

FORM

PACE FINANCING MORTGAGE HOLDER CONSENT

RE: Mortgage Holder Consent for the PACE Financing

GENERAL INFORMATION	
<i>Property</i>	
<i>Property Owner</i>	
<i>Mortgage Lender Name</i>	
<i>Mortgage Lender Street Address</i>	
<i>Mortgage Lender City/State</i>	

PACE Consent Request

Pursuant to New York General Municipal Laws, Section 119-gg, the legislative body of any municipal corporation may, by local law, establish a sustainable energy loan program pursuant to which such program may make loans to the owners of real property located within the municipal corporation to finance the installation of renewable energy systems and energy efficiency improvements, related energy audits and renewable energy system feasibility studies and the verification of the installation of such systems and improvements.

Pursuant to Section 1, Title 11, Chapter 30 of the New York City Administrative Code (“Chapter 30”), the City of New York (“City”) has so established a commercial property assessed clean energy (“PACE”) loan program (the “Program”) and has named the New York City Energy Efficiency Corporation (the “Administrator”) as the program administrator to implement the Program.

The Property Owner (the “Property Owner”) owns real property located in the City, commonly referred to as [ENTER ADDRESS], designated as lot [LOT] on block [BLOCK] for the borough of [BOROUGH] on the New York City tax map (the “Property”).

In accordance with the requirements of the Program, the Property Owner proposes to renovate or retrofit the Property to install energy efficiency improvements or a renewable energy system to service the Property (the “Project”). The Property Owner has applied to [LENDER] (the “Lender”) for financing for the Project (the “PACE Financing”) as evidenced by that certain “Program Financing Agreement” that will be entered into between Property Owner and Lender.

For more information regarding the Property and the Project, please see Attachment 1 attached hereto and incorporated by reference herein. For more information regarding the PACE Financing, please see Attachment 2 attached hereto and incorporated by reference herein.

This “Mortgage Holder Consent” has been prepared to request a consent to the PACE Financing.

PACE Consent Request

The Mortgage Lender representative signing below acknowledges that:

1. The representative has been duly authorized to sign this Mortgage Holder Consent on behalf of [MORTGAGE LENDER] (the “Mortgage Lender”) and understands that the Property Owner, Lender, Administrator and the City are each relying on the representations that I am making herein.
2. The Mortgage Lender is the holder and owner of the “Loan Documents” as defined in the Loan Agreement, dated as of [_____] [____], 20[____], between the Property Owner and [____] (the “Loan Agreement”), including but not limited to [LIST LOAN DOCUMENTS].
3. Pursuant to subdivision (b) of Section 11-3005 of the New York City Administrative Code, the PACE Financing will result in the levy of a charge against the Property (the “PACE Charge”) which shall be levied and collected at the same time and in the same manner and time as City real property taxes. The remittance of sums collected and received pursuant to the PACE Charge and any applicable fees and interest to the Administrator (or if there is no program administrator, to the Lender directly).
4. The amount and repayment of each PACE Charge are as follows: (i), the principal amount of the PACE Charge, with interest thereon at a rate equal to [____]% per annum due and payable for the related period in accordance with the payment schedule included in [Schedule A] attached hereto (the “PACE Charge Payment Schedule”); plus (ii) any additional fees and expenses agreed upon in the Program Financing Agreement (including any servicing fee due to the Administrator); plus (iii) any interest amounts that accrue for delinquent payments pursuant to law, with installments of principal and interest due and payable pursuant to the PACE Charge Payment Schedule.
5. Mortgage Lender understands that pursuant to Chapter 30 and that certain agreement known as the “PACE Charge Collection Agreement”, for the Project that will be entered into amongst the City, Administrator, Property Owner and Lender (the “Collection Agreement”), that each PACE Charge described herein that is not paid when due and owing shall constitute a “PACE Charge Lien” (as defined in the Collection Agreement); that any such PACE Charge Lien shall be subject to Chapters 3 and 4 of Title 11 of the New York City Administrative Code; and that pursuant to Section 58-07(d) of Title 19 of the Rules of the City of New York, that except for the lien of City charges, any such PACE Charge Lien shall have priority over the other liens and encumbrances on the Property, including any lien related to the Loan Documents.
6. To Mortgage Lender’s knowledge, no default or event of default exists as to the performance of any of the terms or conditions of the Loan Documents, nor, to Mortgage Lender’s knowledge, is there any uncured default or event of default which with the giving of notice or the passage of time or both would constitute a default or an event of default with respect to the Loan Documents as of the date of this Mortgage Holder Consent.
7. The Mortgage Lender has received and reviewed the Program Financing Agreement and all other relevant “PACE Financing Documents” (as defined in the Collection Agreement) and consents to the execution and delivery thereof by the Property Owner, as applicable. The Mortgage Lender affirms that all of the conditions set forth in those certain Loan Documents relating to the Property Owner’s creation or incurrence of indebtedness and liens in connection with the PACE Financing Documents have been satisfied or waived.

8. Furthermore, the PACE Financing Agreement and other relevant PACE Financing Documents, as well as the PACE Charge as set forth therein, will not constitute a default, breach or violation of any covenants or other provisions under the Loan Documents, including any provisions of the related documents encumbering the Property, or trigger the exercise of any remedies under the Loan Documents.

[Remainder of page intentionally left blank, signature page follows.]

IN WITNESS WHEREOF, the undersigned has executed this Mortgage Holder Consent

as of [_____], 20[_____].

[FULL LEGAL NAME OF MORTGAGE HOLDER]

By: _____

Name:

Title:

STATE OF

ss:

COUNTY OF

On this ____ day of _____, 20__ before me personally came _____ who being by me duly sworn, did depose and say that (s)he resides in _____; that (s)he is the _____ of _____, the corporation described in and which executed the foregoing instrument; [that (s)he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Corporation;] and that (s)he signed his/her name thereto by like order for the purposes therein mentioned.

Notary Public or Commissioner of Deeds

PROPERTY DESCRIPTION AND PROJECT SUMMARY

PROPERTY DESCRIPTION

PROPERTY	
<i>Property Type:</i>	
<i>Building Size:</i>	
<i>Borough, Block, and Lot:</i>	
PROPERTY SUMMARY	
Property Address	
APN/Parcel ID	
Property Owner	
Mortgage Loan Number or ID:	
Current Mortgage Balance:	
Loan Maturity Date:	
Interest Rate:	
Interest Type:	<input type="checkbox"/> Principal & Interest <input type="checkbox"/> Interest Only
Loan is:	<input type="checkbox"/> Cross Defaulted <input type="checkbox"/> Cross Collateralized
Monthly Payment Amount:	
	Includes: Taxes: <input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____ Insurance: <input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____

PROJECT SUMMARY	
<i>Project Objective:</i>	
<i>Scope of Improvements:</i>	
<i>Property Benefits per Improvement:</i>	

PROPOSED PACE FINANCING

PROPOSED PACE FINANCING	
PACE Financing Amount (est.):	
Semi-Annual PACE Charge (est.):	
Semi-Annual Property Tax Payment (before PACE Charge):	
Semi-Annual Property Tax Payment (after PACE Charge):	
Current Mortgage Principal Balance ([DATE]):	
As-Complete Appraised Property Value ([DATE] Appraisal):	
PACE Financing Interest Rate (est.):	
PACE Financing & Amortization Term (est.):	

SCHEDULE A
To Mortgage Holder Consent

PACE CHARGE PAYMENT SCHEDULE

(to be attached hereto)