

# Florida PACE Funding Agency

## Terms and Conditions

### Residential / Small Commercial Property Owners

Program Highlights	
Application Fee	A non-refundable fee of \$25.00 FOR non-residential is due upon application. Payment maybe made by check to SEE&I, mailed to Florida Pace Funding Agency, 1000 Legion Way, 12 <sup>th</sup> floor, Orlando, FL 32081 <b><u>Please confirm all your information is correct before submitting your application as the application fee is not refundable.</u></b>
Residential/Small Commercial Properties	1 to 4 family non corporate ownership properties and small commercial properties not under corporate ownership should use the residential financing application and are subject to the \$25.00 application fee.
Amount of Money Down	All costs listed below are included in the total financing. The non-refundable Application Fee is required upon application
Personal Guarantee	PACE financings are secured by the special assessment and require no personal guarantee.
Transferability	The assessment runs with the property can be transferred upon sale of the property or the retirement of the assessment lien can be negotiated between the buyer and seller when the property title is transferred
Minimum Financing	The minimum financing amount is <b>\$2,500</b> Small commercial minimum financing is <b>\$10,000</b>
Maximum Financing	<p><b>Tier 1</b> Financing is limited to 20% of the assessed value of the property as established by the local tax assessor and provided on your annual tax bill.</p> <p><b>Tier 2</b> Financing is for property owners wishing to exceed Tier 1 Financing limits are required to have conducted a whole building energy analysis that demonstrates a life cycle savings to investment ratio of 1.0 or greater. Property owners conducting this analysis may be subject, on a case by case basis to an additional fee for an engineering peer review to substantiate claimed energy savings the cost of which will not to exceed \$.04 per square foot area of the subject facility. The cost of this analysis and review are eligible to be included in the PACE financing as well.</p>
Wind Mitigation Financing Limit	The maximum financing for Wind Mitigation improvements shall not exceed 20% of the assessed value of the property.
Credit Report Waiver	The Property Owner(s) must submit a copy of a waiver releasing all credit reporting agencies to provide credit reports to the Agency. These reports will be used to determine compliance with statutory underwriting guidelines only. Credit score is NOT considered.
Rebates and Incentives	Certain retrofit projects may be eligible for rebates and/or incentives. The Agency does not require total financing to be net of rebates/incentives. All processing of rebates/incentives is between the property owner and the entity offering the rebates and/or incentives.
Payments	Payments are due annually as a special assessment line-item on the property tax bill. Payments for PACE assessments are due at the same time as property taxes and are payable to the tax

	collector of the county in which the property resides. No discount is available for early payment of the special assessment. Your mortgage lender may elect to increase the monthly escrow
<b>Program Costs (To Borrower)</b>	
<b>Interest rate</b>	The interest rate in effect on the date the financing agreement is signed by the property owner will remain fixed for 90 days or until the contractor receives final payment whichever is less. If at the end of the 90 day period, final payment has not been made to the contractor, the interest rate will change to the rate then in effect on the 91 <sup>st</sup> day and remain fixed for an additional 90 days or the contractor receives final payment, whichever is less. The interest rate in effect on the date of final payment to the contractor will remain fixed for the term of the assessment.
<b>Capitalized Interest</b>	Interest on the full construction cost will accrue and be capitalized (added to the financed amount) beginning on date of the date the contractor receives final payment until November 1 of the current tax year. Capitalized interest will be spread over the term of the assessment financing agreement execution until September 15 of the same tax year. If the financing agreement is executed after September 15th, accrued interest will be capitalized and added to tax bill of the next tax year. Interest will be capitalized on a daily rate until the tax bill is issued on November 15 in the year in which the funding was made.
<b>Pre-Payment</b>	The property owner may elect to prepay the full amount of the assessment at anytime by requesting a payoff amount from the Agency.
<b>Fees</b>	
<b>Annual Agency Administration Fee</b>	The Agency will apply a administrative fee of 1% of the annual assessment.
<b>Filing fee</b>	\$10.00 plus \$8.50 per page (one time, at the financing funding, estimate \$27.00) of the Financing agreement between the Agency and the property owner authorizing the application of the PACE assessment onto the property tax bill.
<b>Origination Fee</b>	An origination fee of <b>2.0%</b> of the total assessment amount is payable at financing closing from applicant out-of-pocket funds or included in the financing.
<b>Transaction Fee</b>	An origination fee of <b>2.91%</b> of the total assessment amount is payable at financing closing from applicant out-of-pocket funds or included in the financing.
<b>Annual Agency Collection Fee</b>	The Agency will apply an administrative fee of 1% of the <b>annual</b> assessment.
<b>Annual County Tax Collection Fee</b>	The county may charge up to \$40 annually for processing the assessments.
<b>Qualifications</b>	
<b>Legal Owner</b>	The financing application must be signed by all property owners of record. <u>An official copy (faxed is acceptable) of the property deed, issued the County having jurisdiction must accompany the application for financing.</u>
<b>Current on Taxes</b>	Applicant must be current on property taxes for the property to be improved and must not have been delinquent in the last three years or since owning the property.. <u>The most recent property tax bill must accompany the application for financing.</u>
<b>Current on Mortgage (if applicable)</b>	If the property is mortgaged, the Applicant must be current on mortgage payments and must not have been delinquent in the last three years or since owning the property. <u>The most recent mortgage statement must accompany the application for financing.</u> In addition, the property owner (s) must submit a waiver with the application granting any and all mortgage lenders permission to release all terms of the mortgage, including payment history, to the Agency.
<b>Assessed or "Just Value"</b>	Property values are determined exclusively, finally and as recorded on the property tax record, maintained by the County Tax Assessor. The Agency will calculate financings within these parameters.

