



**RENEW**  
FINANCIAL

# RenewPACE Overview

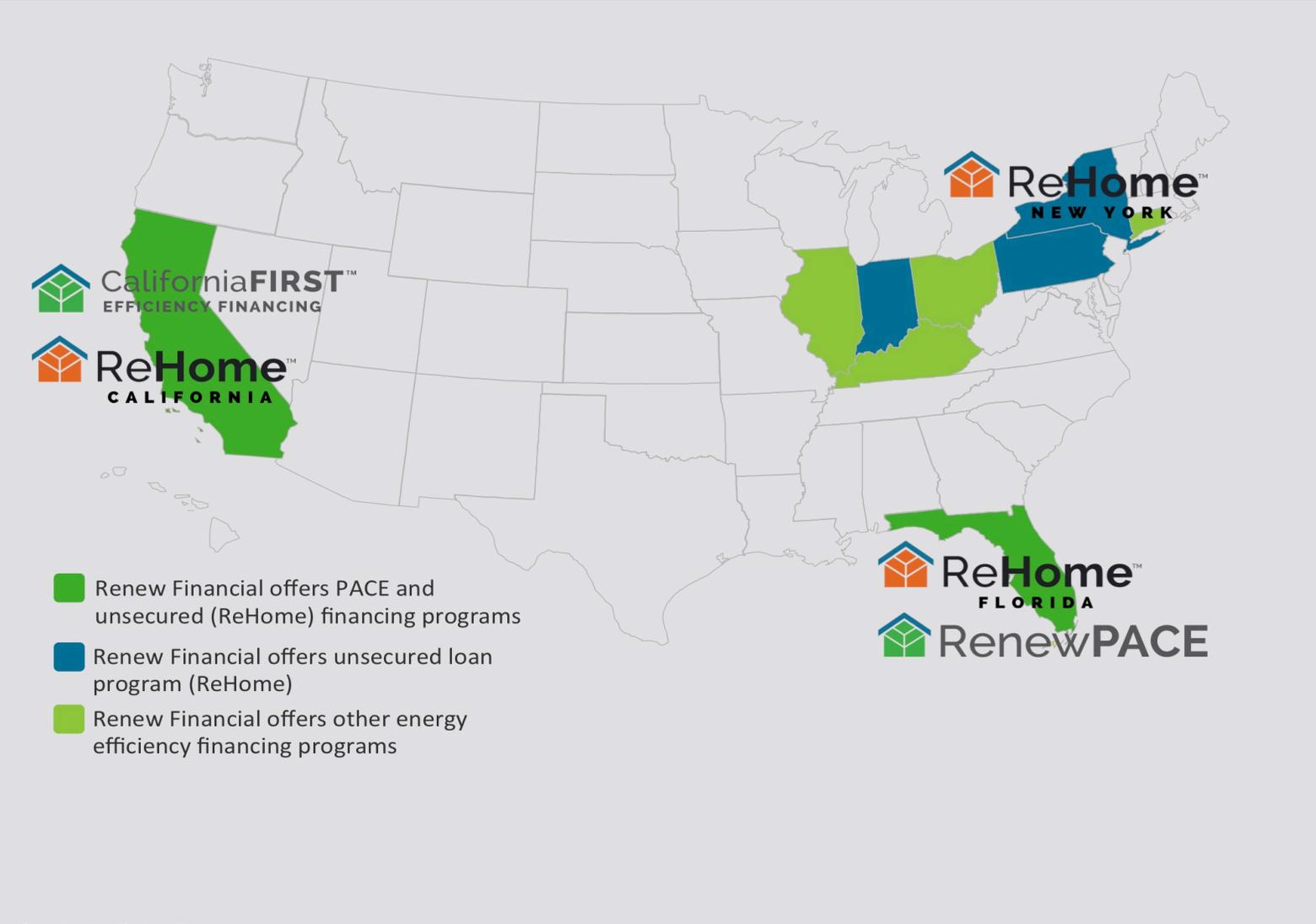
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Devesh Nirmul

