What You Are Actually Signing

Three documents, what each does, and where to focus review. Give this page to your attorney.

A C-PACE transaction comes down to three documents. Each does a specific thing and each is signed by a specific party. Once all three are understood, closing stops being a mystery and becomes a checklist.

Document 1 — The Assessment Contract

SIGNED BETWEEN	The property owner and the Missouri Clean Energy District — the political subdivision authorized to administer C-PACE in Missouri.
WHAT IT DOES	Identifies the property by legal description and parcel ID. Establishes the assessment amount, the annual installment schedule, the interest rate, and the term. Authorizes recording of the assessment in the county public records. Carries the owner's acknowledgment that the project delivers a special benefit to the property equal to or exceeding the total assessments due — an acknowledgment the statute requires the contract to contain.
WHAT IT DOES NOT DO	It does not create a debt obligation in the owner's name. No promissory note. No personal guarantee. The contract creates a charge on the property.
ATTORNEY FOCUS	The property description, for accuracy. The payment schedule, against what was quoted. The transfer provisions, against how the owner expects the assessment to behave at sale. The special benefit acknowledgment, against the economic benefit analysis the owner was actually shown.

Document 2 — The Financing Agreement

SIGNED BETWEEN	The property owner and the capital provider — the institutional investor funding the C-PACE capital.
WHAT IT DOES	Sets the commercial terms. Amount. Fixed rate. Term. Amortization. Disbursement schedule, if the project funds in stages. Fees. Conditions to funding.
WHERE NEGOTIATION HAPPENS	This is where the commercial deal lives, and the document where any negotiation happens.
ATTORNEY FOCUS	Conditions precedent to funding. Disbursement mechanics for staged draws. Ongoing reporting obligations. Default and remedy provisions — which should be consistent with the non-acceleration structure of the assessment.

Document 3 — The Lender Consent

SIGNED BY	The existing senior mortgage lender. Not a document the owner negotiates — the lender either signs or does not.

WHY IT IS REQUIRED	The assessment, once recorded, has senior priority on its annual installment. The senior mortgage holder is being asked to acknowledge that priority.
WHY MOST LENDERS CONSENT	The improvements make the building more valuable, which makes their collateral more valuable. The assessment does not subordinate the principal balance of the mortgage — only the annual installment. Their existing borrower is being made stronger.
THE OWNER'S ROLE	Make the introduction. When the administrator is ready to deliver the consent package, introduce them to the portfolio management or credit officer who holds consent authority — not the relationship manager. If that person is not known, the relationship manager will route the request.

THE CRITICAL RULE

Do not sign the Assessment Contract or the Financing Agreement until the senior lender's Consent is fully executed and in hand.

MGB WILL WALK THESE LINE BY LINE

Missouri Green Banc is available to walk through any of these three documents with the owner and their attorney, line by line. That is part of the job, not a billable extra.

Questions on your own transaction: (866) 554-4083 | communications@missourigreenbanc.org

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