PFS' mission is to create a low-cost C-PACE administration option for states and counties looking to drive private sector C-PACE investment and scale the C-PACE market nationally.

As a partner in the MD-PACE program, PFS works with the Maryland counties to:

- pass enabling legislation allowing C-PACE financing
- intake and approve projects
- train local contractors and capital providers
- establish procedures to place surcharges and facilitate collections, and
- remit payment to capital providers.

Fees for PFS services can be found under **Administration and Servicing Fees** on page 11.

ABOUT MARYLAND CLEAN ENERGY CENTER

The Maryland Clean Energy Center (MCEC) is an instrumentality of the state created with an economic development mission. The mission of MCEC is to advance the adoption of clean energy solutions along with energy efficiency products, services and technologies to help create jobs. MCEC works to leverage private sector investment to implement public sector energy goals to enable homeowners and businesses as well as institutional and municipal consumers reduce their energy costs.

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[1] Please note that some documents described in the C-PACE application process are not available in these program guidelines, but can be supplied upon request or found on the program website, www.md-pace.com.

WHY C-PACE

BENEFITS OF C-PACE

C-PACE offers multiple benefits to a broad range of stakeholders including building owners, developers, municipalities, mortgage holders, capital providers and energy efficiency/renewable energy contractors.

For **Building Owners and Developers**: C-PACE helps minimize the up-front investment, installation, and performance risk of energy upgrades, while helping owners lower their operating costs, improve the value and market competitiveness of their asset, and comply with energy mandates. C-PACE does this in several ways:

- Many owners lack capital to do energy improvements. C-PACE provides up to 100% up-front, long-term financing to property owners and developers for qualified energy upgrades. That means no money down. Audits, construction costs, and M&V can be wrapped into C-PACE financing.
- Owners often want to sell the building before an energy upgrade loan is repaid. The C-PACE surcharge obligation is attached to the property and transfers to the new owner. Payments do not accelerate in case of default.
- Many owners feel energy improvements do not yield an adequate return on investment. C-PACE allows for energy savings from a project exceed the up-front investment, leading projects to be cash flow positive; financing can be structured so that energy savings more than offset the additional C-PACE surcharge. Deeper energy upgrades and savings are possible because the surcharge is up to 20 years.
- Owners need tenants to share in the costs of energy upgrades. As a surcharge repaid through the property tax bill, under typical leases, C-PACE payments – as well as energy savings – can be passed along to tenants.

C-PACE works for many key additional stakeholders:

- **For Energy Auditors and Contractors**: The biggest barrier to converting potential projects to completed projects for energy upgrades is the lack of access to up-front financing. C-PACE solves this. By allowing a property owner to access 100% up-front financing for up to 20 years, deeper energy efficiency and clean energy improvements are now affordable. Energy auditors and contractors can use C-PACE financing as a way for their clients implement needed energy upgrades that otherwise they would not have capital for. The demand for building energy improvements will grow in the C-PACE-enabled jurisdiction and energy auditors and contractors can grow their business using C-PACE.
- **For Counties: C-**PACE is an economic development tool for counties. Energy upgrades create a more competitive environment for retaining and attracting new businesses by lowering energy costs. Upgraded buildings are more valuable, and can create higher property taxes for the county. Energy upgrades also create jobs and reduce greenhouse gases and other pollutants.
- **For Capital Providers: C-**PACE has created a secure, clean energy financing product for capital providers. The security comes from its position as a tax lien on a property. The lien, like all public benefit assessments, sits in a senior position to other encumbrances on the property, including mortgage debt and liens other than state and jurisdiction property taxes and assessments. The repayment is also tied to property taxes, which are a secure stream of payment.
- **For Mortgage Holders:** The structure of the C-PACE program allows participating buildings to pay for improvements to their property out of the savings the project creates. The financing is non-accelerating meaning only current or past due annual surcharge payments can be collected each year while future surcharge payments stay with the property.

The many advantages of C-PACE financing have been widely recognized by policymakers, leading over 30 states to enact C-PACE-enabling legislation. Once policy has passed, it is up to the local jurisdictions within the state to create a structure to allow C-PACE financing to flow to interested building owners.

For more information on C-PACE in the Mid-Atlantic, visit https://www.pacealliance.org/

For more information on C-PACE nationally, visit https://www.pacenation.org

Eligibility Requirements for C-PACE in Maryland

STATE STATUTORY ELIGIBILITY REQUIREMENTS FOR C-PACE IN MARYLAND

C-PACE was established in Maryland on May 15, 2014 when former Governor Martin O'Malley signed Senate Bill 186 into law[2]. All C-PACE projects in Maryland must meet the statutory requirements set forth in the enabling legislation, irrespective of whether the County has opted into the MD-PACE Program. The key eligibility requirements set forth in the state enabling law are:

1. **County Participation by Ordinance**

   The Maryland C-PACE statute requires that interested counties or municipalities pass enabling legislation to enable C-PACE in their jurisdiction. All MD-PACE participating jurisdictions have passed an ordinance substantially similar to the MD-PACE template C-PACE Enabling Ordinance in **EXHIBIT A**.

2. **Building Eligibility**

   Maryland's C-PACE policy allows commercial, industrial, agricultural, hospitality, retail, multifamily and non-profit properties to access financing secured by a C-PACE assessment. It applies to retrofit and new construction projects.

3. **Project Eligibility**

   The state law in Maryland requires the local jurisdictions to determine what particular projects are eligible for C-PACE financing. Each jurisdiction's enabling legislation lists eligible measures and can include solar, geothermal, wind energy systems, water conservation, and a broad range of energy efficiency upgrades as eligible. Please see the MD-PACE template C-Ordinance in **EXHIBIT A**.

4. **Financial Eligibility**

   The state law in Maryland also requires the local jurisdictions to give due regard to a property owner's ability to repay C-PACE financing. Each jurisdiction's enabling legislation includes related financial requirements of the property owner.

5. **Mortgage Lender Consent**

   The Maryland state statute requires express consent from the mortgage lender in order for approval for C-PACE financing. See **EXHIBIT B** for the MD-PACE template Mortgage Lender Consent Document. PFS can work with building owners, contractors and/or capital provider to help obtain consent.