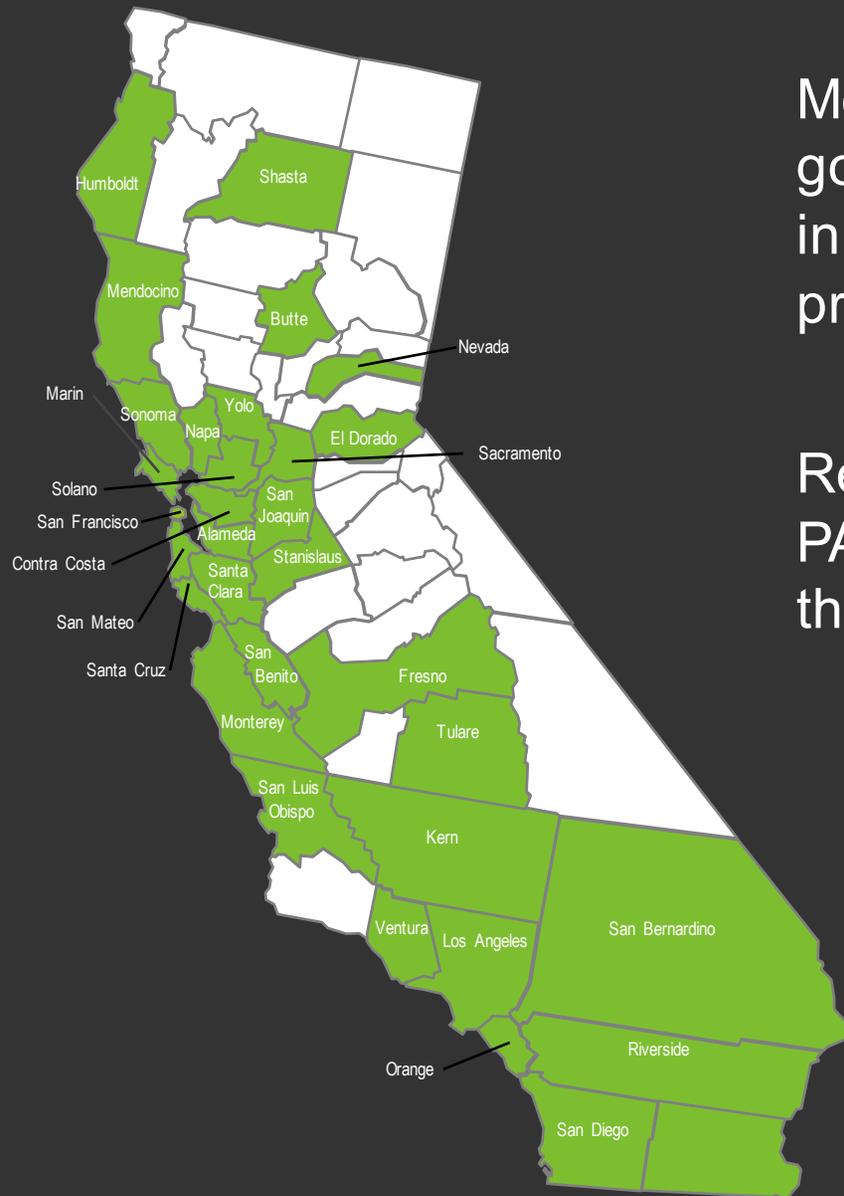
May, 2016



# Renew Financial Overview



# PACE is Working in California: Available to 28 Million

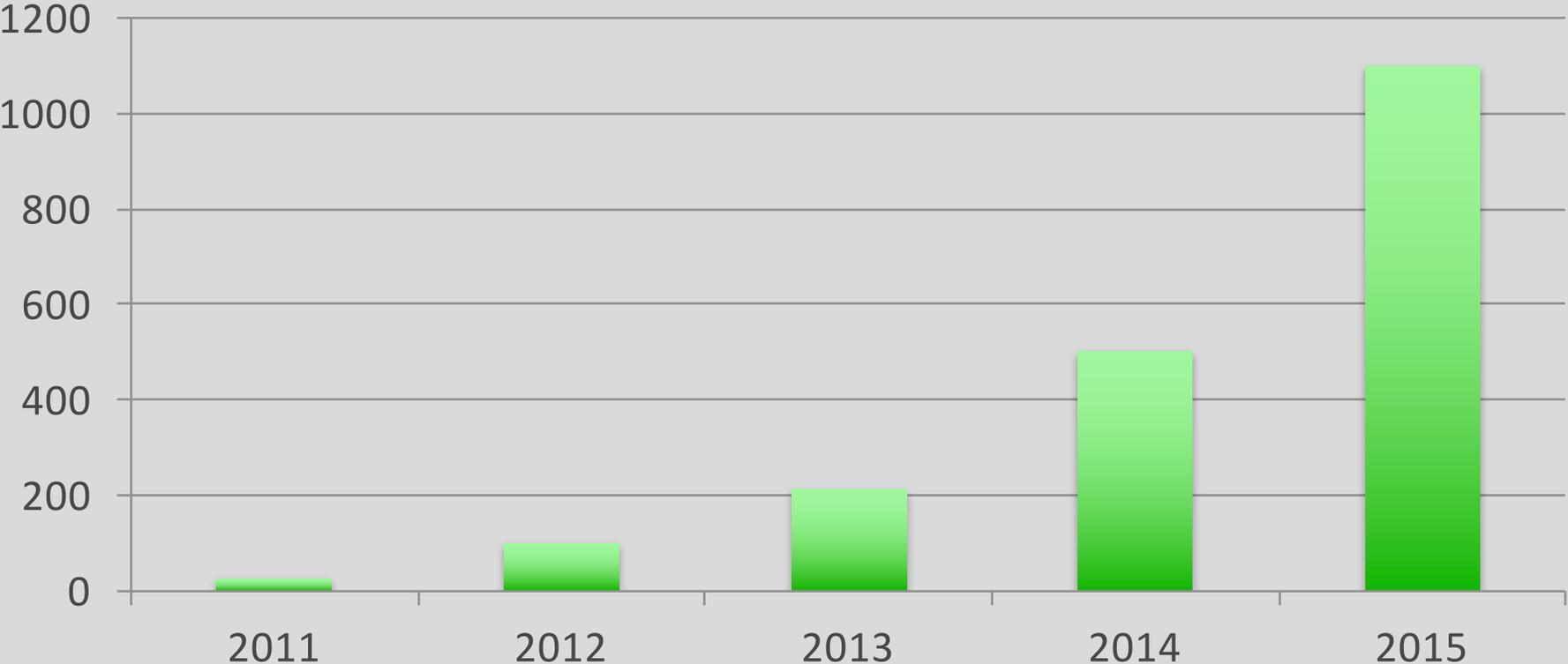


More than 350 local governments in CA have opted in to the CaliforniaFIRST program.

Renew Financial now provides PACE financing over more than 80% of the State of CA.

# Residential PACE Growth in CA

PACE Projects in \$ Millions



# Residential PACE Impact in CA

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Residential PACE improvements in California to-date will save:

**6.4 billion**

kWh of energy

**2.2 billion**

gallons of water

**\$2 billion**

in utility bills

California Residential PACE improvements also account for:

**8,100**

local jobs created

**1.9 million**

tons reduced emissions

# RenewPACE Protections are Unique

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Protection	PACE	Home Equity Loans	Credit Cards
Single purpose financing – product requirements	Yes	No	No
Contractor Requirements	Yes	No	No
Fair Pricing Requirements	Yes	No	No
Permit Requirements	Yes	No	No
Funding Only Provided After Homeowner Signs Off	Yes	No	No
Dispute Resolution	Yes	No	No
Senior Protections (65+)	Yes	No	No

