



Let's Accomplish More
FIGHTING CLIMATE CHANGE WITH FINANCE

2 0 2 3
I M P A C T
R E P O R T



Our Vision: Innovating for Impact

ABOUT PACE EQUITY

For over a decade, PACE Equity has funded PACE projects in innovative, never-before-seen ways. We pursue better buildings that improve customer returns while they lower carbon emissions. We put the customer at the center of all that we do.

WHAT IS PACE EQUITY FINANCING?

Property Assessed Clean Energy (PACE) is a legislated by U.S. states as a public/private partnership to encourage energy and water efficient construction. PACE Equity's private capital is designed to fill a gap in the capital stack of building owners and developers pursuing renovations, redevelopment, new construction, and renewable energy projects.

Our funding is based on the costs in the construction budget which impact energy & water spend, renewable improvements or seismic/resiliency measures.

- HVAC equipment
- Ventilation & indoor air quality
- Lighting & lighting controls
- Insulation & building envelope
- Elevators & escalators
- Plumbing
- Windows & roofing
- Seismic & resiliency enhancements
- Renewable energy

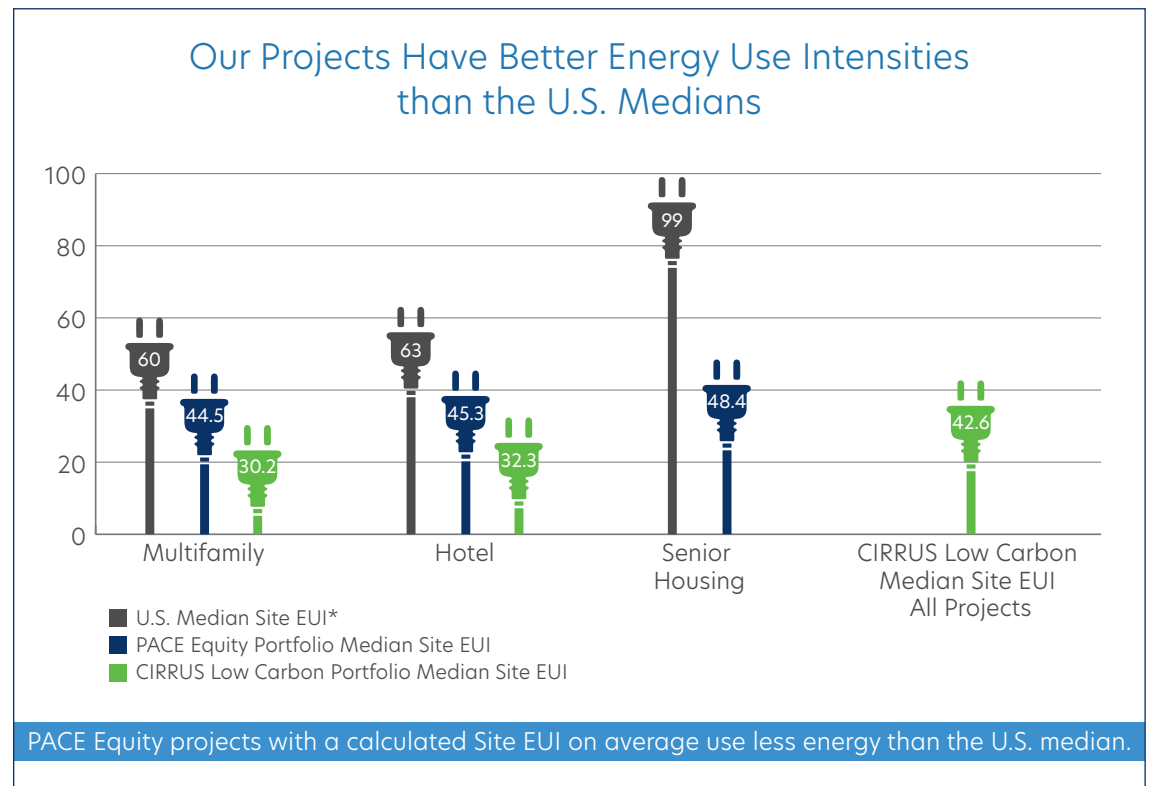
The repayment of our capital is made through a long-term special tax assessment on the property, making it transferable with the property.

OUR MISSION

We believe in the power of C-PACE financing to help our customers achieve financial success. We strive to improve our planet by helping customers develop sustainable projects that maximize energy savings while improving financial outcomes.