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[2] Full text for the legislation can be found at: http://mgaleg.maryland.gov/2014RS/Chapters_noln/CH_472_sb0186t.pdf AS AMENDED: http://mgaleg.maryland.gov/2016RS/Chapters_noln/CH_535_hb0105t.pdf

LOCAL STATUTORY and PROGRAMMATIC ELIGIBILITY REQUIREMENTS FOR MD-PACE

In addition to state requirements, PFS is responsible for ensuring that all C-PACE applications meet the local statutory requirements for project eligibility as set forth in a local ordinance. A full summary of specific project and property eligibility requirements by jurisdiction can be found in the MD-PACE Matrix in **Exhibit H.** PFS will review applications to determine that for each project, project owners have appropriately defined a scope of work and met all eligibility criteria within a given C-PACE jurisdiction (an "Eligible Project").

1. Project Eligibility

Building owners should work with a qualified energy auditor and/or contractor with demonstrated experience to define a scope of work for saving energy in their building.

The scope of work can range from installation of a single energy conservation measure (ECM), such as a new high efficiency boiler or a renewable energy system, to a whole building energy upgrade involving multiple, interactive ECMs. The list of eligible ECMs include but are not limited to:

- Solar energy equipment;
- Geothermal energy devices;
- Wind energy systems;
- Water conservation devices, measures or systems not otherwise required by law;
- Any construction, renovation or retrofitting of commercial property to reduce energy consumption, including, high efficiency lighting and building systems, heating ventilation air conditioning (HVAC) upgrades, high efficiency boilers and furnaces, high efficiency hot water heating systems, combustion and burner upgrades, fuel switching, heat recovery and steam traps, building shell or envelope improvements, fenestration improvements, building energy management systems, and process equipment upgrades.

At minimum, all projects must demonstrate through the provision of an energy assessment, audit, or project feasibility study that the EMCs financed with C-PACE will meet the statutory requirement of reducing energy consumption or producing renewable energy. In counties with a Savings to Investment Ratio (SIR) requirement, audits and feasibility studies must additionally demonstrate that the estimated aggregate project-related savings over the term of the C-PACE financing are likely to be realized as estimated and that they exceed the aggregate C-PACE project financing costs. [3] MD-PACE requires that all property owners obtain a third-party technical review of their energy audit or feasibility study to confirm that that the ECMS are eligible under the MD-PACE program, that C-PACE financing does not exceed the useful life of the C-PACE financed ECMs, and as applicable that the estimated SIR is greater than 1.

Property owners or lenders can select a third-party reviewer, which will be approved by the MD-PACE program in its sole discretion Such third-party reviewer must be a licensed Professional Engineer with energy/water efficiency experience. Additionally, the third-party reviewer should have at least one of the following certifications:

- American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE)
- Building Energy Assessment Professional (BEAP)
- Building Energy Modeling Professional
- Certified Energy Manager (CEM)
- Certified Measurement and Verification Professional (CMVP)
- Certified Energy Auditor (CEA)
- Building Commissioning Association
- Certified Commissioning Professional

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[3] The following counties include aggregate interest in their SIR Requirements: Anne Arundel, Charles, Frederick, Howard and Talbot.

- Investor Confidence Project Quality Assurance Provider

Or, at the request of PFS, FSi Consulting Engineers[4] will review all energy audits for completion and accuracy. The fee schedule for PFS' third-party audit review can be found under **Administration and Servicing Fees** on page 13.

A summary of the scope of work is required with the application to PFS (application at www.md-pace.com) and in **EXHIBIT C**. This summary includes:

- Information about the building and owner
- Information about the contractor
- A list of the contemplated ECMs

In its Project Approval Checklist (**EXHIBIT D**), PFS also requests "Supporting documentation for the project." This supporting information will be shared with the third-party reviewer and should include a copy of an energy audit and/or a project feasibility study. It should provide for each proposed ECM:

- Estimated energy savings
- Estimated project cost
- Estimated useful life

New Construction and Gut Rehab

Unlike retrofits or existing properties, where savings from energy and water are calculated by comparison to pre-existing baseline usage, new construction provides no baseline to compare prior energy or water usage which to measure improvements. Therefore, the baseline for new construction MD-PACE projects is the energy code required for the property. In counties where there is no SIR requirement, eligible ECMS that exceed minimum energy codes will be considered eligible for C-PACE financing. In counties with a SIR requirement, estimated energy savings from eligible ECMs must be analyzed and compared over the baseline of the local jurisdiction's energy code; costs that are covered through such savings will be eligible for C-PACE financing. New construction projects will require additional supporting documentation including building plans, equipment cut sheets, and COMcheck certificates as required by PFS or the MD-PACE approved third-party reviewer to determine individual ECM eligibility.

2. Financial Eligibility

In order to be eligible for C-PACE financing, the property seeking financing must meet the following requirements:

1. Property must be located in a C-PACE-eligible jurisdiction, as demonstrated by property card.
2. Applicant must be legal owner of property, as evidenced by recent title search.
3. Property must be for commercial use (according to SDAT classification).
4. The mortgage holder (or holders) on the property consents to the C-PACE surcharge, and a signed Lender Consent form (**EXHIBIT B**) must be submitted.
5. The property must be current on property tax and surcharge payments.
6. The C-PACE lender must give due regard to a property owner's ability to repay CPACE financing under Sections 12-127. 12-311. 12-409.1.12-925. and 12-1029 of 149 the Commercial Law Article of the Maryland Code.

[4] Website: http://fsi-engineers.com/

Application and Registration Procedures

PROJECT APPLICATION AND APPROVAL PROCESS FOR MD-PACE

The following section describes the MD-PACE Program project application submission and approval procedures for all MD-PACE participating jurisdictions that will be enforced by PFS to ensure qualifying C-PACE applications. Applicants for C-PACE approval must submit the following to info@paceservicing.com for each project seeking PFS' approval.

<u>STEP 1</u>

The capital provider and lead contractor must register with the MD-PACE program prior to or concurrent with the submission of an application (please see: **Becoming a Registered Contractor or Capital Provider** on page 12).