# PACE vs. Other Financing – The benefits are clear!

Source of Funds→	RenewPACE	Home Equity Line of Credit	Home Equity Loan	Personal Unsecured Loan	Credit Card
Interest Rate	6.75% - 8.39% (fixed)	3% - 7% (variable)	6% - 9% (fixed)	6% - 10% + (fixed)	5% - 25% (variable)
Tax Deductibility of Interest	<b>Yes</b>	Yes	Yes	No	No
Minimum Finance Amounts	\$5,000	\$1	\$1,000	\$1	\$1
Maximum Finance Amounts, and Primary Limiting Factors	<b>Lesser of \$200K or 10% of home equity</b>	Limited by Combined LTV, DTI	Limited by Combined LTV, DTI	Limited by DTI	Limited by DTI
Minimum Loan Term	5 years (No prepayment penalties)	1 day	1 day	1 day	1 day
Maximum Loan Term	25 years	20 years	20 years	Unlimited	Unlimited
Speed to Approve Financing Application	<b>1 day</b>	1 month+	1 month+	1 day – 2 weeks	1 day
Key Qualifying Criteria	<b>Equity in the home</b>	FICO, Combined LTV, DTI	FICO, Combined LTV, DTI	FICO, DTI	FICO, DTI
Transferability of Repayment	<b>Typically, yes</b>	No	No	No	No

# Finance Terms, Interest Rates and Fees

*It's all about the monthly payment and effective interest rate.  
Don't be fooled by apples & oranges!*

Term (Years)	Interest Rate	After Tax APR	One-Time Closing Costs	Capitalized Interest
5	6.75%	~5.25 – 7.20%	6.40%	Varies based on date of funding
10	7.59%	~5.60 – 6.65%	<b>One-Time Recording &amp; Reserve Fund Fee</b>	<b>Annual Admin Fee</b>
15	7.99%	~5.75 – 6.55%		
20	8.29%	~5.85 – 6.55%	\$120*	\$30*
25	8.39%	~5.85 – 6.45%		

*\*Varies based on County. Numbers shown are estimates.*

No Prepayment Penalties. Minimum prepayment amount is \$2,500.

# Participating Contractors

- Established & enrolled contractors with a reputation for quality and service excellence
  - Licensed and insured
  - Better Business Bureau grade B or better
  - 3 years or more in business
  - Trained on RenewPACE



# Products

- **Renewable Energy**

- Solar Electrical & Thermal and Advanced Energy Storage

- **Energy Efficiency**

- HVAC, Ducts, Insulation, Roofs, Windows & Doors

- **Wind Mitigation**

- Windows, Roofing, etc.

- **Water Efficiency\***

- Energy-related water consumption ex. Cooling Tower Cycling, Water Heaters



\* Final Florida Criteria to be verified prior to May launch

## 4. Properties

- **At least 10% equity**
- **Residential (3 units or less)\***
  - Primary homes
  - Second/vacation homes
  - Rental properties
- **Newly built homes okay**
  - May need documentation to verify occupancy (e.g. Certificate of Occupancy)