WORKING TO REDUCE ENERGY USE INTENSITY (EUI)

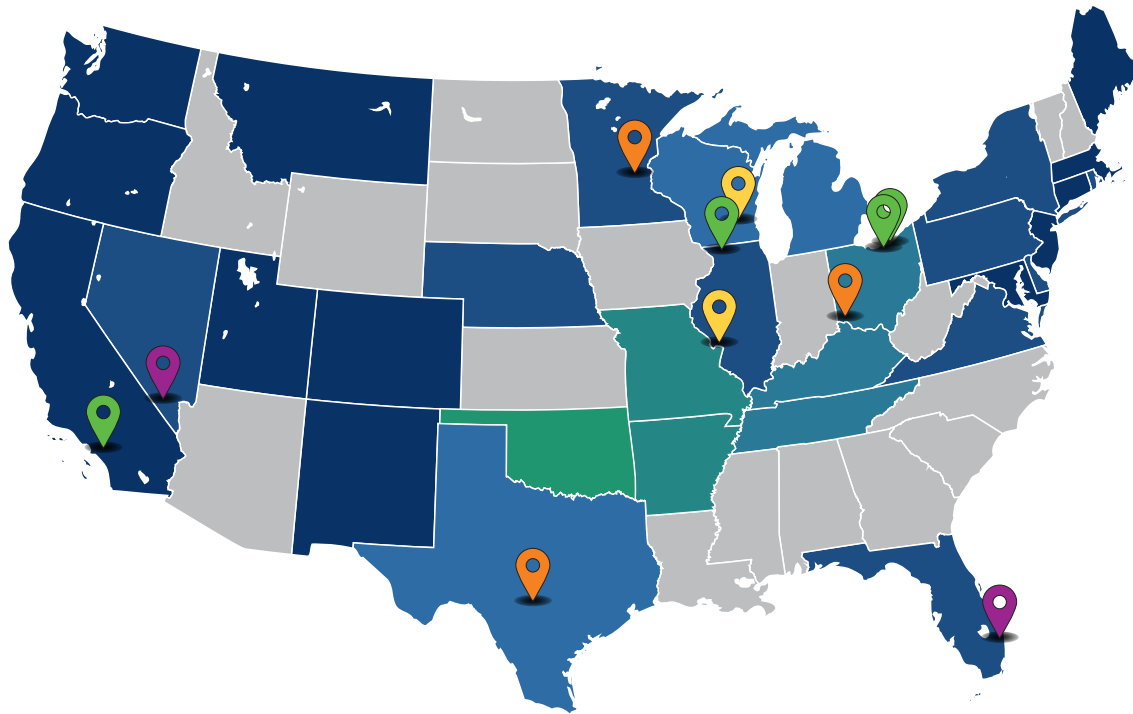
Momentum is shifting. Improving buildings and communities is happening. PACE Equity is committed to being part of it by driving improved Energy Use Intensity (EUI) and reduced carbon emissions. **Let's create a lower carbon world together.**



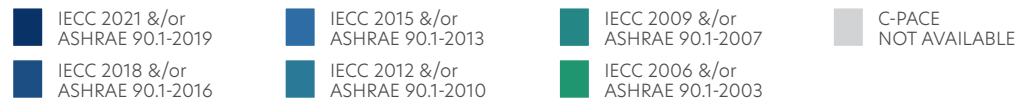
* <https://portfoliomanager.energystar.gov/pdf/reference/US%20National%20Median%20Table.pdf>

OUR CIRRUS LOW CARBON PORTFOLIO FEATURES LOWER EUI AND LOWER CARBON EMISSIONS

Our CIRRUS Low Carbon projects are **consistently below** the U.S. median EUI by asset class. This low carbon program finances projects with a lower cost of capital when they meet lower carbon standards. The program works across asset class & building code environments.



CODE EFFICIENCY 2023



CIRRUS LOW CARBON PROJECTS BY ASSET CLASS



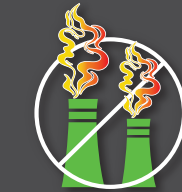
PACE Equity funds a wide variety of building types—multifamily, retail, office, hospitality, industrial, multi-use, senior housing and more—with long-term, non-recourse, low-rate capital.



125+ PROJECTS
ACROSS THE U.S.