<b>No Involuntary Liens</b>	The property shall not have any involuntary liens against the property
<b>Approved Contractors</b>	Applicant financing can only be approved when the work is performed by a contractor/ or installer approved by the Agency.
<b>Eligible Measures</b>	Only eligible improvements may be financed through Agency. A list of eligible measures can be found at <a href="http://www.floridaPACE.gov">http://www.floridaPACE.gov</a>
<b>Recorded Financing Agreement between the property owner and the Agency</b>	A financing agreement between the property owner(s) and the Agency will be recorded with the county having jurisdiction, granting the Agency the right to apply the special assessment against the subject property. This agreement will be filed within 5 days after the closing date.
<b>Good Faith financing estimate provided prior to closing</b>	The property owner will be provided a good faith estimate of the sources and uses of the financing proceeds 5 days prior to the financing closing date. This estimate will provide the total financed amount, interest rate, financing term, origination, recordation and annual servicing fees.

1. Neither the Agency nor its representatives or agents, including the Third Party Administrator, has any obligation or responsibility for determining whether your existing lender or servicer will permit or take adverse action against you as a result of the addition of this the special assessment. You are encouraged to consult with a financial and/or legal professional to address these issues.
2. Neither the Agency nor its representatives or agents, including the Third Party Administrator, has any obligation or responsibility, including but not limited to terms, completion and approval of services, or payment, regarding any agreement between the property owner and any contractor or installer for the eligible improvements. The Agency encourages the property owner to obtain at least 3 estimates for the work to be performed.
3. Neither the Agency nor its representatives or agents, including the Third Party Administrator, is aware of or makes any representations regarding the condition of the property, or for any circumstances which may affect the completion of eligible improvements thereon.
4. Once the financing closing for the eligible improvements has occurred, any increase in the cost of completion of eligible improvements must be financed by either a separate application for Agency financing, if approved, or other sources to be determined by the property owner.
5. At or before the time a real property purchaser executes a contract for the sale and purchase of any property for which a non-ad valorem assessment has been levied under this section and has an unpaid balance due, the seller shall give the prospective purchaser a written disclosure statement in the following form, which shall be set forth in the contract or in a separate writing:

**QUALIFYING IMPROVEMENTS FOR ENERGY EFFICIENCY, RENEWABLE  
ENERGY, OR WIND  
RESISTANCE**

The property being purchased is located within the jurisdiction of a local government that has placed an assessment on the property pursuant to s. 163.08, Florida Statutes. The assessment is for a qualifying improvement to the property relating to energy efficiency, renewable energy, or wind resistance, and is not based on the value of property. You are encouraged to contact the county property appraiser's office to learn more about this and other assessments that may be provided by law.

6. The nature and scale of commercial energy efficiency, renewable generation and wind mitigation projects may require the Agency to request additional supporting documentation when verifying a property owner is in compliance with all statutory underwriting criteria.