



County of Fairfax, Virginia Commercial Property Assessed Clean Energy and Resiliency (C-PACE) Financing Program Guide

Administered by the Virginia PACE Authority

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Disclaimers

This C-PACE Program Guide (this "Program Guide") has been prepared for the purpose of describing the requirements, rules, procedures, and fees applicable to the County of Fairfax, Virginia Commercial Property Assessed Clean Energy (C-PACE) and Resiliency Program (the "Program"). This Program Guide and all provisions hereof are subject to Chapter 127 of the Code of the County of Fairfax, Virginia (the "Chapter") in all respects including, without limitation, the provisions of the Chapter governing the amendment of this Program Guide. In the case of any conflict between the provisions of this Program Guide and the provisions of the Chapter, the provisions of the Chapter shall control.

THIS PROGRAM GUIDE IS ONLY A REFERENCE DOCUMENT AND CREATES NO LEGAL RIGHTS IN FAVOR OF ANY BORROWER, CAPITAL PROVIDER, CONTRACTOR, OR ANY OTHER PERSON, NOR DOES IT IMPOSE ANY LEGAL DUTY OR OBLIGATION ON THE COUNTY OF FAIRFAX, VIRGINIA.

1.0 Executive Summary

The County of Fairfax, Virginia (“County”) and the Virginia PACE Authority (“VPA” or “Program Administrator”) are pleased to offer the County of Fairfax, Virginia Commercial Property Assessed Clean Energy (C-PACE) and Resiliency Program (“C-PACE Program” or “Program”).

Background

Pursuant to §15.2-958.3 of the Code of Virginia (the “Act”), Virginia local governments are authorized to create a C-PACE Program to facilitate, through C-PACE Financing, the installation of energy efficiency, renewable energy, water efficiency, resiliency, and stormwater management improvements to eligible properties. On March 19, 2019, the Fairfax County Board of Supervisors (“Board”) voted unanimously to adopt the Commercial Property Assessed Clean Energy and Resiliency (C-PACE) Program after extensive community engagement and robust due diligence by staff. On November 14, 2019, the County contracted with the Virginia PACE Authority to administer its C-PACE Program. The Virginia PACE Authority (VPA) is a nonprofit corporation whose mission is to provide C-PACE program administrative services for local governments in the Commonwealth of Virginia. VPA, serving as the Program Administrator, ensures that projects are eligible for C-PACE Financing under the Act, the Fairfax County Ordinance, and this Program Guide. VPA submits each C-PACE transaction to the County’s Office of Environmental and Energy Coordination (OEEC) for final approval.

The C-PACE Program is an innovative financing program that offers an open-market financing solution for property owners desiring to install measures in new and existing buildings that promote energy and water conservation, renewable energy, and resiliency in the County. The Program enables property owners of commercial and multifamily properties to obtain low-cost, long-term financing with no up-front, out-of-pocket cost that can generate positive cash flow upon completion. C-PACE Loan terms may extend up to the later of the weighted average of the useful life of the approved Eligible Improvements, or thirty years. This long repayment period can result in cost savings that exceed the total cost of the C-PACE Loan. The results may include a number of benefits such as: improved business cash flow due to lower energy and water costs; reduction in costs related to business interruption and storm/flood damage; less required owner equity; an increase in the value of the improved property; and achievement of sustainability goals.

A C-PACE Loan is secured through a voluntary special assessment, repayment of which can be collected by the Capital Provider or the Program Administrator. Like property taxes, C-PACE Loans may be transferred to the next property owner if the property is sold. The remaining balance of the C-PACE Loan is repaid by the subsequent owners, who continue to receive the benefits of the improvements from

the Project. This Program Guide provides detailed information about the eligibility requirements for participating in the Program.

The C-PACE Loan process requires the prospective Borrower to develop a qualifying energy efficiency, water conservation, renewable energy, and/or resiliency project with a Registered Contractor of his or her choice and arrange project financing with a qualified Capital Provider. The prospective Borrower and Capital Provider then apply through the [Project Center](#) to qualify their project for a C-PACE Loan according to the criteria in this Guide. If the Project is approved, Fairfax County, the Borrower, and the Capital Provider enter into a three-way agreement known as the C-PACE Program Agreement that memorializes the obligations of the parties. The Borrower and Capital Provider will also execute a separate Financing Agreement that defines the terms and conditions of the C-PACE Loan.

The Program relies on private financial institutions to provide capital to fund C-PACE Loans. The Fairfax County C-PACE Program is open to any Capital Provider interested in participating. Interested financial institutions should contact the Program Administrator to become a qualified Capital Provider.

2.0 Program Information

2.1 Program Administrator

The Fairfax County C-PACE Program is administered by VPA. VPA is responsible for handling the day-to-day administration of the Program including marketing the program, training service providers, reviewing and approving C-PACE Loan applications, and servicing the loans, as requested. VPA offers a single point of access for Borrowers, Registered Contractors, and Capital Providers to qualify projects for C-PACE Loans. To learn more about the Program, please visit the website: [Fairfax County C-PACE Program](#) or send an email to: info@virginiapace.com.

To discuss a potential project or for information on events and trainings, contact us at:

Tel: 757-603-3555 or
Email: info@virginiapace.com

For questions about the status of an application or the application process, contact us at:

Email: PACE_Admin@slipstreaminc.org

For questions about loan servicing, contact us at:

Email: servicing@virginiapace.com

3.0 Eligibility Requirements

3.1 Eligible Properties

Eligible Property Types

Fairfax County C-PACE Financing is available to properties located within Fairfax County except for single family or multifamily residential properties with fewer than five dwelling units and any property owned by a homeowners or condominium association as defined in Virginia Code § 55-79.2. Properties that are otherwise exempt from real estate taxation are eligible to participate as this is a voluntary program.

The Fairfax County C-PACE Program does not authorize the placement of C-PACE Liens on a property owned by a local, state, or federal government.

Eligible Property Location

To be eligible, the Property to be improved must be assessable real property located within the territorial limits of the County and must have a property tax or assessment identification number.