The capital provider must also execute the Summary of Terms and Conditions of Proposed Standard Offer for Origination, Funding, and Administration of Commercial Property Assessed Clean Energy (FC-PACE) Financing Transactions (the "Standard Offer") for the relevant jurisdiction in which the project is located. The Standard Offer summarizes the origination, funding, and administration relationship between PFS and/or MCEC (as applicable) as the Program Administrator, the jurisdiction, the property owner, and the capital provider. The Standard Offer includes as exhibits the executable documents among the parties for each C-PACE loan to evidence the C-PACE surcharge and lien on the property. As a requirement of the Standard Offer, the capital provider must provide PFS with a copy of its template C-PACE financing agreement that it will enter into with property owners so that PFS can confirm such agreement is consistent with the state enabling C-PACE law, the local jurisdiction's enabling law, and the Standard Offer. PFS will furnish capital providers with the Standard Offer for participating jurisdictions upon request.

<u>STEP 2</u>

Once a property owner has developed a scope of work and selected a capital provider and contractor for the project, the owner should complete the Application (**EXHIBIT C**) and the Project Approval Checklist (**EXHIBIT D**) which includes:

- ☐ Completed application with (a) name of clean energy capital provider; (2) list of ECMs (**EXHIBIT C**)
- ☐ Supporting documentation such as an energy audit or feasibility study outlining property characteristic, proposed upgrades and demonstrated energy savings calculations.
- ☐ Copy of third party reviewer letter confirming project eligibility
- ☐ Recent (within sixty days) title search of the real property on which Eligible Project would be located.
- ☐ If applicable, a mortgage holder consent form signed by the property owner and any mortgage holder(s) of any mortgage(s) on the property on which the Eligible Project is located. The mortgage holder consent shall be materially consistent with the form of **EXHIBIT B,** such consent must be for not less than the financing amount of the Eligible Project for which the property owner is seeking approval.
- ☐ If applicable, copies of filed releases for any mortgages that appear on the title search but have since been released. Any releases which cannot be obtained must be addressed through a title affidavit acceptable to the Program Administrator in its sole discretion.
- ☐ A disclosure of risk form signed by the Borrower summarizing the risks to property owner for C-PACE financing in the form of **EXHIBIT E**, as may be modified from time to time by Program Administrator.
- ☐ A signed affidavit stating that the property owner agrees that prior to the date on which this C-PACE financing closes, it shall not place any additional mortgage, lien or encumbrance on the property other than any encumbrances that have been previously disclosed to us.

- Current assessor property card describing the property on which the Eligible Project is located and any additional documentation reasonably required by Program Administrator to confirm that the project is located on a qualifying property pursuant to the Act and the Program Guidelines
- APPLICATION FEE: $150 upfront application fee (Note: Check made payable to PACE Financial Servicing can be sent to 28 Thorndal Circle, Third Floor, Darien, CT 06820. Wiring information available upon request. Project will not be reviewed until application fee is received), as well as fee for any third-party review of energy audit by FSi Consulting Engineers. Fee schedule listed under **Administration and Servicing Fees** on page 13**.**

STEP 3

Completed applications will be reviewed by PFS. In most cases, completed applications will receive approval notification within 10 days.

STEP 4

Upon receipt of approval by PFS, the property owner and capital provider will close financing and provide PFS with proof of executed financing agreement and surcharge filing documentation. PFS will work with the County to obtain their signatures on the relevant recorded Surcharge document and to record such document on the land records.

STEP 5

The executed financing agreement will include the payment schedule for the C-PACE assessment. Any changes to the payment schedule must be provided by the Capital Provider to PFS within the timeline stipulated in the Standard Offer agreement. PFS will request the County Tax Collector place the surcharge on the tax bill and commence collection based upon schedule. PFS will onboard the surcharge and begin tracking on behalf of County.

STEP 6

Once C-PACE surcharge is collected, the tax collector has 30 - 45 days after the end of the month (as stipulated in the Standard Offer Agreement) in which the surcharge is collected to send collected surcharge to PFS.

STEP 7

PFS will remit funds received by the county within 5 business days to the Capital Provider.

BECOMING A REGISTERED CONTRACTOR OR CAPITAL PROVIDER

Contractors and capital providers should be registered participants of the MD-PACE program. Contractor registration can be found in **EXHIBIT F**, and Capital Provider registration can be found in **EXHIBIT G.** These can also be completed online[5]. Once a completed application is received, please allow up to 7 business days for processing and approval.

Capital Providers must provide general underwriting guidelines, credit standards, security requirements and relevant underwriting criteria demonstrating that the capital provider gives due regard to the property owner's ability to repay a loan provided under the program, in a manner substantially similar to that required under §§ 12–127, 12–311, 12–409.1, 12–925, and 12–1029 of the Commercial Law Article. Capital Providers must also execute a Standard Offer for any relevant jurisdiction in which a project is located. As a requirement of the Standard Offer, the capital provider must provide PFS with a copy of its template C-PACE financing agreement that it will enter into with property owners.

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[5] For contractors: http://md-pace.com/contractors/
For capital providers: http://md-pace.com/lenders/

Capital Providers, Contractors, and Originators may grant permission to be listed on the MD-PACE website once their first MD-PACE project is approved.

ADMINISTRATION AND SERVICING FEES

PACE Financial Servicing charges the following administration and servicing fees:

- APPLICATION FEE: $150 upfront application fee
- CLOSING FEE: 1.05% closing fee (calculated as a percentage of the amount financed through PACE)
- SERVICING FEE: 1.5% of the annual Surcharge payment amount each year, with a minimum of $300/year and a maximum of $2,000/year

Additionally, local governments may, pursuant to their enabling ordinance, elect to include actual administrative costs incurred charge into the Surcharge payment amount.

