

C-PACE as a Powerful CRE Solution

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Projects We Finance



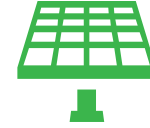
New Construction and Gut Rehabs

- Reduces cost of capital
- Fixed rate construction through perm
- Tax assessment structure may allow pass-through on NNN leases, room surcharges
- Non-recourse after construction completion
- Works well with new market and historic tax credits



Energy Efficiency & Deferred Capital Expenditure

- Preserves capital expenditure using C-PACE financing to replace old equipment
- New equipment boosts NOI and increases property value
- Tax assessment structure may allow pass-through on NNN leases and room surcharge
- Measures include automated building controls, HVAC, boilers, chillers, furnaces, high efficiency lighting, water heating systems, variable speed drivers, water conservation, resiliency and building envelope.



Solar and Renewables

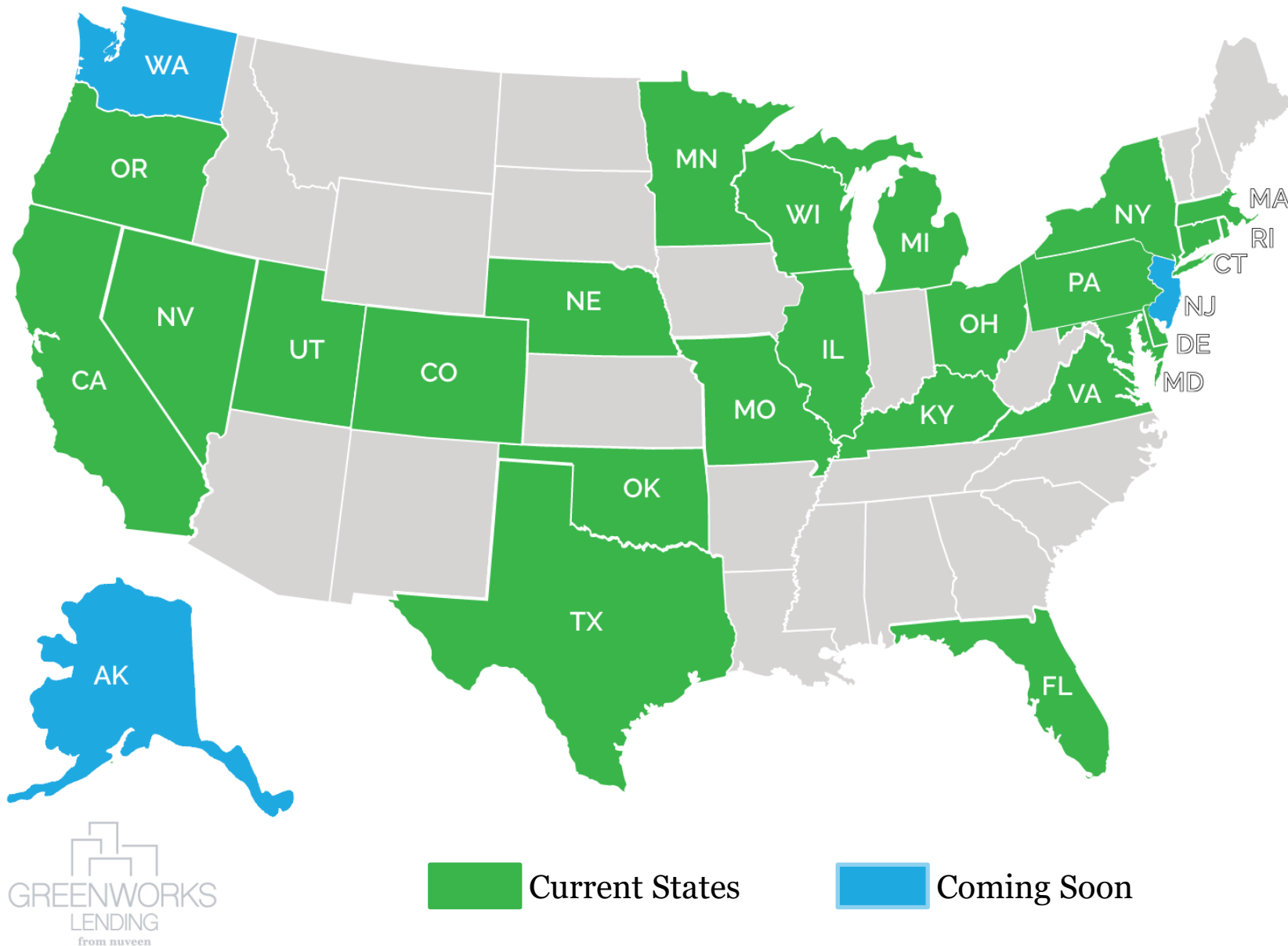
- 100% financing
- Allows building owner to take advantage of all tax credits and incentives
- Financing transferable upon building sale
- Cash flow positive from day one
- Financing can cover roof and related installation costs