Multiple Parcels

Properties with multiple tax map or parcel identification numbers are eligible if all of the lots, blocks, tracts, and parcels of land are located in Fairfax County. However, the Program Administrator reserves the right to deny applications for Properties with multiple parcel identification numbers if any one parcel is ineligible.

3.2 Eligible Projects

C-PACE Loans are available for both improvements to existing buildings and new construction projects. To be eligible, a Project must meet the following criteria:

- Project Term: C-PACE Loan terms must not exceed the later of the weighted average of the expected useful life (EUL) of the proposed Eligible Improvement(s) as described in the Energy Analysis or 30 years;
- Property Value Determination: In cases where the **aggregate** Financed Amount on a Property will exceed \$50,000,000, an independent appraisal will be required. See Financed Amount Thresholds, below. Capital providers may require an appraisal as part of their due diligence process;
- Real Property: Project improvements must be permanently affixed to the real property;
- Financed Amount Thresholds: The minimum Financed Amount allowed in the Fairfax County C-PACE Program is \$50,000. The maximum aggregate dollar amount that may be financed with respect to a Property is \$50 million or 30

percent of the Stabilized Value of the property as evidenced by an appraisal (whichever is greater);

- **Eligible Financed Amount:** A C-PACE Loan must be equal to or less than the amount of the eligible Project Costs;
- **Eligible Project Costs:** Eligible Project Costs can include Project Costs necessary to complete the installation, such as the installation/construction contract amount (materials and labor) and any required ancillary cost incurred in order to complete the installation of an Eligible Improvement. Examples of eligible ancillary costs are roof structural improvements necessary to allow the installation of a roof mounted solar photovoltaic array and building electrical upgrades necessary to install an efficient HVAC system or efficient lighting. Eligible Project Costs also include “soft” costs necessary to complete the installation of a Project. Capital Provider fees, title reports, credit checks, owner’s legal Trustee fees, other legal fees, recording charges, escrow disbursement fees, Energy Analysis, other third-party reports (e.g. appraisal and environmental), interest reserves, capitalized interest and any other financing costs or fees required to complete the Project. Additional soft costs not listed above will be considered on a case by case basis;
- **Project Savings:** Energy efficiency and water efficiency Projects must demonstrate energy and/or water savings, respectively, over the baseline condition of the Property. Renewable energy Projects must demonstrate production of renewable energy. Requirements for calculating Project savings for resiliency and stormwater management Projects are discussed under [Section 4.3 Resiliency and Stormwater Management](#);
- **Lender Consent/Subordination:** To receive a C-PACE Loan, each Borrower must obtain a written subordination agreement executed by the holder of each mortgage or deed of trust lien on the Property prior to Final Application approval by the Program Administrator. See [Section 8.0 Lender Consent and Subordination](#).

3.3 Eligible Improvements

- A. **Energy and Water Efficiency:** Any measure that results in reduction of consumption of energy and/or water over a baseline established through the provision of an Energy Analysis.
- B. **Renewable Energy:** Any system that generates energy to supply:
 - The on-site demand of the Eligible Property;
 - Export of electricity from a renewable source to a utility provider;
 - Sale of the electricity through the use of a Power Purchase Agreement (or similar approved agreement format);
Production of clean heat or power by use of a renewable energy resource.

These types of renewable energy systems may include:

- Solar photovoltaic power;
- Fiber optic solar;
- Solar thermal;
- Small wind microturbines;
- Combined heat and power;
- Geothermal heat pump;
- Fuel cells;
- Energy recovery;
- Microgrids.

Note: Approval of other types of renewable energy Project types not listed in the Program Guide is at the sole discretion of the Program Administrator and Fairfax County.

C. Resiliency Improvements: A measure that reduces the impacts of water or wind-related natural or manmade events such as installation of wet and dry floodproofing, raising mechanical and electrical equipment, and reinforcement and insulation of building envelope to reduce impacts of excessive heat and wind.

D. Stormwater Management Improvements: A measure that reduces onsite stormwater runoff into the stormwater system such as reduction in the quantity of impervious surfaces, and onsite filtering of stormwater.

3.4 Borrowers

The C-PACE Program is a voluntary program available to Borrowers with Eligible Properties located within Fairfax County. Only Borrowers who voluntarily participate in the Program and close C-PACE Loans will have a C-PACE Lien imposed against their Property. To participate in the Program, a prospective Borrower must:

- Be the title holder of an Eligible Property as demonstrated in the Land Records. The title holder to the subject property, or the Borrower's legally authorized representative, must sign the Final Application. In the case of a transfer of ownership, any transfer to the Borrower must be complete and fully reflected in the Land Records before an application for a new C-PACE Loan may be approved;
- Provide evidence that the Borrower is not insolvent or in bankruptcy proceedings;
- Submit evidence that the title of the benefited property is not in dispute prior to recording of the C-PACE Lien;
- Be current in the payment of all obligations secured by the subject property, including loans secured by mortgages or deeds of trust liens on the property, property taxes, special assessments (including C-PACE Liens), special taxes,

other tax liens, or water or sewer charges. The Program Administrator and Capital Provider may review public records, including the real property records, to verify compliance with this requirement;

- Have no involuntary liens on the Property, including, but not limited to, construction or mechanics liens, or judgments against the Borrower, or eminent domain proceedings. The Program Administrator and Capital Provider may review public records, including the real property records and court documents, to verify compliance with these requirements;
- Have no notices of default or delinquency on property-based debt that have been recorded and not been cured.

3.5 Capital Providers

The Fairfax County C-PACE Program is an open market C-PACE Program in which Borrowers have the flexibility to select their preferred Capital Provider for a Project on their Eligible Property. The open market model gives Borrowers access to a range of private Capital Providers who offer competitive rates and financing terms and conditions. No exclusivity will be provided to Capital Providers, and Borrowers will retain the right to choose the provider of financing who best suits their business needs.

