

# Low-Cost Gap Financing for Hotel Portfolio



Cobblestone Hotel-Eaton | Eaton, OH

## \$2.4 MILLION



### MULTIPLE COBBLESTONE HOTELS IN THE MIDWEST USE PACE EQUITY FINANCING

The Eaton Cobblestone Hotel & Suites is one of several hotels under the Cobblestone brand to be funded by PACE Equity as they continue to expand their presence throughout the Midwest. This 66-room, three story upper-midscale hotel is found on the northern side of Eaton, ideally positioned near commercial and residential amenities.

PACE Equity participated in this project as a low-cost gap financing solution. The developers of this project avoided more expensive capital options such as a mezzanine loan or debt fund. They also avoided bringing in additional investors which dilutes the returns.

Our capital fits in the capital stack with construction loans and sponsor equity, as well as with other funding sources such as TIF, HTC, NMTC, ground leases, Opportunity Zones, local grants, and more.

As a repeat customer of PACE Equity, the developer knows our process well—end-to-end management, from our in-house engineering audit to program approvals and lender consent support. PACE Equity delivers a positive customer experience, every time.

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PACE Equity was very detailed and organized during the transaction process. I will work with PACE Equity again.

Harold Niehaus  
Eaton Hospitality Group, LLC

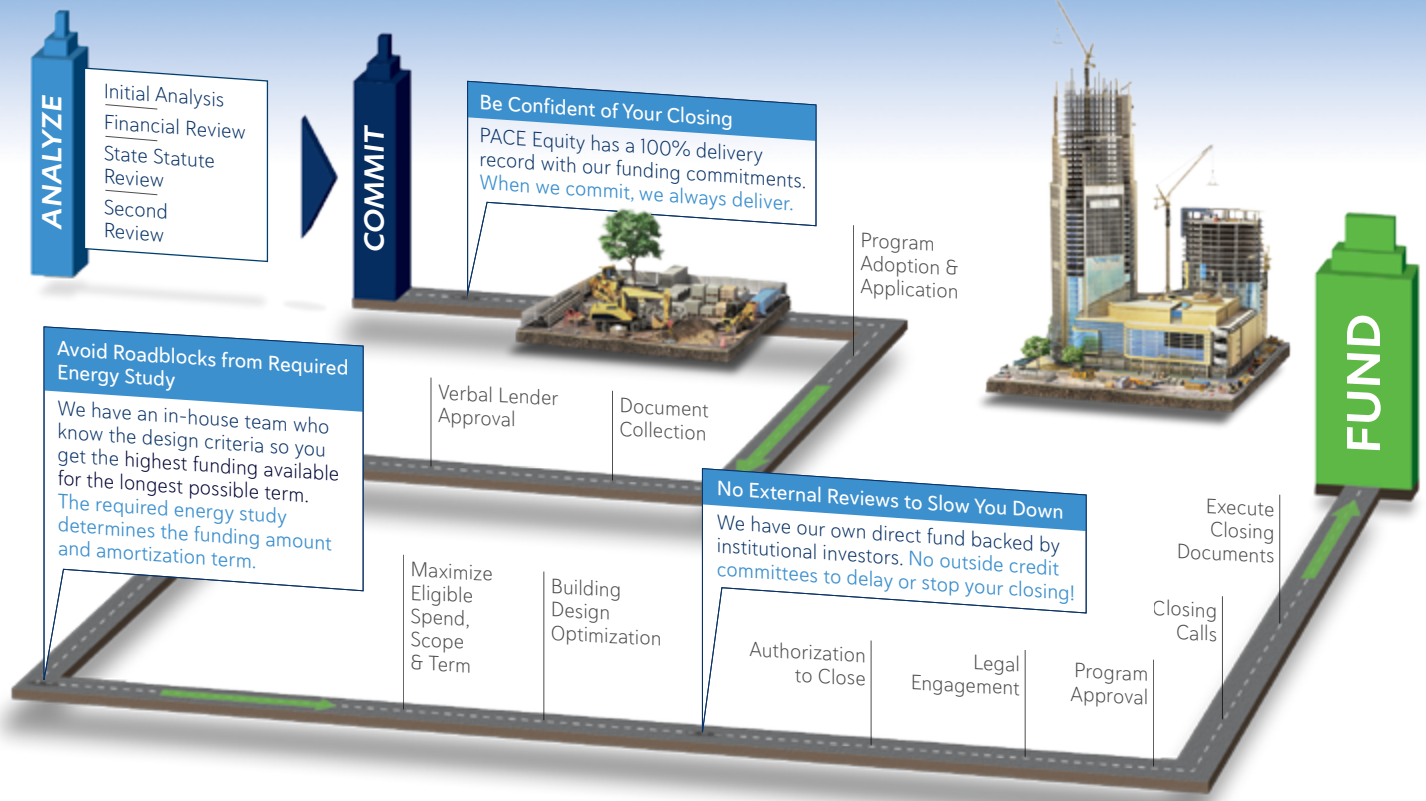
 THIS PROJECT SAVED 2,000 METRIC TONS CO<sub>2</sub> EQUAL TO ANNUAL EMISSIONS FROM 476 

### \$12 M CAPITAL STACK

CONSTRUCTION LOAN .....	48%		\$5.8 M
EQUITY .....	30%		\$3.6 M
PACE EQUITY .....	20%		\$2.4 M
GOVERNMENT GRANTS & LOANS .....	2%		\$200 K

# THERE ARE 87 STEPS NEEDED TO EXECUTE PACE FINANCING. Don't worry, we do all 87.

End-to-End  
Project  
Management



## 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 35 states and growing.

## LOWER COSTS FOR LOWER CARBON

Substantial rate reduction when you meet our CIRRUS Low Carbon design specification.



## FUNDING FOR A VARIETY OF ASSET CLASSES



**WE FUNDED IT FIRST.** We figured out first how to use our capital for new construction plus NMTC/OZ/TIF. We'll help you solve your financing challenge.

**UPFRONT FUNDING COMMITMENT** with certainty of funding and a 100% delivery record.

★★★★★ NEAR PERFECT CUSTOMER SATISFACTION (9.75 OUT OF 10)