\$2.7 BILLION
ENABLED COMMERCIAL
DEVELOPMENT



**1.1 MILLION
METRIC TONS**
CARBON EMISSIONS
ELIMINATED



NUMBER OF HOUSING UNITS
WITH IMPROVED ENERGY
AND WATER EFFICIENCY
3,500 UNITS

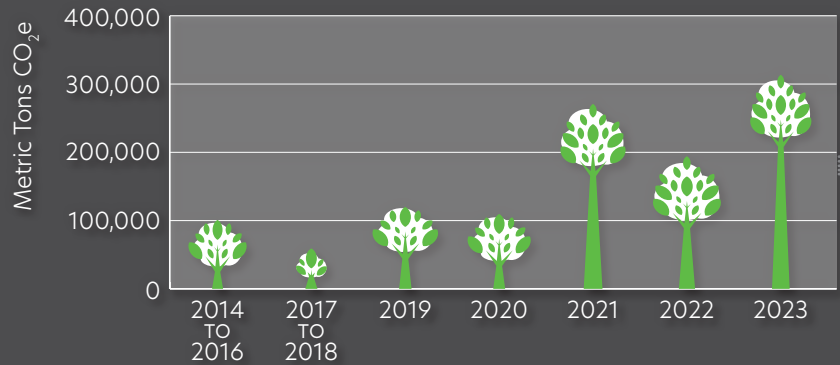



TOTAL KILOWATT-HOURS
SAVED OVER WEIGHTED
AVERAGE LIFE OF ENERGY
EFFICIENCY MEASURES
2.1 BILLION

Housing units includes multifamily and senior housing projects.

IMPACT: CARBON EMISSIONS

Annual Carbon Emissions Savings
Over Weighted Average Life (WAL) of Energy Efficiency Measures

**TOTAL
CARBON EMISSION
SAVINGS:**

1,049,062

METRIC TONS CO₂e

CARBON EMISSION REDUCTIONS: HOW MUCH DOES THAT HELP?

The emissions saved from our projects are equivalent to saving the greenhouse gas emissions from:



118,044,559

GALLONS OF GASOLINE
CONSUMED
(WHEN DRIVEN BY CARS, FOR EXAMPLE)



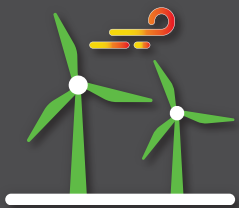
2.8

NATURAL GAS-FIRED
POWER PLANTS
IN ONE YEAR!



1.2 BILLION

POUNDS
OF
COAL BURNED



ALSO EQUIVALENT TO
GREENHOUSE GAS
EMISSIONS AVOIDED BY

276

WIND TURBINES
RUNNING FOR A YEAR

carboncount®

AVERAGE ANNUAL METRIC
TONS OF CARBON REDUCED
PER \$1 THOUSAND INVESTED

0.154 MT



FUNDING FIRST: PROTECTING THE PLANET BY CHANGING THE WAY WE BUILD

Impact investors can directly fund building decarbonization using the Cut Carbon Note from Calvert Impact Climate. PACE Equity's CIRRU Low Carbon projects are the basis for the Note—the **first retail investment opportunity of its kind**. The Cut Carbon Note provides investors with an opportunity to fund greener buildings and create a more sustainable future.

Equivalencies calculated using EPA Greenhouse Gas Equivalencies Calculator at <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>. CarbonCount® is a trademark of HASI.

<https://calvertimpact.org/investing/cut-carbon-note>



ENVIRONMENTAL IMPACT
AWARD WINNER



Total Amount Funded:
\$4.0 MILLION

IMPACT

OVER WEIGHTED AVERAGE LIFE
OF EFFICIENCY MEASURES



\$7,300,000
ENERGY SAVINGS

31,756 METRIC TONS
CARBON SAVINGS

VORTEX COLD STORAGE:

Construction of Cold Storage Warehouse Featuring CO₂ refrigeration system with efficient evaporator fans, expected to save over \$1.60 per square foot.

Type of Project: NEW CONSTRUCTION

Location: ALBERT LEA, MN



Total Amount Funded:
\$21.0 MILLION

IMPACT

OVER WEIGHTED AVERAGE LIFE
OF EFFICIENCY MEASURES



\$111,400,000
ENERGY SAVINGS

98,810 METRIC TONS
CARBON SAVINGS

CHICKEN PRODUCTION FACILITY:

Retrofit of combined heat & power system to reduce operating costs.

Type of Project: RETROFIT

Location: LIVE OAK, FL

CIRRUS Low Carbon: An Option for Increased Impact

CIRRUS Low Carbon from PACE Equity is a program that provides a significantly reduced interest rate when you meet our low carbon design specification. We help you achieve the lower rate with our in-house Low Carbon Engineering Team (at no additional cost.)