A Capital Provider interested in offering C-PACE Loans must meet certain qualifications to participate in the Fairfax County C-PACE Program. The process for becoming a Capital Provider is as follows:

1. The interested Capital Provider must complete and submit an RFQ (Request for Qualifications) for consideration by the Program Administrator;
2. Upon approval by the Program Administrator, the applicant will be considered a "Capital Provider." Capital Providers are listed on the Fairfax County C-PACE webpage on the Program Administrator's website;
3. Capital Providers may receive information from the Program regarding financing opportunities as well as pertinent developments related to Fairfax County C-PACE;
4. Borrowers may also pre-select their preferred lender prior to submitting a response to the RFQ. However, prior to the closing of the applicable C-PACE Loan, the Program Administrator must approve the lender as a qualified Capital Provider as outlined above.

The information provided by Capital Providers will be used to link them to Project Developers, energy service companies, Registered Contractors, Qualified Energy Professionals, utility companies, prospective Borrowers, and others that are working to develop qualified Projects.

Note: The Virginia PACE Authority reserves the right to rescind the "Capital Provider" status of any Capital Provider according to the terms of the Capital Provider

agreement, which is executed by VPA and the Capital Provider upon registration with the program.

3.6 Contractors

All Projects financed through the Program must be installed by a Registered Contractor that has been reviewed by the Program Administrator. The purpose of contractor registration is to ensure that the contractor is familiar with the C-PACE Program evidenced by completion of in-person or online training or participation in other C-PACE programs. The registration does not evaluate the contractor's competence or the status of its licensure. If a Borrower hires a company that is not a Registered Contractor, the non-registered company must become a Registered Contractor by completing the contractor registration form and receiving approval from the Program Administrator prior to approval of a Final Application.

To be eligible for a C-PACE Loan, work associated with the installation of an Eligible Improvement that requires a license under any applicable law must be installed by a Registered Contractor who holds the appropriate license. Registered Contractors are responsible for ensuring that any and all subcontractors employed by the Registered Contractor hold the appropriate license(s). Furthermore, it is the responsibility of the Borrower to ensure that qualified, reputable contractors are chosen to perform the work on the Project according to plans, specifications, and requirements set forth in this Program Guide.

The contractor registration form, including the terms and conditions of participation, can be found [here](#) on the VPA website.

3.7 Energy Professionals

All Energy Analyses must be prepared and submitted by a Qualified Energy Professional or by a team with members holding one or more of the following certifications:

- Certified Building Energy Assessment Professional (BEAP) (offered by ASHRAE);
- Certified Energy Auditor (CEA) (offered by Association of Energy Engineers [AEE]);
- Certified Energy Manager (CEM) (offered by AEE);
- Certified High-Performance Building Design Professional (HBPD) (offered by ASHRAE);
- Certified Measurement and Verification Professional (CMVP) (offered by AEE and Efficiency Valuation Organization);
- Licensed Architect;
- Licensed Professional Engineer (P.E.);
- Investor Confidence Project (ICP) Quality Assurance Assessor;

- Investor Confidence Project (ICP) Project Developer;
- Other Professionals such as a Registered Contractor, Project Developer, Solar or Wind Developers or Capital Provider with the relevant demonstrated experience may also be approved in writing by the Program Administrator to conduct the Energy Analysis prior to approval of a Final Application.

The name, firm name, and credentials of the Qualified Energy Professional shall be included in the Energy Analysis.

4.0 Energy Analysis Requirements

Prospective Borrowers must obtain an Energy Analysis for the Project. An Energy Analysis may vary depending on the type of Project. Generally speaking, the Energy Analysis for energy efficiency, water efficiency, and renewable energy Projects must: 1) document the existing energy and/or water consumption of the Property or individual, relevant systems, OR utilize a statutory energy code baseline usage in the case of new construction, and 2) include calculations of expected energy and/or water and/or monetary savings to be achieved by the Project. In order to qualify, the Energy Analysis must demonstrate quantifiable expected savings during the term of the C-PACE Loan over the baseline usage.

Note: The cost of the Energy Analysis may be included in the C-PACE Loan amount.

A Qualified Energy Professional will use generally acceptable engineering calculations or a building energy model from U.S. Department of Energy (DOE) approved energy modeling software to determine savings attributable to the proposed Eligible Improvements.

The Program Administrator will review the Energy Analysis to check for reasonableness of assumptions and compliance with minimum requirements of the Program Guide.

Borrowers are encouraged to obtain all applicable government, utility provider or manufacturer rebates where available.

Note: The Program Administrator will review, and has the authority to reject, an Energy Analysis if it does not meet the requirements indicated in the following sections.

4.1 Energy and/or Water Efficiency Improvements to Existing Buildings

An Energy Analysis for a proposed energy and/or water efficiency improvement in an existing building must address the following components & information at a minimum:

- Written description of the proposed Project including each individual Eligible Improvement that will be funded with the C-PACE Loan;
- Expected annual energy savings (kWh, BTUs or therms) over energy baseline usage and/or water savings (gallons or ccf) over water consumption baseline, annual per unit energy and/or water cost (\$) savings, and/or operational, maintenance, and insurance cost (\$) savings;
- Provide clear and logical documentation of assumptions for savings calculations;
- Estimate of the expected EUL of each Eligible Improvement and documentation supporting the EUL;
- The total project capital cost required for each Eligible Improvement or for packages of Eligible Improvements if interactive effects between Eligible Improvement make itemized costs impractical;
- A copy of proposed relevant equipment specs, data sheets, etc.;
- If renewable energy measures are under consideration, please refer to [Section 4.2 Renewable Energy Systems](#).

Baseline for Energy or Water Efficiency Projects:

The existing conditions of a building shall be used to establish the baseline level of energy and water usage against which the performance of the Eligible Improvements will be measured. Existing conditions may be determined based on nameplate efficiency ratings of currently installed equipment. Alternatively, the Qualified Energy Professional may use modeled energy performance of the building or other professionally accepted methods of establishing energy and water efficiency performance of the existing building.