If a property owner or capital provider elects to utilize PFS' third-party technical reviewer, FSi, additional fees for independent review of project eligibility are:

- For new construction projects or projects that must achieve a SIR > 1: $2,500 per review
- For projects with more than 1 ECM but no SIR requirement: $1,250 per review
- For projects with a single ECM and no SIR requirement: $750

For single or multi measure projects with no SIR requirement an ASHRAE Level 1 equivalent audit may be acceptable. For multi -measure projects or any project with a SIR requirement, an ASHRAE Level 2 equivalent or Investment Grade Audit will be required. For questions about what type of audit is acceptable, third-party review requirements, please contact PFS[6].

[6] E-mail us: info@paceservicing.com or call 443-910-4932.

EXHIBIT A: SAMPLE PACE ENABLING ORDINANCE

[enter legislative body]
FOR _____________ COUNTY, MARYLAND

AN ACT for:

the purpose of defining certain terms: establishing a clean energy loan program for commercial property owners; establishing the scope of and eligibility for the clean energy loan program; providing for qualifying criteria; establishing a calculation of the clean energy loan surcharge, providing for a recorded notice; providing for the collection of loan payments; establishing default procedures; providing for financing of a loan under the clean energy loan program; providing for the application of this Act; and generally related to the clean energy loan program and real property taxes.

WHEREAS, ___________ County, Maryland wishes to establish a clean energy loan program to encourage the finance of energy efficiency projects and renewable energy projects, as set forth in Local Government Article, §§1-1101 et seq., of the State Code; and

WHEREAS, Local Government Article, §1-1102, of the State Code so authorizes counties and municipalities to enact such an act to establish a clean energy loan program;

THEREFORE, the **[enter appropriate legislative body]** for _____________ County, Maryland approves the following Act:

SECTION 1. *Be it enacted by the [enter appropriate legislative body] of* ____________ *County, Maryland*, That Section(s) of the ____________ County Code (**[enter year]**, as amended) read as follows:

ARTICLE [__]. [______________]

TITLE [__]. [___________]

__-__-__. Clean Energy Loan Program.

(a) **Definitions.** In this subtitle, the following words have the meanings indicated:

(1) "Clean Energy Financing Agreement" means an agreement between a property owner and a Clean Energy Lender providing for the terms and conditions of a Clean Energy Loan.

(2) "Clean Energy Lender" means a private lender providing a Clean Energy Loan.

(3) "Clean Energy Loan" means any loan made by a private lender to a property owner under the Clean Energy Loan Program.

(4) "Clean Energy Loan Program Administrator" means any person or entity selected by the County to manage the Clean Energy Loan Program.

(5) "Clean Energy Loan Obligation" means all indebtedness and obligations of a property owner to a Clean Energy Lender under a Clean Energy Financing Agreement.

(6) "Commercial property" has the meaning stated in the Local Government Article, §§ 1-1101 et. seq., of the State Code.

(7) "Property owner" means an owner of commercial property as defined in this subsection.

(8) “Surcharge” means the repayment obligation of a Clean Energy Loan, including principal, interest, any applicable fees and administrative costs, collected from a property owner through the County’s property tax billing system in accordance with the Act and as authorized by _______ of the Ordinance.

(9) “Surcharge Lien” means the lien automatically established upon the County’s levy of the Surcharge on the property tax bill.

(b) **Program.** There is a Clean Energy Loan Program to finance energy efficiency projects and renewable energy projects as provided in the Local Government Article, §§1-1101 et seq., of the State Code.

(c) **Rules and regulations.** The County may adopt rules and regulations to administer the Clean Energy Loan Program consistent with this subtitle.

(d) **Program Administrator.** The County Executive may enter into an agreement with a private entity to administer the Clean Energy Loan Program.

(e) **Scope.** Commercial property owners are eligible to participate in the Clean Energy Loan Program for non-accelerating loans greater than $25,000.

(f) **Eligibility.** In order to be eligible for a Clean Energy Loan, the property owner shall:

(1) have a 100% ownership interest in the property located in ______________ County for which improvements are proposed;

(2) demonstrate that the most recent property taxes, assessments, and charges on the property have been paid;

(3) provide a copy of written notice to all current holders of a mortgage or deed of trust who have a priority recorded lien on the property and written proof of express consent to the Clean Energy Loan as a priority lien by all current holders of a mortgage or deed of trust on the property;

[(4)obtain an energy audit approved under program guidelines demonstrating that the savings projected to be obtained from the improvements over the life of the improvements equal or exceed the principal and aggregate interest to be paid over the term of the loan]; and

(5) establish that the owner of the commercial property is able to repay the loan provided under the Clean Energy Loan Program, in a manner substantially similar to that required for a mortgage loan under §§ 12-127, 12-311, 12-409.1, 12-925, and 12-1029 of the Commercial Law Article of the State Code.

(g) **Qualifying improvements.** The following improvements, either new or replacement, qualify as energy efficiency or renewable energy projects under the Clean Energy Loan Program:

(1) solar energy equipment;

(2) geothermal energy devices;

(3) wind energy systems;

(4) water conservation devices not required by law;

(5) any construction, renovation or retrofitting of commercial property to reduce energy consumption, including, high efficiency lighting and building systems, heating ventilation air conditioning (HVAC) upgrades, high efficiency boilers and furnaces, high efficiency hot water heating systems, combustion and burner upgrades, fuel switching, heat recovery and steam traps, building shell or envelope improvements, fenestration improvements, building energy management systems, and process equipment upgrades; and

(6) any other improvement approved by the County or the Clean Energy Loan Program Administrator as qualifying as an energy efficiency project or renewable energy project.

(h) **Qualifying costs**. A Clean Energy Loan may be used to pay for all costs incurred by a property owner in connection with the qualifying improvements, including the cost of the energy audit; feasibility studies and reports; project management, design, installation, and construction of the qualifying improvements; commissioning; energy savings or performance guaranty or insurance; building accreditation; closing costs of the Clean Energy Loan; permitting fees; administrative fees; post-install Evaluation, Measurement & Verification; and, building accreditation.

