C-PACE in 60 Seconds

Long-term financing for building improvements you have been putting off

If your building needs a new roof, new HVAC, better lighting, or solar — and the upfront cost is the only thing standing in the way — this is the tool that removes that wall.

WHAT IT IS

C-PACE stands for **Commercial Property Assessed Clean Energy**. It lets a commercial property owner finance energy and building improvements and repay them over a very long term through a voluntary special assessment on the property's tax bill — the same kind of mechanism used for a sewer or paving district.

A private capital provider funds the improvements. You repay through the assessment. Because that security works the way property taxes do, the term can be far longer and the rate competitive and fixed.

WHY OWNERS USE IT

Little or nothing down	Up to one hundred percent of the project cost can be financed. The upgrade does not have to compete with your other capital needs this year.
A term that matches the equipment	Repayment can run twenty years or more — matched to the useful life of what gets installed — at a fixed rate.
Often close to cash-flow neutral	The energy savings from new equipment frequently cover most or all of the annual payment, so the project can begin paying for itself immediately.
It transfers when you sell	The obligation is attached to the property, not to you personally. There is no personal guarantee. If you sell, the remaining balance goes with the building — along with the improvements.
Your bank credit stays free	C-PACE does not tie up your commercial lines or borrowing capacity, and your accountant may like how it is treated. Worth a conversation with them.

WHAT QUALIFIES

Properties: commercial, industrial, multifamily of five or more units, agricultural, and nonprofit-owned buildings — churches, private schools, and community facilities included.

Owner-occupied single-family and small residential properties fall outside commercial C-PACE.

Improvements: high-efficiency HVAC, lighting retrofits, envelope and roofing work, insulation and windows, building controls, solar and other on-site generation, energy storage, water conservation, and resilience measures such as storm and seismic hardening. Related work needed to complete an eligible improvement — the roof beneath a new solar array, an electrical upgrade — can often be financed as part of the project.

New construction too: in many cases C-PACE can finance the energy-related components of new construction and of major gut-rehab or adaptive-reuse projects, not only retrofits.

ONE REQUIREMENT WORTH CHECKING FIRST

C-PACE is available only in **member communities** — the cities and counties that have formally joined the Missouri Clean Energy District. Your contractor or Missouri Green Banc can confirm your property's jurisdiction, usually within a day. If your community has not joined yet, that is not a dead end: communities join regularly, and often because a local business asked.

THE TWO QUESTIONS OWNERS ALWAYS ASK

Does my mortgage lender have to agree?

Yes. Because the assessment is senior, any existing mortgage holder consents to it. In practice lenders consent regularly — the building becomes more valuable and cheaper to operate. Missouri Green Banc has handled this many times and will speak with your lender directly if that helps. It is a step, not a wall.

Why not just take a bank loan?

You could. A bank loan typically runs seven to ten years, often wants money down and a personal guarantee, and consumes your credit line. C-PACE stretches the cost across the full life of the equipment, needs little or nothing down, carries no personal guarantee, transfers on sale, and leaves your bank credit available for your business.

TWO THINGS TO DO NEXT

Ask your contractor for a scope of work and rough numbers, and to bring in Missouri Green Banc to confirm the property qualifies. There is no obligation — you end up with a real proposal to evaluate. And talk to your own accountant and attorney: MGB and your contractor can explain how the program works, but neither is your financial advisor, and a good contractor will tell you exactly that.

Missouri Green Banc · (866) 554-4083 · communications@missourigreenbanc.org

Markets set in motion. It all starts with collaboration.