Recapitalization

- Retroactively finance recently completed projects
- Fund construction cost overruns
- Replenish operating reserves
- Cover existing lender debt service
- Pay down existing leverage
- Delayed first repayment 24 months post-closing

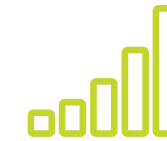
Where We Lend



Public Sector Benefits



Encourages economic development
while supporting climate mitigation
and resiliency

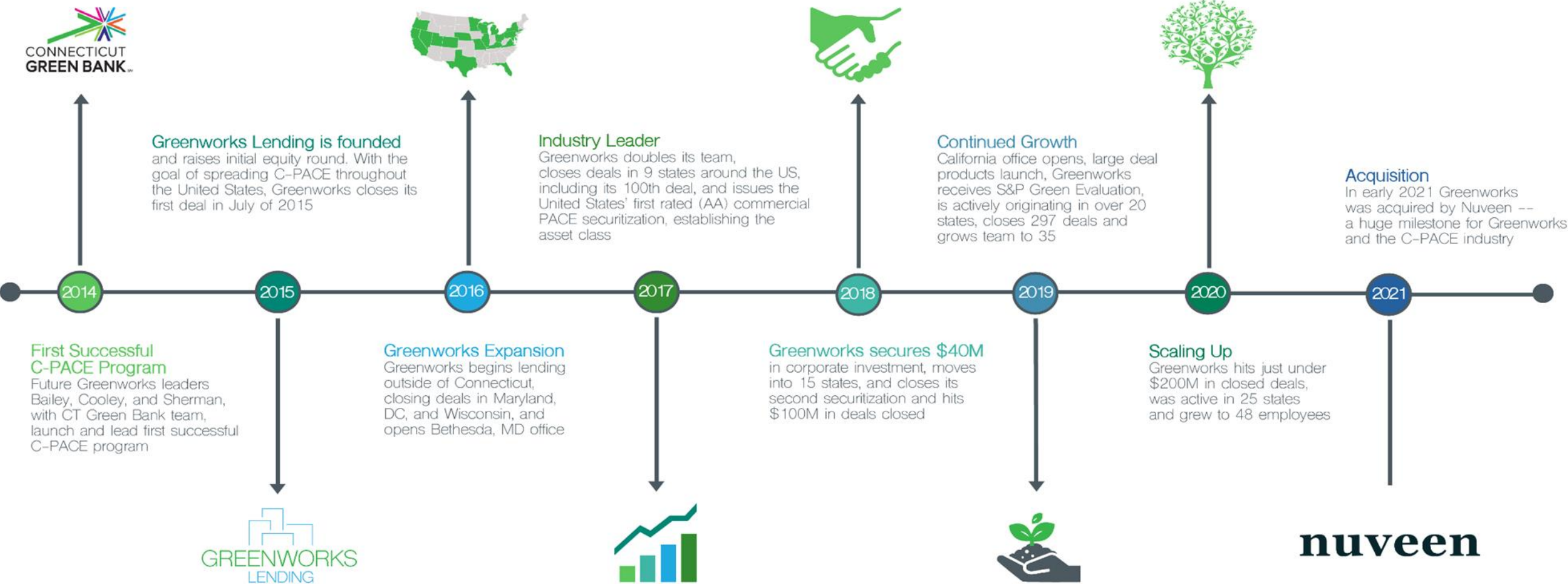


- Creates local jobs without the use of government funds
- No financial risk to taxpayers



Popularity of ESG accelerates political momentum; win-win proposition for public and private sectors

C-PACE as a Powerful CRE Solution



Greenworks Lending

by Nuveen

- Leading provider of C-PACE financing nationally with **strong policy roots and capital markets expertise**
- Founders designed and ran the first successful C-PACE program in the country for the Connecticut Green Bank before forming Greenworks in 2015
- Balance sheet lender with full underwriting and legal control
- Completed the industry's first rated (AA) securitization
- In-house policy team advises public sector administrators as new programs come online
- **Acquired by Nuveen in April 2021**