Energy Efficiency Improvement Energy Analysis Guide:

The Program recommends, but does not require, that the Energy Analysis utilizes one of the following standards/guidelines:

- ASHRAE Energy Audit standards as defined by ANSI/ASHRAE/ACCA Standard 211-2018;
- Pacific Northwest National Laboratory, A Guide to Energy Audits, PNNL-20956;
- Investor Ready Energy Efficiency (IREE) Certification;
- ASHRAE Standard 100; or
- ASHRAE Standard 90.1 Appendix G.

4.2 Renewable Energy Systems

An Energy Analysis for renewable energy improvements should address the following components at a minimum:

- Description of proposed renewable energy system including production capacity (e.g. kW);
- Description of site ambient conditions (e.g. shading analysis);
- Location for the renewable energy system;
- Energy system foundation (e.g. roof or ground mount);
- Utility consumption profile of the site, including the site's historic energy use and cost;
- Expected annual energy production (kWh), electrical demand reduction (kW), annual per unit energy production (\$) savings and operational, maintenance, and insurance cost (\$) savings;
- Assumptions affecting the cost savings:
 - Weighted cost of energy saved and generated by the Project;
 - Cost savings to be realized from time-of-use and demand charge reductions, as applicable;
 - Utility tariff to be applied to the site and/or system following installation;
 - Utility escalation rate assumptions;
 - Tax benefits and other incentives, as applicable;
 - EUL of the renewable energy system;
 - Maintenance expenses, as applicable;
- Assessment of total Project capital cost, utility tariffs and interconnections issues, including analysis of impacts of surplus energy generation by the renewable energy system (e.g. Description of utility tariff, if any, to be applied to system production that exceeds consumption);
- Plans to maintain optimized system performance for monitoring the system functionality and performance.

Note: At its discretion, the Program Administrator may waive one or more required components of the above list.

Baseline for Renewable Energy Systems:

The energy generation baseline for all renewable energy systems is assumed to be zero energy generation; however, if a renewable energy system is a replacement of an existing renewable energy system, the Qualified Energy Professional must establish the baseline using performance and/or nameplate ratings of the existing system.

4.3 Resiliency and Stormwater Management

For resiliency C-PACE Projects, Project Surveys must generally demonstrate that the Eligible Improvements reduce the impacts of water, thermal, or wind related natural or manmade events.

For Stormwater Management C-PACE Projects, project analysis must generally demonstrate a reduction in onsite stormwater runoff into the local stormwater

systems and exceed the requirements of the County for stormwater management when constructing a new building.

A qualified professional reviewing stormwater management and most resiliency measures for Project eligibility must be a licensed Professional Engineer (P.E.). Analysis of specific floodproofing or other types of flood mitigation measures may be performed by a company specialized in this kind of work if approved by the Program Administrator in advance.

4.4 New Construction and Substantial Renovation/Adaptive Reuse Projects

The C-PACE Program is available for the construction of new buildings as well as the substantial renovation OR adaptive reuse of vacant buildings. New construction projects, unlike existing-building retrofits, do not benefit from a history of pre-improvement energy consumption data from which baseline energy consumption can be formulated. Without the benefit of this baseline building performance data, additional Energy Analysis requirements are necessary. Further, the demonstration of reduced energy or water consumption will determine the amount of C-PACE Financing eligible for a new construction or substantial renovation Project.

Baseline: New Construction

The baseline for new construction projects is the minimum level of equipment efficiency required by the current applicable building energy code. For any new construction project, the Borrower must demonstrate through the appropriate Energy Analysis that the Project exceeds the Building Code of Fairfax County or equivalent ASHRAE 90.1 standard established in the [Uniform Statewide Building Code \(USBC\)](#) of the Commonwealth of Virginia.

The Qualified Energy Professional should also verify local building code compliance with the Fairfax County Department of Building and Development. For the purposes of the energy and/ or water savings calculations prepared in the Energy Analysis, the Borrower must demonstrate energy and/or water performance that is greater than the baseline set in the Virginia USBC.

The Energy Analysis should summarize the building's total anticipated performance that exceeds the building code (baseline) with a summary percentage of performance above the code baseline. **To be eligible for C-PACE Financing on a new construction project, the Project must achieve energy and/or water savings that exceed the code baseline.**

Baseline: Substantial Renovation/Adaptive Reuse

If the Project concerns the substantial renovation or adaptive reuse of a vacant or underutilized building as determined by the Program Administrator, the baseline for the purposes of establishing energy savings of proposed energy and/or water

efficiency improvements can be set at the level of existing equipment and building conditions.

Methodologies for Determining Savings:

The Energy Analysis for a new construction Project may demonstrate expected energy or water savings over this baseline in one of two methods:

- 1) Method 1: Itemization of individual Eligible Improvements. Itemization of individual Eligible Improvements in the Project whose efficiency specifications exceed the baseline requirements as outlined in the appropriate building code. The Energy Analysis must describe the characteristics of each Eligible Improvement according to aforementioned Energy Analysis guidelines and provide supporting documentation showing that each Eligible Improvement exceeds minimum baseline requirements. Examples of supporting documentation that may be accepted include but are not limited to contract certificates, permits, equipment cutsheets, COMcheck certificates, building plans. **100% of the cost of each Eligible Improvement** that exceeds minimum code requirements may be included in the C-PACE Loan amount.
- 2) Method 2: Demonstration of total savings on a whole building level. Estimated whole building energy and/or water savings above minimum baseline should be calculated using a DOE approved building energy modeling software or detailed engineering calculations, following a methodology consistent with ASHRAE 90.1 Appendix G guidelines. Building level savings calculations must state the building's total anticipated performance and specify the summary percentage of energy and/or water performance over code minimum. For this methodology, the aggregate of both energy and water saving improvements that achieve the required whole building savings thresholds below, plus additional code-compliant energy and water related measures may be considered Eligible Improvements. One hundred percent (100%) of the energy and water related measures included in the whole building model may be financed up to the following limits: A whole building performance that exceeds code baseline by less than 5% may fund up to 20% of total hard and soft costs of whole building construction. A whole building performance that exceeds code baseline by 5% or more can fund up to 25% of total hard and soft costs of whole building construction.