__-__-__. Real property tax surcharge.

(a) **Repayment of Loans.** A property owner participating in the Clean Energy Loan Program shall repay the Clean Energy Loan through a surcharge on their real property tax bill. Upon receipt of written notice from the Clean Energy Loan Program Administrator of the execution of a Clean Energy Loan Financing Agreement, the County shall, within [sixty (60)] days from the date of the Clean Energy Loan Financing Agreement, add the surcharge to the tax property bill. The surcharge shall constitute a first lien on the property from the date it becomes payable until the unpaid surcharge and interest and penalties on the surcharge are paid in full, regardless of a change in ownership, whether voluntary or involuntary. A person or entity that acquires property subject to a surcharge assumes the obligation to pay such surcharge. The County may assign the surcharge lien to the Clean Energy Loan Program Administrator.

(b) **Calculation.** The surcharge for a Clean Energy Loan shall include the Clean Energy Loan Obligation and any administrative costs incurred by the County which shall be the actual expenses incurred to administer the program.

(c) **Notice of Levy and Lien of Surcharge.** Upon receiving written notice from the Clean Energy Loan Program Administrator of the execution of a Clean Energy Loan Financing Agreement, the property owner shall execute a notice with the County and the Clean Energy Lender that will be recorded in the land records of _____________ county, at the expense of the property owner, and which shall include:

(1) the date the Clean Energy Loan was made to the property owner and the property became subject to the surcharge;

(2) the term of the Clean Energy Loan and over which the surcharge will apply to the property;

(3) the Clean Energy Loan Obligation and estimated County administrative costs for the first year;

(4) the annual principal and interest amount for each year of the term of the Clean Energy Loan, including any partial year prorated amounts;

(5) prepayment requirements and any prepayment premium that may apply to a prepayable Clean Energy Loan;

(6) notice that the Clean Energy Loan Obligations and the County's administrative costs will be repaid through a surcharge included on the owner's real property tax bill due and payable on the same date as the real property tax bill;

(7) notice that an unpaid Clean Energy Loan surcharge constitutes a first lien on the property that has priority over prior or subsequent liens in favor of private parties and that the surcharge will continue as a lien on the property from the date it becomes payable until the unpaid surcharge and interest and penalties on the surcharge are paid in full, regardless of a change in ownership of the property, whether voluntary or involuntary; and

(8) notice that if payments of surcharges are not timely paid, the surcharge will be collectible as a tax lien through the tax sale process authorized under Tax-Property Article, Title 14, Subtitle 8 of the State Code and in accordance with [ENTER LOCAL TAX CODE PROVISION] and that an overdue surcharge will be so collected, irrespective of whether real property taxes (or any other taxes, charges, or assessments) are due and owing.

(d) **Default.** In the event of default on the Clean Energy Loan surcharge, the County shall be required to collect the lien pursuant to § __-__-__ **[enter same reference as in (c)(8) above]**, irrespective of whether property taxes (or any other taxes, charges, or assessments) are due and owning. The County shall not incur any liability to the Clean Energy Lender or others in the event of default.

(e) **Credit of Payments**. Payments received from a property owner shall be credited first to all county taxes, assessments, and charges.

(f) **Payment to Clean Energy Lender.** The County shall have no ownership of the surcharges collected except for administrative costs provided under this subtitle. The County shall pay all surcharge payments in any calendar month to the applicable Clean Energy Lender or the Clean Energy Loan Program Administrator within 30 days after the end of the month in which such amounts are collected. The County shall have no obligation to make payments to any Clean Energy Lender with respect to any Clean Energy Loan Obligation other than that portion of surcharge actually collected from a property owner for the repayment of a Clean Energy Loan.

__-__-__. Financing.

(a) **Private Lenders, Terms** Clean Energy Loans may be provided by any private lender and a Clean Energy Financing Agreement may contain any terms agreed to by the Clean Energy Lender and the property owner, as permitted by law, for the financing of Clean Energy Loans. The County may not finance or fund any loan under the program, shall serve only as a program sponsor to facilitate loan repayment by including the surcharge on the County real property tax bill for the property, and shall incur no liability for the loan.

(b) **County Role.** The County's role in the Clean Energy Loan Program is limited to sponsoring the program and collecting and forwarding the surcharges imposed under the program. The County may not provide Clean Energy Loans or other financing in connection with this program.

SECTION 2. *And be it further enacted*, that Maryland Clean Energy Center and its designee is hereby authorized and directed to serve as the Clean Energy Loan Program Administrator under the terms of separate agreement.

SECTION 3. *And be it further enacted*, That this Act shall apply to any commercial property for which a Clean Energy Loan was financed on or after _____________________.

SECTION 4. *And be it further enacted*, That this Act shall take effect __ days from the date it becomes law.

EXHIBIT B: LENDER CONSENT DOCUMENT

MARYLAND REQUEST FOR LENDER CONSENT
AND NOTICE OF PROPOSED PACE SURCHARGE

Notice Date: _____

Lender Address:

Lender: _____

Street: _____

City/State/Zip Code: _____

ATTN: _____

Property/Loan Information: _____

Address: _____

APN: _____

Loan Number:_____

Why has the bank received this notice?

The property owner listed below owns the property located at the address above. You are the holder of a loan secured by the property.

[Building owner/address] wishes to install energy upgrades to the property using the Property-Assessed Clean Energy (PACE) financing mechanism established by the State of Maryland and seeks your consent to do so.

Background on PACE in Maryland.

In 2014, Maryland passed legislation that provides access for owners of commercial, industrial and multi-family housing property in the state to a new form of financing for energy efficiency, water efficiency, and on-site renewable energy (EE/RE) upgrades to their buildings. PACE financing can allow building owners to increase the value of their buildings and meet important energy policy goals of the State and its counties.

PACE Financial Servicing (PFS) is responsible for administering the MD-PACE program. With PACE, financing for EE/RE projects is repaid with a property tax surcharge, a mechanism long used to finance improvements to real property that meet a public policy objective, such as sidewalks, parks, lighting districts, and water and sewer projects. Like other county surcharges, PACE surcharges must be current upon the sale of a property and remain with a property upon sale. As with other county surcharges, only surcharges in arrears have a lien status senior to mortgages upon the sale of a property.