National Coverage:

Greenworks and its founders have closed 400+ C-PACE loans across the country



Policy Roots:

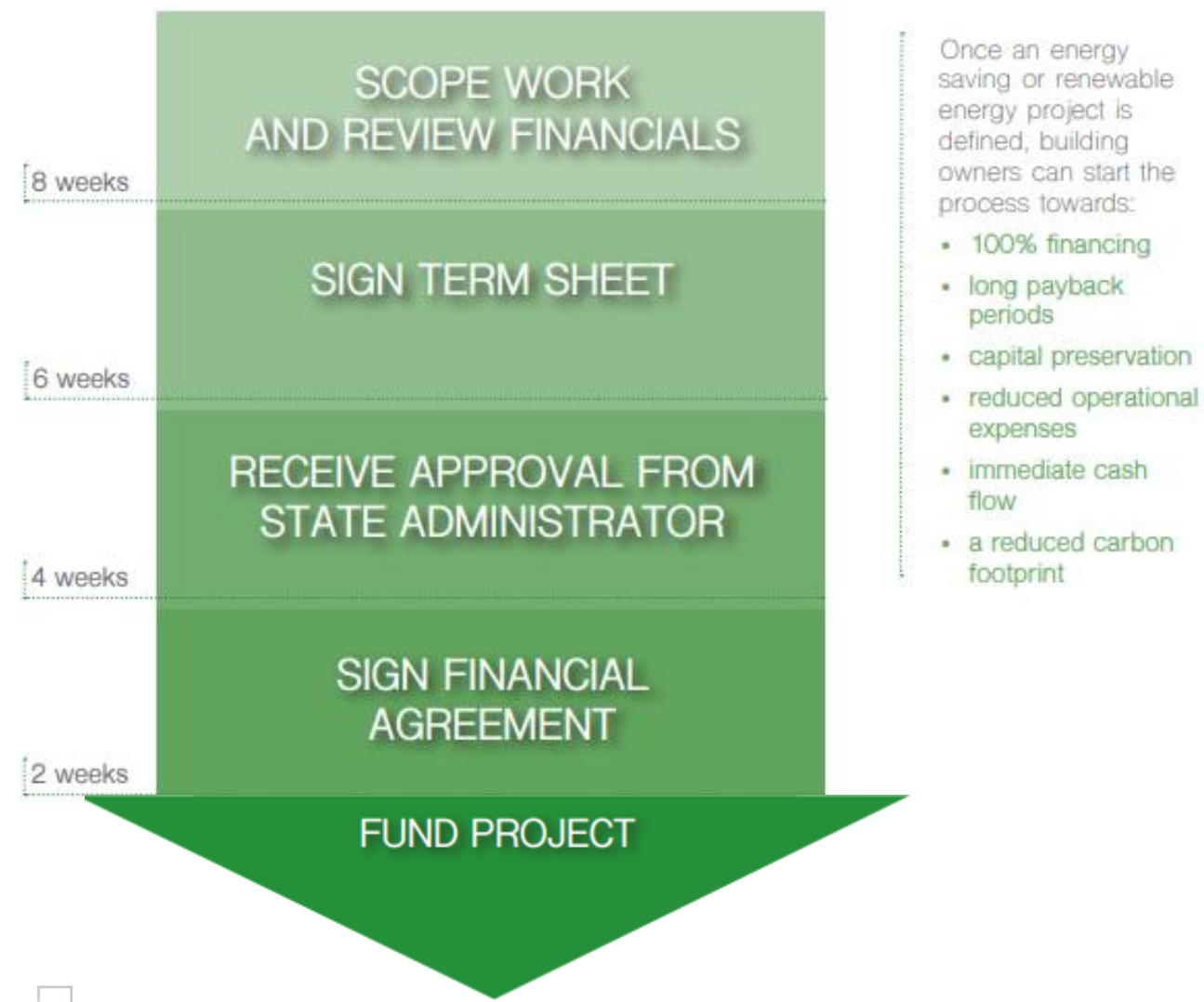
Founded by the architects of the first successful C-PACE program (CT)



Access to Capital Markets:

Closed another \$150M of committed capital in April 2020

Roadmap to Funding



Stage	Property Owner	Greenworks Lending & Contractor
Scope of Work and Financials (approx. 8 weeks to close)	<input type="checkbox"/> Send property financials to GWL <input type="checkbox"/> Send scope of work or energy savings proposal to GWL	<input type="checkbox"/> Underwriting begins with clarifying questions about project, property and communication preferences thru closing <input type="checkbox"/> Issue term sheet <input type="checkbox"/> Order title, appraisal, environmental site assessment (ESA) as necessary
Signed Term Sheet (approx. 6 weeks to close)	<input type="checkbox"/> Introduce mortgage lender <input type="checkbox"/> Send details on current mortgage including balance, term remaining <input type="checkbox"/> Review and sign term sheet	<input type="checkbox"/> Mortgage lender call <input type="checkbox"/> Send background information on C-PACE (if necessary) as well as on project answer lender questions <input type="checkbox"/> Obtain signed consent form
State C-PACE administrator approval (approx. 4 weeks to close)	<input type="checkbox"/> Finalize project scope <input type="checkbox"/> Sign contract for project	<input type="checkbox"/> Complete pre-engineering <input type="checkbox"/> Compile technical package and data on energy performance <input type="checkbox"/> Complete 3rd party technical review <input type="checkbox"/> Receive state administrator approval
Signed financial agreement (approx. 2 weeks to close)	<input type="checkbox"/> Send legal documents <input type="checkbox"/> Review financing agreement	<input type="checkbox"/> Ask clarifying questions <input type="checkbox"/> Draft and issue financing agreement

General Loan Terms

NEXT GENERATION CONSTRUCTION FINANCE	
LOAN AMOUNT ¹	\$250,000 – \$500MM.
LENDING FOOTPRINT ²	All states with active C-PACE programs and continually expanding (Currently: CA, CO, CT, DE, FL, IL, KY, MD, MI, MN, MO, NY, OH, OR, PA, RI, TX, VA, WI & DC)
LOAN PURPOSE	100% upfront financing for energy and water related measures for CRE assets.
ELIGIBLE PROPERTIES ³	Office, industrial, multifamily, retail, hospitality, non-profit, and select special purpose buildings.
INELIGIBLE PROPERTIES	Single-family residential, residential condos, government owned buildings.
ELIGIBLE UPGRADES ⁴	Hard, soft, and associated costs connected to mechanical, electrical, plumbing, building envelope improvements and renewable energy sources. Examples include HVAC, LED lighting + facility controls, boilers, windows, and solar.
LOAN TERMS	20-30 years fixed; shorter loan terms available.
AMORTIZATION	Full term; Actual/360
INTEREST ONLY	Up to 24 months deferred P&I payments during construction; partial term IO also available.
C-PACE LOAN-TO-VALUE ⁵	<ul style="list-style-type: none"> Maximum LTV 30% for new construction/rehab based on the as-stabilized or as-complete property value. Maximum LTV of 35% for retrofit based on the as-stabilized or as-complete property value.
TOTAL DEBT-TO-COST ⁵	<ul style="list-style-type: none"> Maximum C-PACE + Mortgages LTC of 90% for new construction/rehab developments based on the as-stabilized or as-complete property LTC. Maximum C-PACE + Mortgages LTC of 95% for retrofit projects based on the as-stabilized or as-complete property value.
DSCR	Minimum requirement of 1.25x (1.10x for multi-family) inclusive of energy savings & total debt.
DISBURSEMENTS	Milestone-based disbursement schedule; generally pro rata with senior lender for new construction/rehab projects.
PREPAY LOCKOUT PERIOD	None
PREPAYMENT PROVISIONS	Tailored prepayment fees that step down over time; no yield maintenance.
RECOURSE	Non-recourse upon completion with standard carve-out provisions.
SENIOR MORTGAGE ⁶	Senior Lender consent is sought and approved. C-PACE financing is non-accelerating even in the case of default.
ASSUMABLE	C-PACE financing automatically transfers with title to the next property owner.

- For projects outside of the defined range please consult with Greenworks Business Development team
- Consult with Greenworks Business Development team regarding states with enabled C-PACE programs
- Special Purpose buildings are reviewed case-by-case and include houses of worship, sports complexes, golf courses, hospitals and educational facilities
- Subject to State & County specific eligible upgrades
- Consult with Greenworks Business Development team for State & County specific leverage requirements
- Consult with Greenworks Business Development team for details regarding lender consent approval



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