Under both methods, the maximum C-PACE Loan amount is the total cost of the proposed energy and water related measures. Stormwater management and resiliency measures will be evaluated on a case-by-case basis.

New construction projects that only involve renewable energy installed on new buildings and used by the building are not required to complete the Energy Analysis requirements for new construction and may instead demonstrate overall savings on a whole building level as described in this second methodology.

5.0 Program Fees

Note: The Fairfax County C-PACE Program and the Program Administrator reserve the right to modify the following fee structure. Such modifications will be published in updates to this Program Guide.

5.1 Closing Fee

The Closing Fee also known as an Application Fee is a one-time processing fee for the transaction that is equal to one percent (1%) of the Project Cost on the first \$500,000 of C-PACE Financing proceeds and one and one quarter percent (1.25%) of the Project Cost on any amount beyond \$500,000. This fee may be capitalized into the Financed Amount for the Project. There is a minimum Closing Fee of \$2,500 and maximum Closing Fee of \$50,000.

5.2 Application Deposit

At the time the Final Application is submitted for review, an Application Deposit of \$100 is due to the Program Administrator. This deposit is due before the Program Administrator will begin review of the Final Application. At closing of the C-PACE Loan, a credit for the Application Deposit is applied towards the Closing Fee.

The \$100 upfront Application Deposit is to be sent by mail to:

Virginia PACE Authority
Attn: Deb Rosiello
138 Jordans Journey
Williamsburg, Virginia 23185

The upfront Application Deposit can also be submitted online through the VPA website.

See [6.0 C-PACE Loan Application Process](#).

5.3 Servicing Fee

In cases in which Capital Providers elect not to bill and collect (service) the C-PACE Loan Payments themselves, VPA will provide servicing and charge a related fee. This fee is one- and one-half percent (1.5%) of the annual C-PACE Loan Payment, with a minimum of \$330 and a maximum of \$1,350. The fee is charged on an annual basis.

5.4 Program Expenses

The foregoing fees are those generally necessary to cover the regular costs of the administration of the Program. These costs and expenses do not include any specialized professional services that may be necessary should the circumstances of any particular Project require them. For example (and without limitation), should

any participant in a Project submit substantive comments to the Fairfax County C-PACE Program documentation (including but not limited to the C-PACE Program Agreement, request a legal opinion from Program counsel or require other time and resource intensive review of a transaction, the Borrower for such Project will be responsible for covering such expenses at cost. These expenses may be paid out of the proceeds of the C-PACE Loan.

Below is a sample project to illustrate typical fees:

Sample Project

Costs and Fees		Annual Payments	
\$ 1,000,000.00	Direct Costs	\$89,902.57	Annual Loan Payment
\$ 100.00	Application fee	\$1,348.54	Annual Servicing Fee
\$ 4,000.00	Energy Audit	\$91,251.11	Total Annual Payment
\$ 5,000.00	Appraisal, other 3rd party		
\$ 100.00	Title report, credit check		
\$ 2,000.00	Owner legal		
\$ 1,011,200.00	Total Project Costs		
\$ 50.00	Recording fees		
\$ 5,000.00	Administrator fee	1.00%	
\$ 6,290.00	Administrator fee	1.25%	
\$ 10,420.27	Capital provider fee	1.00%	
\$ 1,032,960.27	Total Amount Before Cap. Int.		
\$ 6,078.49	Capitalized interest		
\$ 1,039,038.75	Total PACE financing Amount		

Assumptions

Interest rate	6%
Amortization (yrs)	20

The Program Administrator will require evidence that such expenses will be paid before the closing of a C-PACE Loan may proceed.

5.5 Capital Provider Fee

Capital Providers may charge an origination fee to cover their cost of arranging the C-PACE Loan. Any such fee should be arranged and agreed to in an agreement between the Capital Provider and the Borrower in the Financing Agreement. If applicable, Capital Providers may require a debt service reserve.

6.0 C-PACE Loan Application Process

The application process includes the application management, approval, and completion of the Project. Repayment of the C-PACE Loan, is described in [Section 7.0 C-PACE Loan Administration](#).

Application Process Overview

To proceed with funding a Project, a prospective Borrower must complete the application process, which has two phases: Pre-Application and Final Application. Approval of the Final Application by the Program Administrator is a requirement prior to closing the C-PACE Loan.

Project Center

The Project Center portal contains all documents, applications, and instructions required to be approved for the C-PACE Loan through the Program. A prospective Borrower may access the Project Center at [Project Center](#). A prospective Borrower is encouraged to review the process below and submit a Pre-Application to determine if the property is eligible for financing.



6.1 Determine Eligibility and Complete Pre-Application

The Pre-Application gives a prospective Borrower the opportunity to establish Project eligibility for participation in the Program before investing in project development. The information collected in this step of the process will be used by the Program Administrator to verify that the property is eligible, and that the proposed Project falls within the parameters established in this Program Guide.

To begin the process, a prospective Borrower completes the online Pre-Application form available in the Project Center at [Project Center](#). A prospective Borrower to the

Program will be prompted to establish a username and password which will be used to submit and edit a Project.

Once a Pre-Application is submitted, the Program Administrator will conduct a preliminary review to determine if the property and proposed Project is eligible for enrollment in the Program. This review will typically be completed within 1-2 business day of receipt of a completed Pre-Application.

6.2 Select Capital Provider and Develop Project

If the Pre-Application is approved, a prospective Borrower moves forward with the Project development phase:

Energy Analysis: A Borrower must obtain an Energy Analysis, as described in [Section 4.0 Energy Analysis Requirements](#). Following the Energy Analysis, a Borrower will develop the final scope, Project Costs and schedule in conjunction with a Registered Contractor and/or Project Developer.