QUALIFY FOR REDUCED RATE FINANCING VIA THREE OPTIONAL COMPLIANCE PATHS

Prescriptive Path Checklist

Mandatory Measures: ALL are required		Additional Efficiency Options: TWO are required	
ASHRAE 90.1-2016 Baseline		High Performance Envelope	
Building Envelope Improvement		High Performance Fenestration	
HVAC Improvement		Reduced Thermal Bridging	
Efficient Water Heating Equipment		Air Barrier Continuity	
Plumbing Fixtures (WaterSense®)		High Performance HVAC	
Efficient Interior Lighting and Controls		High Performance Hot Water Heating	
Efficient Exterior Lighting and Controls		Enhanced Interior Lighting Controls	
Efficient Appliances (EnergyStar®)		Advanced Metering and Energy Monitoring	
Solar Readiness		Electric Vehicle Charging Readiness	
		Low Embodied Carbon Concrete	
Prescriptive Path Efficiency: ASHRAE 90.1–2019 + 5%			
Performance Path (Modeling ASHRAE Appendix G to Confirm 8% Carbon Emissions Reduction) Phius Path (Phius CORE, ZERO or REVIVE Certification)			



13:1

RATIO OF TOTAL FINANCIAL BENEFITS TO HARD COST BUDGET



0.20%

PERCENTAGE OF INCREMENTAL COSTS TO HARD COST BUDGET



ENERGY SAVINGS TO DATE

\$1.4 MILLION

EXPECTED OVER WEIGHTED AVERAGE LIFE



CARBON SAVINGS TO DATE

67,000 MT

EXPECTED OVER WEIGHTED AVERAGE LIFE

FINANCIAL BENEFITS INCLUDE

- INTEREST SAVINGS
- PROPERTY VALUE INCREASES
- INCREMENTAL ENERGY SAVINGS



IMPACT

OVER WEIGHTED AVERAGE LIFE OF EFFICIENCY MEASURES

\$15,600,000
ENERGY SAVINGS

20,700 METRIC TONS
CARBON SAVINGS



COLMAN YARDS



IMPACT

OVER WEIGHTED AVERAGE LIFE OF EFFICIENCY MEASURES

\$4,000,000
ENERGY SAVINGS

27,000 METRIC TONS
CARBON SAVINGS



TOWN 9 SPECULATIVE WAREHOUSE

ENERGY CONSERVATION MEASURES ADDED/UPDATED



SOLAR READINESS



HIGH EFFICIENCY HVAC



LED LIGHTING



HIGH EFFICIENCY PLUMBING FIXTURES



HIGH PERFORMANCE BUILDING ENVELOPE

ENERGY CONSERVATION MEASURES ADDED/UPDATED



ROOFTOP UNIT



INSULATION



WINDOWS



AIR BARRIER INSPECTION



IMPACT

OVER WEIGHTED AVERAGE LIFE OF EFFICIENCY MEASURES

\$880,000
ENERGY SAVINGS

4,300 METRIC TONS
CARBON SAVINGS



STORCO SELF-STORAGE



IMPACT

OVER WEIGHTED AVERAGE LIFE OF EFFICIENCY MEASURES

\$1,500,000
ENERGY SAVINGS

4,100 METRIC TONS
CARBON SAVINGS



COLISEUM BUILDING

ENERGY CONSERVATION MEASURES ADDED/UPDATED



HIGH EFFICIENCY HVAC



LED LIGHTING



HIGH PERFORMANCE BUILDING ENVELOPE

ENERGY CONSERVATION MEASURES ADDED/UPDATED



SOLAR READINESS



HIGH EFFICIENCY HVAC



LED LIGHTING



HIGH EFFICIENCY PLUMBING FIXTURES

INCLUSION MAKES US STRONGER

Our customers are each unique and so are we. We hire great people from a wide variety of backgrounds because it makes our company better and our ideas stronger. We encourage our employees, partners, suppliers, and customers to bring their full selves to our discussions and projects. We are committed to fostering, cultivating, and preserving a culture of creativity, diversity, equity, and inclusion.

CIRRUS LOW CARBON AWARDS

CLIMATE FINANCE
INNOVATION
AWARD



TRANSACTION
OF
THE YEAR



INNOVATIVE
SERVICE
AWARD



INNOVATION
IN EFFICIENT FINANCING
AWARD



Let's create a lower carbon world together.

833.201.5740

WWW.PACE-EQUITY.COM