Maryland's PACE program has been designed to meet the needs and concerns of Maryland's property owners and existing mortgage lenders. To qualify, the proposed project must meet the following basic criteria:

- The property is located in a county that has passed an ordinance enabling PACE in its jurisdiction.
- The property is a commercial, industrial, or multi-family (5 or more units) property
- The proposed measures reduce energy or water consumption and/or increase the production of on-site renewable energy
- The cost of the proposed measures does not exceed 20% of the value of the building
- The property is current on all property tax and surcharge payments
- The proposed project results in energy savings that exceed the upfront cost of the improvement
- **The property owner receives consent of the current mortgage holder(s)**

<u>Why should you provide consent</u>?

1. <u>Measures financed through PACE should reduce building operating costs</u>. Through the Technical Standards the PFS has established to govern the PACE program, a proposed project should result in energy savings.

2. <u>PACE surcharges do not accelerate</u>. In the event the mortgage holder forecloses on the property for any reason, only the amount of the PACE surcharge currently due and/or in arrears, a relatively small proportion of the PACE surcharge, would come due. It is important to note that in the event a PACE surcharge is in arrears, the surcharge will have a lien status senior to a private lender's mortgage. In the event of a property sale, PACE surcharges transfer to the new property owner.

3. <u>Measures financed through PACE improve properties, often reducing maintenance and repair costs</u>. In addition, energy measures improve the efficiency, health, and comfort of a building, making it more attractive to tenants and future owners.

<u>What should you know</u>?

[Building owner/address] has indicated its intention to apply for PACE financing for the improvements outlined in the PACE Project Application on the property listed above. The surcharge is to be levied on the property pursuant to an agreement between the property owner, PFS, and the funding source for the PACE improvements [Lender/Capital Provider]. The related payment terms are proposed to consist of the following:

Total cost of improvements*:

Utility rebates/incentives:

Total PACE financing requested*:

Interest rate not to exceed:

Term of repayment period:

Total estimated annual installment*:

Payments per year:

Estimated Benefits of the Authorized Improvements:

Electric and Fuel Bill Savings**:**

Other Savings (specify):

TOTAL:

Purpose of this Notice. As required by the PACE enabling legislation (An Ordinance concerning: Real Property Taxes – Clean Energy Loan Program and Property Tax Surcharge, enacted in 2014). These statutory provisions are codified in §§12-127, 12-311, 12-409, 12-925, and 12-1029 of the Commercial Law Article of the Maryland State Code, as amended, "PACE Statute"), [Name of Property Owner] is sending this Notice of Proposed PACE Surcharge to Lender to (i) provide notice of the proposed participation of the property above in PACE financing; (ii) request confirmation from you (the current lender) that the levy of the Surcharge will not trigger an event of default or the exercise of any remedies under the Loan documents, (iii) provide notice that the surcharge will be collected in installments on the property tax bill in the same manner as and subject to the same penalties, remedies and lien priorities as real property taxes and (iv) declare the [Name of Property Owner]'s agreement to pay on a timely basis both the existing obligations secured by the property (including the Loan) and the proposed surcharge.

Execution and Return of Consent. Please execute the Lender Consent to PACE Surcharge and returning it to the undersigned at your earliest convenience.

Very truly yours,

BY: (signature):____

PROPERTY OWNER NAME:___________

MAILING ADDRESS (if different than Property address):_____

LENDER CONSENT TO BENEFIT ASSESSMENT

Date: _____

Property/Loan Information: _____

Address: _____

Owner: _____

County: _____

APN: _____

Loan Number:_____

This Lender Consent to C-PACE Surcharge (this "Consent") is given by the undersigned entity (the "Lender") with respect to the above-referenced surcharge (the "Surcharge") and the above-referenced property (the "Property").

RECITALS

A. Lender is in receipt of written notice (the "Notice") from the above-referenced owner of the Property (the "Property Owner") that it intends to finance installation on the Property of certain energy efficiency and/or renewable energy improvements that will be permanently fixed to the Property (the "Authorized Improvements") by participating in the commercial property assessed clean energy ("C-PACE") financing program (the "Program"), sponsored by the County.

B. Lender understands that the Surcharge described in the Notice will be added to the property tax bill, and that the Surcharge will be collected in installments on the property tax bill in the same manner as and subject to the same penalties, remedies and lien priorities as real property taxes.

CONSENT

The undersigned hereby represents that it is authorized to execute this Consent on behalf of the Lender. The Lender hereby confirms:

A. Lender is in receipt of written notice (the “Notice”) from the above-referenced owner of the Property (the “Property Owner”) that it intends to finance installation on the Property of certain energy efficiency and/or renewable energy improvements that will be permanently fixed to the Property by participating in the C-PACE financing a program sponsored by the County.

B. Lender understands that the Surcharge described in the Notice will be added to the property tax bill, and that the Surcharge will be collected in installments on the property tax bill in the same manner as and subject to the same penalties, remedies and lien priorities as real property taxes.

C. The Lender agrees that the levy of the Surcharge will not constitute an event of default or trigger the exercise of any remedies under the Loan documents.

The Lender hereby acknowledges that the Property Owner, Municipality, Program Manager and the Program Manager’s Servicer will rely on the representation and Consent of the Lender set forth in this Consent.

LENDER:	
	By: ____________________
	Authorized Representative
	By: ____________________
	Name
	By: ____________________
	Title
	By: ____________________
	Date

EXHIBIT C: APPLICATION FOR PACE FINANCING

MARYLAND COMMERCIAL PACE

APPLICATION FOR MD-PACE PROGRAM

01 Contact Information (*REQUIRED INFORMATION)

*Address of building - Street Address	City	State	Zip

*Mailing address (IF DIFFERENT FROM ABOVE)	City	State	Zip

*Legal name of building owner	Property tax ID	Ownership entity type

*Main contact (FIRST AND LAST NAME)	Email	Phone

02 About the building

Building owner contact (IF DIFFERENT FROM MAIN CONTACT)	Email	Phone

Current annual tax burden	Value of building (MOST RECENT APPRAISAL)	Most recent appraisal amount	Assessed value on tax roll

*Is building current on property taxes? Yes ☐ No ☐

*Is property owner currently in bankruptcy? Yes ☐ No ☐

*Is there a mortgage on the property? Yes ☐ No ☐

*Has property owner ever filed bankruptcy? Yes ☐ No ☐

If yes, who is the lender?	If yes, what was the most recent filing?

