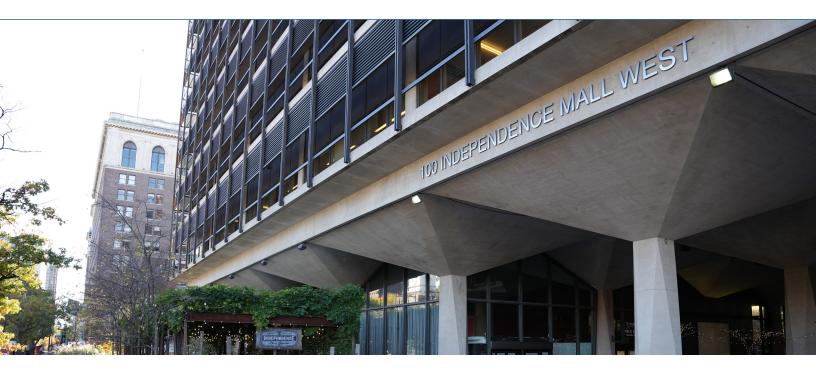
Class A Office Retrofit





CounterpointeSRE provided C-PACE Financing retroactively fund efficiency and tenant improvements for an office building on Philadelphia's Independence Mall.

Owners of this Class A office in Center City Philadelphia sought to recapture CAPEX for HVAC, lighting and other upgrades as TI's while refinancing senior and coterminous mezzanine debt. CounterpointeSRE provided \$25.5 million in non-recourse financing with no financial convenants and a custom structure that optimized the building's capital stack for future CMBS financing. The C-PACE financing was structured with 6 years of fixed rate I/O payments to maintain debt yield before converting to 20 years of fully amortizing, fixed rate financing with no balloon payment. The sponsor was able to recapture deployed capital and to pay down coterminus senior and mezzanine debt with C-PACE proceeds while maintaining debt yield for future permanent financing.



Location	Philadelphia, PA
Asset Class	Trophy Class A Office
Project Type	Retroactive Finance
Measure(s)	Energy efficiency
Financing	\$25.5 million C-PACE
Term	26 years
Lifetime Carbon Reduction	10,048 MT CO2e

"Using C-PACE to finance energy efficiency improvements for this iconic building, overlooking our historic Independence Mall, provides an excellent example of how commercial office building owners are using this important new financing tool to improve the value of their properties."

— Darrell Clarke, Philadelphia City Council President

COUNTERPOINTE C-PACE FINANCING

Increases ROI and smooths out cashflows

Non-recourse fixed rate financing with terms up to the EUL removes term and interest rate risk

Pass-through can yeild zero cost equity

PACE assessment may be passed through to tenants with NNN or Modified Gross Leases

Delay start of repayment for years

Defer repayment and/or pair with I/O period to allow receipt of incentives and accrual of utility savings

Recapture CAPEX

Refinance qualified projects completed within three years in most locations

Releases Lender CAPEX Reserves

Increase ROI and available capital by providing financing for many lender required reserves

Reduces Value Engineering

100% financing for projects, including pre-paid maintenance and soft costs can reduce or eliminate value engineering

Alternative to Mezzanine Debt and Equity

Reduce equity contribution to yield a lower blended cost of capital and increase returns

Project Scope	Upgrade/Retrofit, New construction and previously completed
Tenancy	Stabilized or transitional
Assessment Size	\$1,000,000 - \$200,000,000+
Recourse	Non-recourse
Term	5 to 30 years
Amortization	No balloon payments, self-amortizing
Maximum LTV	Up to 35% (stabilized)
Maximum CLTV	Up to 95%



CounterpointeSRE is a national commercial property assessed clean energy (C-PACE) capital provider with expertise in commercial real estate lending, structured finance and PACE program administration for some of the largest PACE jurisdictions in the nation. Over the past decade, we have played a leadership role driving investment toward clean energy and energy efficiency in our nation's commercial buildings.



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