



Property Assessed Clean Energy (PACE) is an innovative finance solution for building owners interested in energy efficiency and renewable energy upgrades. The PACE structure overcomes financial challenges that hinder the adoption of energy efficiency projects by eliminating upfront costs, providing low-cost, long-term financing and making it easy for building owners to transfer payment obligations to tenants, as well as new owners in the case of a sale.

- 1 Local government establishes a Joint Powers Agreement with MinnPACE



- 2 Building owner evaluates and selects projects that reduce energy costs



- 3 MinnPACE or third-party lender provides financing to building owner; local government adds assessments to tax rolls



- 4 Building owner pays assessment (up to 20 years)

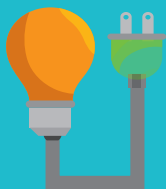


## MinnPACE Benefits

- ✓ Property owners are able to invest in energy efficiency and/or renewable energy upgrades with no upfront costs
- ✓ Utility savings exceed payment obligations, making investments cash positive for property owners and tenants
- ✓ Payments are rolled into a special tax assessment made payable twice per year as part of the building owner's property taxes; the first payment is due in May of the following year
- ✓ The program is tax neutral with no financial exposure to cities or counties
- ✓ Energy saving investments promote local jobs

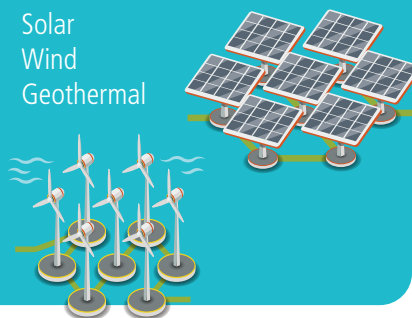
## Qualifying Energy Efficient Upgrades

HVAC  
Lighting  
Motors  
Compressed Air  
New Manufacturing Equipment  
And More...



## Renewable Examples

Solar  
Wind  
Geothermal



## Qualifying Industries

Industrial/Manufacturing  
Multi-family housing (5+ units)  
Agriculture  
Nonprofit  
Places of Worship