Lender Consent and Subordination: If the eligible Property has existing deeds of trust and/or mortgages, a prospective Borrower must obtain the written consent of all existing lien holders as a condition of closing the C-PACE Loan. Given that this process can take some time, the Program Administrator recommends that the Borrower contact these lien holders early in the scoping process to gauge the likelihood that consent will be granted (See [Section 8.0 Lender Consent and Subordination](#)).

During this phase, a prospective Borrower should also contact qualified Capital Providers to secure acceptable C-PACE Loan terms and conditions. For more information, see [Section 3.5 Capital Providers](#). The Capital Provider will conduct its own review of the Project according to its underwriting requirements.

6.3 Submit Final Application with Supporting Documentation

When the pre-development work for the Project is substantially complete, a prospective Borrower will complete the Final Application. The Final Application can be started upon approval of the Pre-Application and is accessible through the Project Center. The Program Administrator will also send the prospective Borrower an email with a link to the Final Application within the Project Center.

The Final Application within the Project Center contains a section available to the prospective Borrower to upload all supporting documents. The Program Administrator will only accept documents uploaded through the Final Application form in the Project Center. At a minimum, the following supporting documentation must be provided:

- **Executed Final Application** completed by the Borrower, with all fields filled including all owner certifications and signatures;

- **Signed Installation Contract(s)** from Registered Contractor(s) for the Project that includes the cost of the work, the scope of work, specifications for the equipment, and the schedule for the installation of the Eligible Improvement(s) identified in the Energy Analysis for the Project;
- **Energy Analysis** conducted according to the requirements of this Program Guide;
- **Lender Consent and Subordination** evidenced by a written Subordination Agreement executed by all prior lien holders on the Eligible Property for the proposed Project. (See [Section 8.0 Lender Consent and Subordination](#) for further detail). Requests for Lender Consent and Subordination must be delivered to holders or servicers of property-based debts on the Eligible Property at least 30 days prior to loan closing;
- **Title Report** disclosing all current mortgage and lien holders on the property and showing that there are no involuntary liens on the property (the Title Report must be issued not more than 60 days prior to Effective Date of the C-PACE Program Agreement. The Borrower and Capital Provider are responsible for obtaining the report;
- **Substantially Final C-PACE Loan Documents.** There should be no material changes to the C-PACE Loan Documents after Program approval and prior to closing. Submitted documents must include finalized dates, amortization schedules, and must be signed by the Capital Provider;
- **Determination of Value.** In cases where the **aggregate** Financed Amount on a Property will exceed \$50,000,000, an independent appraisal will be required. Appraisals must be completed within 18 months of the effective date of the Final Application. If the appraisal date exceeds the 18-month window, the Program Administrator may accept the appraisal on a case by case basis;
- **Mortgage or Other Loan Balance(s).** Copies of the most recent mortgage loan statement(s) for all such loans outstanding on the property in order to determine the current loan-to-value ratio and payment of most recent mortgage balance;
- **Property Owner Certification (also known as a Borrower Certification).** A certificate from a Property Owner, certifying that (1) the Property Owner is current on all loan payments secured by a mortgage or deed of trust lien on the Property, (2) the Property Owner is current on all federal, state, and local taxes and there is no federal income tax lien, judgment lien, or other involuntary lien against the Property, and (3) the Property Owner is not insolvent or in bankruptcy or foreclosure proceedings.
- **Capital Provider Offer to Fund.** Borrower must provide documentation that indicates that a Capital Provider has offered to provide C-PACE Financing for the C-PACE Project. Such documentation may be evidenced by a signed term sheet, commitment letter, or other documentation reasonably satisfactory to the Program Administrator.

Once a complete Final Application is received, the Program Administrator will review it for completeness and accuracy of the information and documents enclosed to ensure they comply with this Program Guide. The Program Administrator will provide the prospective Borrower with written Notice of Approval or request for more information within ten (10) business days of a submission of a completed Final Application. If the Program Administrator finds the Final Application to be incomplete, the Program Administrator will provide the prospective Borrower the opportunity to complete any missing information. Upon resubmission of the Final Application, the Program Administrator will complete its review within ten (10) business days and respond in writing with the results of its review of the Final Application.

6.4 Close Financing & Execute C-PACE Program Agreement

Upon receipt of the Notice of Approval, a Borrower may proceed with closing of the C-PACE Loan. The owner must furnish the Program Administrator with a copy of the executed Financing Agreement.

In addition to the Financing Agreement between the Borrower and the Capital Provider, the Borrower, Capital Provider, and Fairfax County are required to execute the C-PACE Program Agreement in conjunction with the C-PACE Loan closing. The C-PACE Program Agreement is a contract between Fairfax County, the Capital Provider, and the Borrower that defines the obligations and responsibilities of the parties and wherein the Borrower consents to a voluntary assessment lien being placed on the subject property to secure the C-PACE Loan. A copy of the C-PACE Program Agreement is included in this Program Guide in [Appendix C](#). Following the execution of the C-PACE Program Agreement and payment of all applicable fees, the Program Administrator will record in the Land Records of Fairfax County the C-PACE Lien Certificate executed by the parties that includes the Property Description and Schedule of Loan Payments from the C-PACE Program Agreement.

6.5 Project Implementation

Following closing of the C-PACE Loan, the Borrower and its agents may initiate construction of the Project.

The C-PACE Loan will be provided by the Capital Provider according to terms agreed to between those parties in the Financing Agreement.

6.6 Project Completion

When the project is complete, the Borrower will forward evidence of completion to the Fairfax County C-PACE Program for its records. However, it is the responsibility of the Borrower and/or the Capital Provider to ensure that the Project has been successfully completed including any necessary approvals issued by Fairfax County building officials. It is not the responsibility of the Program to verify completion or compliance to local building codes or standards.

7.0 C-PACE Loan Administration

7.1 C-PACE Lien

The C-PACE Lien has the same priority status as County taxes. The C-PACE Loan Payments that are due, and any interest or penalties accrued thereon, constitute a first and prior lien against the Property on which the C-PACE Lien Certificate is imposed from the date the C-PACE Lien Certificate is recorded until the C-PACE Lien and all interest and penalties thereon is satisfied.