\* Manufactured/Mobile homes & Condominiums okay with stipulations

# Property Owner

## **MORTGAGE PAYMENT HISTORY:**

Current, one late allowed in last 12 months\*

## **PROPERTY TAXES:**

Current for last 12 months and no more than one late in last 3 years

## **INVOLUNTARY LIENS:**

< \$1,000 in aggregate

## **BANKRUPTCY, DEFAULT OR FORECLOSURE:**

None in the previous 2 years\*



\* Final Florida Criteria to be verified prior to May launch

# Commercial PACE

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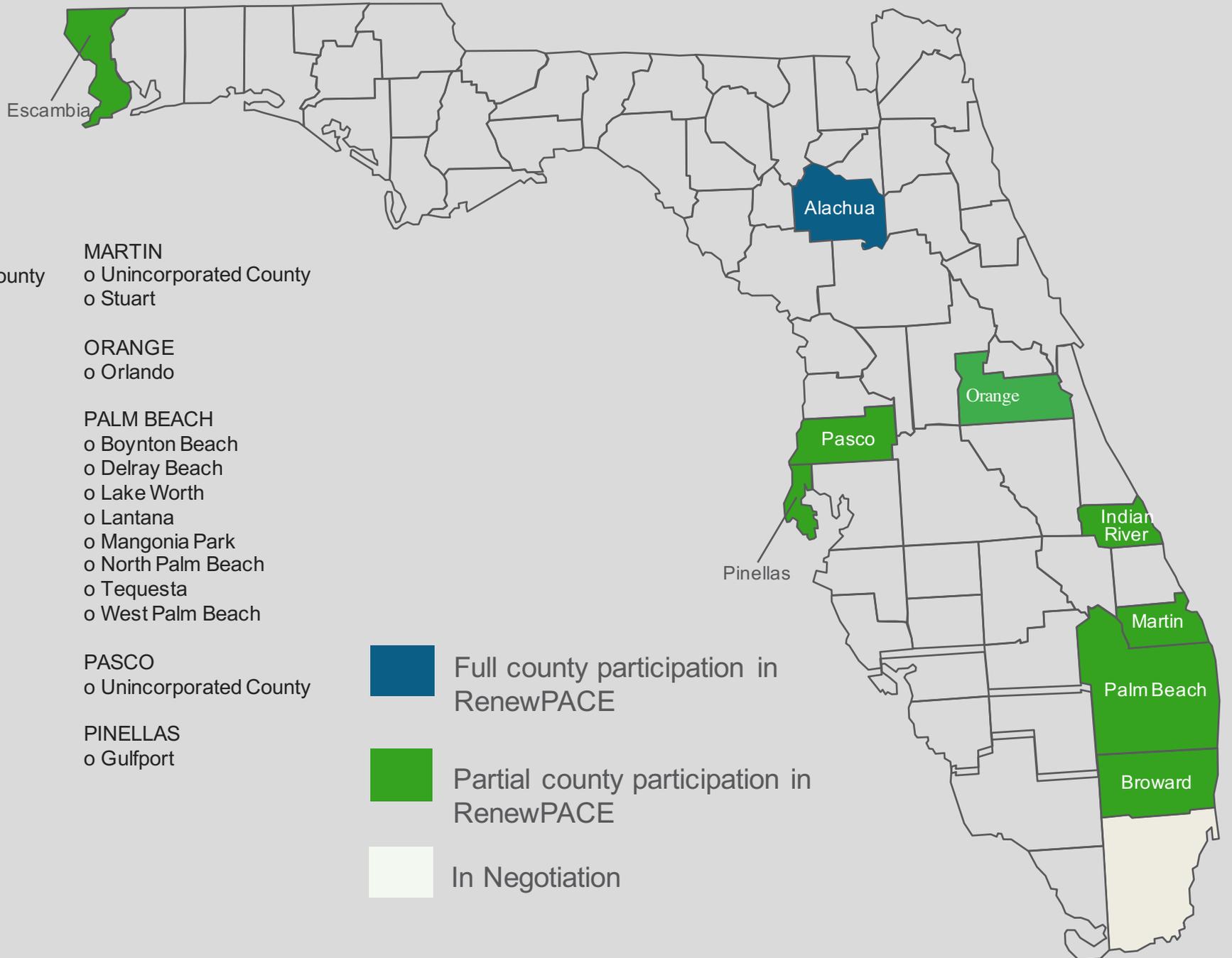
- Retooled Commercial PACE program to improve financing process, underwriting
- Operate completely “Open Market” commercial PACE program
  - RF can directly finance projects that apply without a capital provider
- Closed over \$22M in commercial PACE projects in 2015

