

TRUTH-IN-PACE-LENDING ACKNOWLEDGMENT

Date: _____

Project Reference ID: _____

This Truth-in-PACE-Lending Acknowledgment (this “**TIPLA**”) is being delivered pursuant to Section 8(d) of that certain PACE Charge Collection Agreement to be entered into by and among the Borrower and Lender identified below, the New York City Energy Efficiency Corporation (acting as Administrator and as Paying Agent), and the City of New York (the “**Collection Agreement**”). Capitalized term used but not defined in this TIPLA have the meanings given in the Collection Agreement.

GENERAL INFORMATION

| | | | |
|--|--------------------------------------|---|---|
| Borrower: | | Lender: | |
| | <i>(full legal name of Borrower)</i> | | <i>(full legal name of Lender)</i> |
| Property Location: | | Estimated Loan Amount: | \$ |
| | <i>(street address of property)</i> | | <i>(insert amount of total loan commitment)</i> |
| Name of firm that prepared audit or feasibility study: | | | |
| | | <i>(insert full legal name of the firm)</i> | |
| Firm retained by: <input type="checkbox"/> Borrower <input type="checkbox"/> Lender <input type="checkbox"/> Other: _____ | | | |
| In connection with the Project, Borrower retained its own independent “owner’s representative” or other technical or engineering advisor or consultant? <input type="checkbox"/> Yes <input type="checkbox"/> No | | | |

ESTIMATED ENERGY AND COST SAVINGS¹

[insert here completed “TIPLA summary” from Technical Certification Workbook for the Project]

¹ NOTE TO FORM: Lender to insert here the completed table from tab 2 (“TIPLA summary”) of the Technical Certification Workbook for the Project.

FACTORS TO CONSIDER

1. The figures in the “Estimated Energy and Cost Savings” section above are estimates only. These estimates are based on information provided by the firm that prepared the energy efficiency audit and/or feasibility study for your project. As indicated in the “General Information” section above, this firm may have been retained by the Lender itself. You should review the energy efficiency audit and/or feasibility study carefully to ensure that you understand the assumptions made in connection with your project. In complicated energy efficiency retrofit and/or renewable energy projects similar to your project, property owners are encouraged (but not required) to hire their own “owner’s representative” to help ensure they are getting the most objective advice possible as to the merits and risks associated with their project. If you have not already done so, you may want to consider retaining such a representative.
2. Aside from normal risks arising from a typical construction or capital improvement project involving a building (e.g., risks of cost overruns and time delays), energy efficiency and/or renewable energy projects inherently involve certain additional risks, including (among other things) the risk that even if the project is completed as designed, on-time and on-budget, it may not end up producing the expected energy and/or cost savings.
3. Many different factors can materially impact the actual energy and/or cost savings produced by an energy efficiency and/or renewable energy project like the project you plan to finance with the Loan, including (among others): assumptions incorporated into energy and/or cost savings projections; quality of the audit or feasibility study; materials and processes used in construction of the energy saving measures; integration or start-up, commissioning, and/or operation of new equipment and/or systems; training on the use of new equipment and/or systems; maintenance of the equipment; fluctuations in energy prices; changes in equipment use; and occupancy changes or changes in how building spaces are used.
4. You, as the Borrower, bear the risk that the actual energy and/or cost savings produced by the project could end up being insufficient to offset the costs of repaying the Loan. If you sell the building, remaining obligations with respect to the Loan would be assumed by the new owner of the building, and so the Loan may impact your proceeds from sale of the building.
5. There is no guaranty that the project, even if completed as designed, on-time and on-budget, will end up reducing your building’s “carbon footprint” such that your building will be in compliance with its obligations under Local Law 97. Accordingly, even after completing your project, your building may still end up owing LL97 penalties.
6. If applicable, pursuant to the Loan’s related Financing Agreement, you, as the Borrower, have agreed to any increase or decrease in the rate of interest, fixed at the time the Loan is made, and acknowledge that such an increase or decrease may have an impact on the total cost of the Loan.

BORROWER'S ACKNOWLEDGMENT

By signing below, the Borrower acknowledges that its directors, officers, or other appropriate representatives have read and understand the “Factors to Consider” described above and that they have had the opportunity to discuss them with the Lender, the firm that prepared the energy efficiency audit and/or feasibility study for the project, and other appropriate parties.

[NAME OF BORROWER]

By: _____

Name:

Title:

Date: