



Mortgage Holder Consent Form

Notice of Proposed C-PACE Assessment

Notice Date:

Lender Information

Lender:

Street:

City/State/Zip Code:

ATTN:

Property/Loan Information

Address:

APN:

Loan Number:

Why has the bank received this notice?

The property owner listed below owns the property located at the address above. You are the holder of a loan secured by the property.

_____ wishes to install energy upgrades to the property using the Commercial Property Assessed Clean Energy (C-PACE) financing mechanism established by the State of Alaska and seeks your consent to do so.

Background on the Alaska C-PACE (AK C-PACE) Program

Enabled through the Municipal Property Assessed Clean Energy Act, Alaska Statutes 29.55, as amended from time to time (the "Act"), municipalities may establish a C-PACE program within the boundaries of their jurisdiction and allow qualifying property owners to voluntarily request that the municipality impose and levy an assessment on their property to secure private financing from a private capital provider to fund eligible improvements. In the C-PACE financial structure, private capital providers provide financing for up to 100% of all hard and soft costs associated with eligible improvements, which include permanently affixed energy sources or energy-efficiency or emissions-reducing improvements made to an eligible property. Financing is repaid as an assessment by the property owner over the full useful life of the improvements, typically fifteen years or longer. Like other municipal assessments, C-PACE assessments must be current upon the sale of a property and remain with a property upon sale. As with other government assessments, only annual assessment payments in arrears have a lien status senior to mortgages upon the sale of a property.



The AK C-PACE Program has been designed to meet the needs and concerns of Alaska’s property owners and existing mortgage lenders. To qualify, the proposed project must meet the following basic criteria:

- The property is located in a municipality that has passed legislation enabling C-PACE in its jurisdiction
- The property is not owned by the government and not a residential home of less than 5 units
- The proposed measures are intended to reduce energy consumption or demand, energy costs, or emissions affecting local air quality
- The property is current on all property tax and assessment payments
- **The property owner receives consent of the current mortgage holder(s)**

Why should you provide consent?

1. Measures financed through C-PACE often reduce building operating costs.
2. C-PACE assessments do not accelerate. In the event the mortgage holder forecloses on the property for any reason, only the amount of the C-PACE assessment currently due and/or in arrears, a relatively small proportion of the C-PACE assessment, would come due. It is important to note that in the event a C-PACE assessment is in arrears, the assessment will have a lien status senior to a private lender’s mortgage. In the event of a property sale, C-PACE assessments transfer to the new property owner.
3. Measures financed through C-PACE improve properties, often reducing maintenance and repair costs. In addition, energy measures improve the efficiency, health, and comfort of a building, making it more attractive to tenants and future owners.

What should you know?

_____ has indicated its intention to apply for C-PACE financing for the improvements outlined in the C-PACE project application on the property listed above. The assessment is to be levied on the property pursuant to an agreement between the property owner, - _____, and the funding source for the C-PACE improvements _____. The related payment terms are proposed to consist of the following:

Total cost of improvements:

Utility rebates/incentives:

Total C-PACE financing requested:

Interest rate not to exceed:

Term of repayment period:

Payments per year:

Total estimated annual installment:



Purpose of this Notice. As required by the C-PACE enabling legislation, codified in AS 29.55.100 - .165 (the "C-PACE Act"), _____ is sending this Notice of Proposed C-PACE Assessment to provide notice of the proposed participation of the property above in C-PACE financing:

1. Request confirmation from you (the current lender) that the levy of the assessment will not trigger an event of default or the exercise of any remedies under the loan documents.
2. Provide notice that the assessment will be collected at the same time as property taxes and will be subject to the same penalties, remedies and lien priorities as real property taxes.
3. Declare the _____'s agreement to pay on a timely basis both the existing obligations secured by the property and the proposed assessment.

Execution and Return of Consent. Please execute the Lender Consent to C-PACE Assessment and return it to the undersigned at your earliest convenience.

Very truly yours,

SIGNATURE: _____

PROPERTY OWNER NAME: _____

TITLE: _____

DATE: _____

MAILING ADDRESS (if different than Property address):