If yes, what is the outstanding mortgage principal?	Other debt secured by the property (I.E. SECOND MORTGAGE)

03 About the project

*Energy contractor contact (FIRST AND LAST NAME)	Email	Phone

Energy contractor company	*Estimated cost of project	Term (OF FINANCING SOUGHT)

Energy efficiency upgrades

- ☐ NEW AUTOMATED BUILDING AND HVAC CONTROLS
- ☐ BUILDING MANAGEMENT SYSTEMS
- ☐ FUEL SWITCHING
- ☐ HIGH EFFICIENCY CHILLERS, BOILERS AND FURNACES
- ☐ HIGH EFFICIENCY LIGHTING UPGRADES
- ☐ WATER CONSERVATION
- ☐ BUILDING ENCLOSURE/ENVELOPE IMPROVEMENTS
- ☐ COMBUSTION AND BURNER UPGRADES
- ☐ HEAT RECOVERY AND STEAM TRAPS
- ☐ VARIABLE SPEED DRIVES ON MOTORS, FANS, PUMPS
- ☐ HIGH EFFICIENCY HOT H2O HEATING SYSTEMS
- ☐ OTHER (PLEASE DESCRIBE) ________

Renewable energy system

Solar ☐ What size? ________ Fuel cell ☐ What size? ________ Other ☐ Describe (SYSTEM AND SIZE) ________

Estimated useful life of project ________ Describe any additional info ________

EXHIBIT D: MD-PACE PROJECT APPROVAL CHECKLIST

PROJEECT INFORMATION

Capital Provider	
Property Address:	
Telephone number:	
Fax number:	
E-mail Address	
Property Owner	

CHECKLIST

■	Application for PACE Financing	Submit to PACE Financial Servicing
■	$150 Application Fee	Check addressed to "PACE Financial Servicing, LLC
■	Fee for FSi Consulting Engineers technical review of the project or independently sourced third-party technical review of the project	Varies based on audit type. See program guidelines for fee schedule.
■		
■	Supporting documentation for the project	Energy audit and/or feasibility study
■	Disclosure of Risk Form**	Share with owners and return signed copy to PFS
■	Title Search Report	Within the last 60 days
■	Lender Consent Form**	If applicable
■	Documentation of mortgage release Signed affidavit	If applicable Should state: Property Owner agrees that prior to the date on which this PACE financing closes, it shall not place any additional mortgage, lien or encumbrance o the Property other than any encumbrances that have been previously disclosed to us.
■		
■	Property Card Document that verifies owner is current on their property taxes	

*Please use documents in MD-PACE State Program Guidelines or obtain these documents by contacting info@paceservicing.com.

EXHIBIT E: DISCLOSURE OF RISK FORM

[CAPITAL PROVIDER] and PFS Disclosures and Risks

As a Borrower participating in the PACE Program, and pursuant to the Clean Energy Loan Program, the CAPTIAL PROVIDER and PACE Financial Servicing ("PFS") make the following disclosures and set forth potential risks associated with accepting PACE Program financing and the Surcharge on your property as follows:

DISCLOSURES

1) The PACE Program Loan, along with the County's administrative costs, will be paid through a PACE Program Loan surcharge ("Surcharge"), which will be included on the Borrower's/Property Owner's real property tax bill and will be due and payable on the same date as the real property taxes;

2) Surcharges are secured by and attached to the real property. At resale, the potential purchaser of the Property will be responsible for continuing to pay the Surcharge.

3) The Surcharge will continue as a lien on the property ("Surcharge Lien") from the date it becomes payable until the Surcharge, interest and penalties on the Surcharge are paid in full, regardless of a change in ownership of the property, whether voluntary or involuntary.

4) The Surcharge Lien constitutes a first lien on the property that has priority over prior or subsequent liens in favor of private parties.

5) A past due Surcharge will be subject to the same penalties, remedies (including foreclosure and sale of the property) as past due property taxes and shall be collected pursuant to state and local law tax collection processes and procedures, irrespective of whether the property taxes (or any other taxes, charges, or assessments) have been paid.

6) The Borrower should carefully review the financing agreement and all terms related to the PACE Program Loan and should consult with competent legal counsel prior to execution.

7) The County may assign any Surcharge payment streams to PFS, and PFS may assign any Surcharge payment streams to the capital provider, and such assignment includes enforcement rights and remedies, including foreclosure on the Property.

8) The County has no liability for payment of the PACE Program Loan, the Surcharge, its assessment, levy and collection, or any costs associated with the assessment, levy and collection of amounts due under PACE Program Loan.

9) **<u>Neither PFS nor the County is your lender.</u>** PFS's role in this transaction is to administer the PACE Program and meet all of PFS's statutory obligations. If the proposed PACE Program Project is approved by both PFS and the Capital Provider, and the Property Owner meets all of the PACE Program and Capital Provider requirements, then the Capital Provider will finance the Project.

10) The Borrower has been made aware of the effective interest rate on the Surcharge, including fees charged by PFS to administer the PACE Program, and the risks associated with variable interest rate financing, if applicable.

<u>POTENTIAL RISKS</u>

1) Property Owner may want to obtain a third-party review on the energy audit or renewable energy system feasibility analysis on the Project that verifies the energy cost savings projected.