The C-PACE Lien runs with the land and that portion of the C-PACE Lien that has not yet become due is not eliminated by foreclosure of a property tax lien. The C-PACE Lien cannot be accelerated or extinguished until fully repaid. The C-PACE Lien will be enforced by Fairfax County in the same manner as failure to pay real property taxes within Fairfax County.

7.2 Repayment of the C-PACE Loan

Repayment of the C-PACE Loan will commence according to the terms of the C-PACE Loan Documents. The first repayment date for the C-PACE Loan Payment will be subject to the schedule in the C-PACE Loan Documents.

C-PACE Loan Payments will be billed and collected by the Capital Providers. Each C-PACE Loan Payment must be paid in full on the relevant due date under the C-PACE Program Agreement or the C-PACE Loan Payment will be considered delinquent. If a Capital Provider is not able to service the C-PACE Loan Payments, the Program Administrator will provide this service on behalf of a Capital Provider as discussed below in [Section 7.5 Servicing of C-PACE Loan Payments](#).

All other procedures related to the C-PACE Loan Payment, including remedies for delinquency and defaults, will be set forth in the C-PACE Loan Documents related to the applicable C-PACE Loan. Nothing in this Program Guide may supersede or alter the terms and conditions contained in the C-PACE Loan Documents.

7.3 Delinquent C-PACE Loan Payments and Enforcement Remedy

In the event of a default for failing to pay the C-PACE Loan Payments, the C-PACE Lien will be enforced by Fairfax County in the same manner that a property tax lien against real property is enforced, including through tax sale and other collection remedies, and pursuant to the terms of the of the C-PACE Program Agreement. In the event a Delinquent Payment is enforced, the outstanding balance of the C-PACE Lien will not accelerate.

Other events of default may occur if the Borrower fails to adhere to other obligations in the C-PACE Loan Documents.

A C-PACE Loan will be transferred to the new property owner upon sale or transfer of the Eligible Property during the term of a C-PACE Loan.

7.4 Once a C-PACE Loan Has Been Fully Amortized and Paid in Full

Once the C-PACE Lien is repaid in full according to the terms of the C-PACE Loan Documents, a release of the C-PACE Lien will be recorded in the public records.

7.5 Servicing of C-PACE Loan Payments

The Capital Provider will bill and collect the C-PACE Loan Payments. The Capital Provider will provide the Program Administrator with information on an annual basis to confirm payment, prepayment, late payment, etc. of C-PACE Loan Payments. The Capital Provider will notify the Program Administrator and Fairfax County immediately of any delinquencies, repayments, or lien releases, and related actions required of the County, as applicable.

If the Capital Provider is not able to service the loan, the Program Administrator will bill C-PACE Loan Payments upon request. The Program Administrator will issue a bill to a Borrower instructing that payment be made to the Capital Provider. The Capital Provider will confirm receipt of the payment with the Program Administrator immediately, pursuant to the terms of the C-PACE Loan Documents and any other Project servicing agreement that is required by the Program Administrator. Each C-PACE Loan Payment that is serviced by the Virginia PACE Authority will include a Program Administrator Servicing Fee, as described in [Section 5.3 Servicing Fee](#).

8.0 Lender Consent and Subordination

Per the Act, a Borrower must obtain the written consent and subordination of all existing holder(s) or loan servicer(s) of any existing deeds of trust or other real property lienholder of record encumbering the Eligible Property prior to Final Application approval by the Program Administrator. Lender Consent and Subordination must be in the form of a Lender Consent and Subordination Agreement. The purpose of the Lender Consent and Subordination Agreement is to subordinate the lender's or lienholder's interest in the subject property to the due and unpaid loan payments for the C-PACE Loan.

The Program Administrator recommends that the Borrower consult with its chosen Capital Provider before approaching a lienholder(s). Many traditional lenders are not familiar with C-PACE and may not be clear on how it works. In seeking consent, the Borrower may find it helpful to inform prior lienholder(s) that in the event of C-PACE Loan default and tax foreclosure, the C-PACE Loan will not accelerate, and only the delinquent amount of the C-PACE Loan will enjoy super-priority lien status. Further, a Borrower should emphasize that C-PACE-financed projects increase the value of the lienholder's collateral. Eligible Borrowers are encouraged to have the Capital Provider attend the meeting with the lender(s).

A template of a Lender Consent and Subordination Agreement will be available upon request from the Program Administrator, but the ultimate form and substance of the Lender Consent and Subordination Agreement will be subject to the discretion of each lienholder.

9.0 Change Orders

All change orders that result in an alteration of the anticipated energy and water savings attributed to the Project must be pre-approved by Program Administrator to ensure that the changes to the Project remain consistent with the requirements as set forth in this Program Guide. The Borrower shall provide documentation of the change as follows:

- Change in Project scope, description of changes;
- Revised Project budget to account for changes in Project Costs;
- Energy and operations savings estimates, as evidenced in a revised Energy Analysis;
- Approval of the change by the Capital Provider.

A Borrower who requires a change order is required to complete a summary of the above changes and submit the same to Program Administrator for approval.

Appendix A: Glossary of Terms

This section establishes definitions of terms used in these Program Guide.

Act – [§15.2-958.3 of the Code of Virginia, as amended.](#)

Application Deposit – An amount collected when the **Final Application** is submitted to the **Program Administrator** for review. At closing of the **C-PACE Loan**, a credit for the **Application Deposit** is applied towards the **Closing Fee**.

Application Fee – See **Closing Fee**.

Board – The Fairfax County Board of Supervisors

Borrower(s) – 1) The owner(s) of **Eligible Property** who obtain(s) a **C-PACE Loan** from a **Capital Provider** in accordance with the **Program Guide** or 2) a successor in title to the **Borrower**.

