

Manufacturing Plant Extends Benefits of Equipment Investments with Lower WACC



Nu-Tek Bioscience HQ | Austin, MN

\$3.0 MILLION



PACE EQUITY FINANCING FUNDS SUSTAINABLE IMPROVEMENTS & EFFICIENT EQUIPMENT

This industrial property is a build-to-suit for Nu-Tek Biosciences—a biotech manufacturer of peptones and protein hydrolysates for biotech and wellness foods industries. High efficiency dryer and evaporator equipment will be installed as part of the build-out. Our low-cost financing is an excellent solution for the capital stack since it reduces the WACC while leveraging the investments already being made. Using our *Fast Track™ Funding* process, PACE Equity’s energy engineering expertise identified \$3 million in sustainable improvements, including the efficient, updated manufacturing equipment, to be realized over the 20-year term of the investment.

The developer of the property leveraged a variety of funding sources, including PACE financing, TIF and a local economic development organization loan, to complete the capital stack. PACE financing is long-term and low-cost—creating a consistently strong funding source for manufacturing facilities seeking reduced financing costs and additional benefits for their equipment and property investments.

THIS PROJECT SAVED 28,600 METRIC TONS CO₂ EQUAL TO ANNUAL EMISSIONS FROM 6,220



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PACE Equity’s friendly team had a process & checklist that kept us organized and on task. PACE financing was a new experience for us; we’ll use it again in the future.

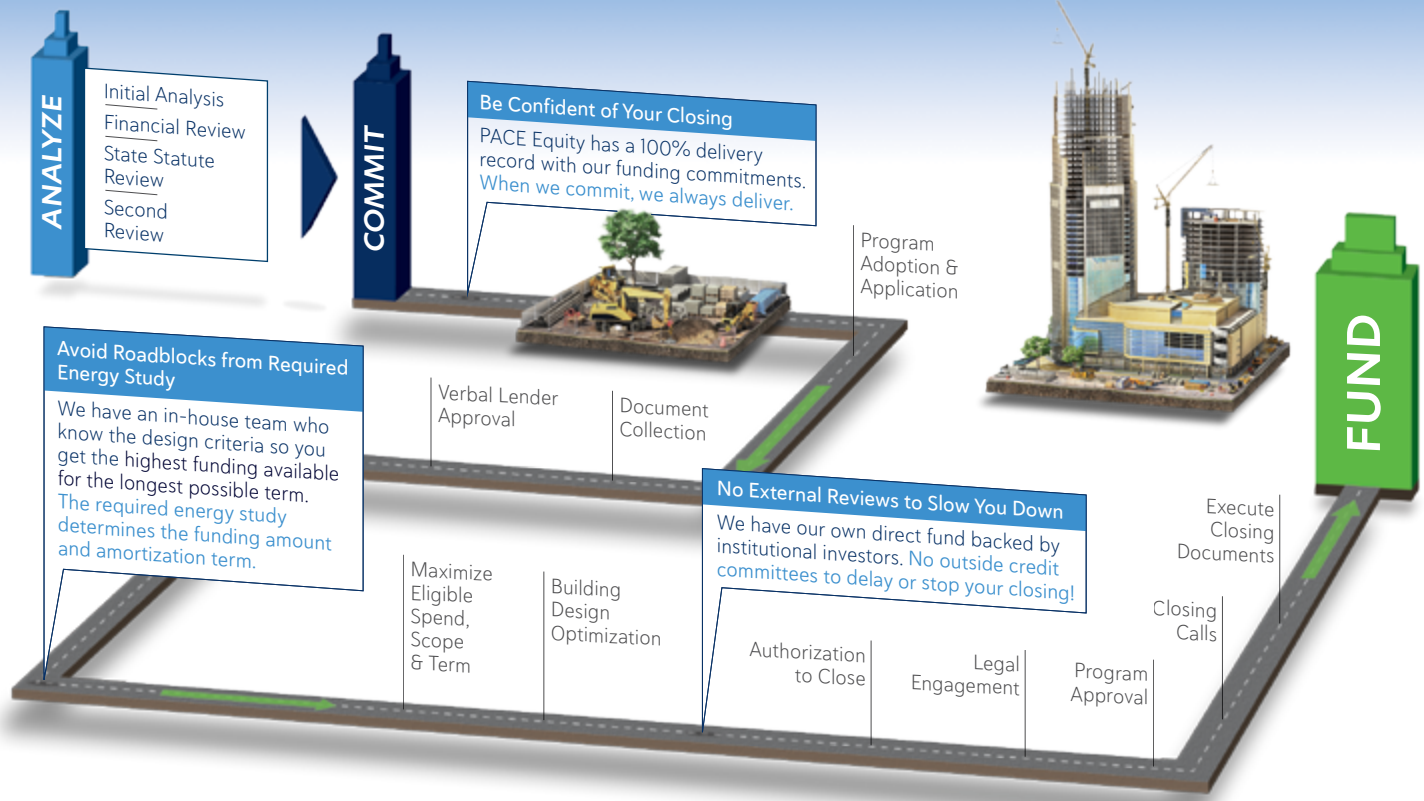
Denita Schreier,
Executive Vice President
WDS Construction

\$42 M CAPITAL STACK

CONSTRUCTION LOAN	39%	\$16.5 M
TENANT EQUIPMENT & EQUITY	36%	\$15.0 M
DEVELOPER EQUITY....	9%	\$3.75 M
TIF	3%	\$1.25 M
EDO	6%	\$2.5 M
PACE EQUITY	7%	\$3.0 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

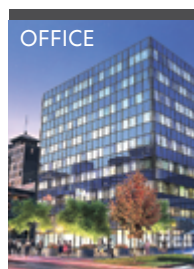


WHAT IS PACE EQUITY?

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.