# RenewPACE Status in Florida

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- September 29, 2015: Renew Financial announces acquisition of EcoCity Partners.
- October 15, 2015: FL Supreme Court dismissed challenge by Florida Bankers Association to the State's PACE law.
- Currently: Launching RenewPACE for commercial properties.
- Mid-2016: Launch RenewPACE for residential properties in mid-Summer

# RenewPACE FLORIDA CURRENT JURISDICTIONS



## OPT-INS TO DATE

### ALACHUA

- o Unincorporated County
- o Alachua
- o Archer
- o Gainesville
- o Hawthorne
- o High Springs
- o La Crosse
- o Micanopy
- o Newberry
- o Waldo

### BROWARD

- o Dania Beach
- o Hollywood
- o Margate
- o Pompano Beach

### INDIAN RIVER

- o Fellsmere
- o Sebastian

### MARTIN

- o Unincorporated County
- o Stuart

### ORANGE

- o Orlando

### PALM BEACH

- o Boynton Beach
- o Delray Beach
- o Lake Worth
- o Lantana
- o Mangonia Park
- o North Palm Beach
- o Tequesta
- o West Palm Beach

### PASCO

- o Unincorporated County

### PINELLAS

- o Gulfport



Full county participation in RenewPACE



Partial county participation in RenewPACE



In Negotiation

# Turn-key PACE Administration

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Renew Financial, as the program administrator of RenewPACE on behalf of Florida Green Finance Authority, handles all aspects of the program.

- Local governments need only to opt in.
- Renew Financial handles the following activities and more.
  - Marketing and Sales
  - Origination
  - Contractor Management
  - Capital
  - Bond Issuance and Sponsor/Partner Coordination
  - Local Government Updates and Reporting

# RenewPACE Resources

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For PACE programs that we administer, Renew Financial maintains a suite of resources available to consumers, contractors and local governments on program activities, which include but are not limited to:

- Program Handbook
- Program FAQs
- Eligible Product List
- Eligible Community and Contractor List
- Contractor Participation Agreement
- Sample Consumer Financing Documents and Completion Documents
- Consumer Protection Policies
- Program Operational Policies
- Marketing Guidelines and Materials
- Call Center: 7 days a week

# RenewPACE Technology

Renew Financial believes technology is a critical tool in making PACE financing easy to use for consumer and contractors.

Complete the application form below to determine if the project meets qualifications, and prepare an agreement for the financing. This form is secure

### Applicant Information

**Applicant 1**  Add Applicant

<b>First Name *</b>	<b>Last Name *</b>
<input type="text" value="ERIC S"/>	<input type="text" value="CHAN"/>
<b>Phone *</b>	<b>Email *</b>
<input type="text" value="Enter Here"/>	<input type="text" value="Enter Here"/>
<b>Date of Birth *</b>	<b>SSN * </b>
<input type="text" value="MO"/> <input type="text" value="DY"/> <input type="text" value="YR"/>	<input type="text" value="Enter Here"/>
<b>Annual Income*</b>	<b>Employment*</b>
<input type="text" value="\$"/>	<input type="text"/>

Mailing address is not property address

Primary Contact

### Contractor Information

<b>Contractor</b>	<b>Sales Rep</b>	<b>Sales Rep Phone</b>
<input type="text" value="Grimes-Conroy (Space)"/>	<input type="text" value="hi hi"/>	<input type="text" value="555-555-5555"/>

We will use this information to call and confirm the application. If the information is wrong please call us, or [click here](#) to access your account and change this info.

**The property owner must initiate consent below:**

# Next Steps

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- Join the Florida Green Finance Authority
- Opt into the RenewPACE program
  - Sample Staff Report
  - Sample Resolution Template
  - Party Membership Agreement between Your City and RenewPACE/Florida Green Finance Authority (an inter-local agreement between participating governments)
- We are officially launching RenewPACE in FL in mid-Summer