2) **<u>The CAPITAL PROVIDER and PFS do not guarantee energy savings</u>.**

   a) <u>The energy efficiency and renewable energy measures proposed to be installed on the Property may not perform to specification</u>. They may break down or underperform due to technical malfunction or improper installation. Project success often depends on third parties who are capable of installing and managing projects and structuring contracts that provide appropriate protection against these construction and operational risks. PFS recommends Borrowers/Property Owners have their installation and servicing contracts reviewed by competent legal counsel and engineering consultants prior to execution. Neither PFS nor Capital Provider (1) endorses the workmanship of any contractor; nor (2) guarantees, warranties, or in any way represents or assumes liability for any work proposed or carried out by a contractor. Additionally, neither PFS nor Capital Provider is responsible for assuring the design, engineering, and construction of the project is proper or complies with any particular laws, regulations, codes, licensing, certification and permit requirements, or industry standards. Neither PFS nor the Capital Provider makes any representations of any kind regarding the results to be achieved by the project or the adequacy or safety of such measures.

b) Completed projects require ongoing maintenance to meet projected energy savings and sustain equipment performance. Such maintenance could be complex, costly, and/or be beyond the capabilities of "in-house" staff, requiring external expertise or specialized services over the life of the energy conservation or renewable energy measures.

c) Fluctuations in energy prices may increase or decrease the savings associated with your project. Your Project's estimated savings are based on assumptions about the future price of electricity and fuels. To the extent that future energy prices are lower than those assumed to occur, your future savings will be less than projected.

d) Changes in property occupancy may increase or decrease the savings associated with your project. Your project's estimated savings are based on assumptions about the future occupancy and uses of your Property. To the extent that occupancy decreases, or Property uses shift in a manner not currently contemplated such that less energy will be used than expected, your future savings will be less than projected.

3) PACE Program financing is fixed rate financing**.** Although you will be able to prepay the remaining principal of your Surcharge at any time subject to any applicable prepayment penalties as may be contained in the Financing Agreement, you will not be able to refinance through the Capital Provider or PFS to achieve a lower rate.

4) The success of your project may depend in part on various Federal or State policies and incentives that support or enhance project economic feasibility. Such policies may include governmental initiatives, laws and regulations designed to reduce energy usage, encourage the use of clean energy or encourage the investment in and the use of sustainable infrastructure. Incentives provided by the Federal government may include tax credits, tax deductions, bonus depreciation as well as federal grants and loan guarantees. Incentives provided by the State of Maryland may include renewable portfolio standards, which specify the portion of the power utilized by local utilities that must be derived from clean energy sources such as renewable energy, renewable energy credits, tariffs, tax incentives and other cash and non-cash payments. In addition, Federal and State may provide regulatory, tax and other incentives to encourage the development and growth of sustainable infrastructure. You may, be depending on these policies and incentives to help defray the costs associated with, and to finance, your project. Government regulations also impact the terms of third-party financing provided to support these projects. If any of these government policies, incentives or regulations are adversely amended, delayed, eliminated, reduced or not extended beyond their current expiration dates, the economics of your project may be harmed.

The Borrower/Property Owner hereby acknowledges the above described PACE Disclosures and transaction risks by and through its duly authorized undersigned representative.

Borrower: ___________________________

By: ___________________________

Its: ___________________________

EXHIBIT F: MD-PACE CONTRACTOR APPLICATION

MARYLAND COMMERCIAL PACE

CONTRACTOR REGISTRATION FOR MD-PACE PROGRAM

01 Basic Information

Company Name

Contact Name

Title

Email

Address

Phone

Website

02 What services do you offer? (CHECK ALL THT APPLY)

- ☐ Energy audits
- ☐ Energy modelling and analyis
- ☐ Measurement and verification
- ☐ Project design
- ☐ Energy benchmarking
- ☐ Installation and commissioning
- ☐ Retrocommissioning
- ☐ Project integration/management
- ☐ Other ________ PLEASE DESCRIBE

03 What building energy improvements does your company offer or specialize in?

- ☐ Air compressors
- ☐ Building envelope
- ☐ Building/Energy management systems
- ☐ Cogeneration
- ☐ Electrical
- ☐ Geothermal
- ☐ HVAC
- ☐ Lighting
- ☐ Motors and drives
- ☐ Rooves
- ☐ Solar PV
- ☐ Solar thermal
- ☐ Other (PLEASE LIST LICENSES, RELEVANT CERTIFICATIONS AND CREDENTIALS) ________

04 ☐ I would like to participate in the Montgomery County C-PACE program

05 Please email this and any questions to the MD-PACE Program Administrator: info@md-pace.com / 203-357-5404

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EXHIBIT G: MD-PACE CAPITAL PROVIDER APPLICATION

MARYLAND COMMERCIAL PACE

CAPITAL PROVIDER REGISTRATION FOR MD-PACE PROGRAM

01 Basic Information

Company Name

Contact Name

Title

Email

Address

Phone

Website

02 Financing Information

Preferred financing range (CHECK ALL THAT APPLY)

☐ Under $250k ☐ $250k-$500K ☐ $500k - $1m ☐ Over $1m

Have you ever financed PACE transactions in the past? ☐ Yes ☐ No

In what states are you active in PACE financing?

03 Please confirm the following

☐ I understand that before closing on PACE transactions, my company may be required to submit additional information on underwriting process for regulatory compliance

☐ I would like to be referenced on the MD-PACE website as a registered lender

☐ I agree to alert the MD-PACE program if any of the above information changes

☐ I would also like to participate in the Montgomery County C-PACE program

04

E-mail form, logo and any questions to our MD-PACE Program Administrator: info@md-pace.com / 203-357-5404

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EXHIBIT H: MD-PACE COUNTY MATRIX PAGE

County	Total Loan-to-Value Ratio	Savings-to-Investment Ratio	PACE Assessment to Value Ratio	Minimum Loan Amount	Maximum Term	# of Payments Per Year	100% Financing for Hard & Soft Costs
Allegany		None		$25,000	20 years	1	Yes
Anne Arundel		$\geq$ 1		$25,000	20 years	1	Yes
Baltimore	$\leq$ 90%	None	$\leq$ 20%	$5,000	20 years	1	Yes
Baltimore City		None		$25,000	25 years	1	Yes
Carroll		$\geq$ 1		$25,000	20 years	1	Yes
Charles		None		$25,000	20 years	1	Yes
Frederick		None		$15,000	20 years	1	Yes
Garrett		None		$25,000	20 years	1	Yes
Harford		None		$25,000	20 years	1	Yes
Howard		$\geq$ 1		$15,000	20 years	2	Yes
Kent		None		$25,000	20 years	1	Yes
Queen Anne's		None		$25,000	20 years	1	Yes
Talbot		$\geq$ 1		$25,000	20 years	1	Yes