Capital Provider – 1) A private lending institution that has been approved by the **Program Administrator** in accordance with the **Program Guide** to originate a **C-PACE Loan** and its successors and assigns or 2) the current holder of a **C-PACE Loan**.

Closing Fee – a one-time processing fee for the transaction that is equal to one percent (1%) of the **Project Cost** on the first \$500,000 of **C-PACE Financing** proceeds and one and one quarter percent (1.25%) of the **Project Cost** on any amount beyond \$500,000. This **Closing Fee** may be capitalized into the **Financed Amount** for the **Project**. There is a minimum **Closing Fee** of \$2,500 and maximum **Closing Fee** of \$50,000.

C-PACE Financing – The acronym for Commercial Property Assessed Clean Energy Financing. Per the **Fairfax County Ordinance** in Virginia, **C-PACE Financing** is available for commercial buildings. Residential properties with fewer than 5 dwelling units and condominium properties (including common areas) are not eligible. **C-PACE Financing** is referred to as a **C-PACE Loan** in this Guide.

C-PACE Lien - The voluntary special assessment lien levied against the Property as security for the **C-PACE Loan**.

C-PACE Lien Certificate (also known as the "C-PACE Certificate") - The voluntary special assessment lien document duly recorded among the **Land Records** against an **Eligible Property** to secure the **C-PACE Loan**. Also called a "C-PACE Certificate" or "Certificate of Levy and Lien of C-PACE Assessment."

C-PACE Loan – means a loan from a **Capital Provider** to a **Borrower** to finance a **Project** in accordance with the **Program Guide**.

C-PACE Loan Documents – The **C-PACE Program Agreement, Financing Agreement**, the **C-PACE Lien Certificate**, and any other document, agreement, or instrument executed in connection with the **C-PACE Loan**.

C-PACE Loan Payment – means the periodic installment payments of the **C-PACE Loan** by a **Borrower**, due and payable to the County or **Capital Provider** as permitted by the **Act** in such amounts and at such times as described in the **C-PACE Loan Documents**.

C-PACE Program - or “**Program**” means the program established by the County in Chapter 127 of the Code of Fairfax County and in accordance with the **Act** that facilitates the financing of **Eligible Improvements** and provides for a **C-PACE Lien** to be levied and recorded against the Property to secure the **C- PACE Loan**.

C-PACE Program Agreement - means the agreement between the **Borrower, Fairfax County, and Capital Provider**, and their respective successors and assigns, which includes the terms and conditions for participation in the **C-PACE Program**; the **Borrower’s** acknowledgment and consent for Fairfax County to impose a voluntary special assessment and record a **C-PACE Lien Certificate** against the **Borrower’s Eligible Property**; and a summary of the terms of the **C-PACE Loan**.

Delinquent Payment - Any **C-PACE Loan Payment** that was not paid by the **Borrower** in accordance with the **C-PACE Loan Documents**.

Eligible Improvement– This is the initial acquisition and installation of clean energy, energy efficiency, resiliency, stormwater management, or water efficiency improvements for both existing properties and new construction, as further prescribed in Chapter 127 of the Fairfax County Code and this **Program Guide**.

Eligible Property – means assessable real property located within the territorial limits of Fairfax County other than residential property with fewer than five dwelling units or a condominium project as defined in Virginia Code Ann. § 15.2-5100 et seq.

Energy Analysis (es) – An analysis of the **Eligible Improvements** proposed for the **Project** conducted by the **Registered Contractor** or **Qualified Energy Professional** in compliance with [Section 4.0 Energy Analysis Requirements](#).

EUL - Expected Useful Life

Final Application – The application to participate in the Fairfax County **C-PACE Program** and receive the **C-PACE Loan** that is approved by the **Program Administrator** and that confirms the **Borrower** has met all the requirements set forth in this **Program Guide**. Approval of the **Final Application** by the **Program Administrator** is a condition precedent to closing the **C-PACE Loan**.

Financed Amount – The dollar amount of the special assessment levied against the **Eligible Property** as set forth in the **C-PACE Lien Certificate**.

Financing Agreement – The document executed by the **Borrower** and the **Capital Provider** that defines the terms of the **C-PACE Loan**, which comply with the requirements of the Fairfax County **C-PACE Program**, and which are mutually agreed upon by the **Borrower** and the **Capital Provider**.

Land Records - The land records of the Clerk of the Circuit Court in Fairfax County, Virginia.

Lender Consent and Subordination (or “Subordination Agreement”) means a written instrument executed by the holder of each existing lien, mortgage, or deed of trust on **Eligible Property** that is the subject of a **C-PACE Loan**, which allows the **C-PACE Lien** to have senior priority over the existing lien, mortgage, or deed of trust (See [Section 8.0 Lender Consent and Subordination](#) for further details).

Notice of Approval – This is a notice provided to the **Borrower** by the **Program Administrator** that signifies that the **Final Application** is complete and has been approved by the **Program Administrator**. Following receipt of this notice, the **Borrower** may close his or her **C-PACE Loan**.

OEEC – The Office of Environmental and Energy Coordination

Pre-Application – The initial application completed by a prospective **Borrower** by which the **Program Administrator** can determine whether the proposed **Project** is located on an **Eligible Property** and that the prospective **Borrower** is aware of the **Program** requirements. Approval of a **Pre-Application** is required prior to submittal of the **Final Application**. (See [Section 6.1 Determine Eligibility and Complete Pre-Application](#).)

Program Administrator – The Virginia PACE Authority, Inc. (“VPA”), a tax-exempt 501(c)3 nonprofit entity that will administer a C-PACE program on behalf of or at the discretion of the County. VPA is responsible for marketing the program, approving **C-PACE Loans**, and servicing repayment, as requested.

Program Fee – A one-time administration fee that is calculated as a percentage of the **Project Cost**. See [Section 5.0 Program Fees](#) for further details.

Program Guide – A document that explains the Fairfax County **C-PACE Program’s** requirements, recommendations, and processes under which **Borrowers** seeking to complete a **Project** may be approved to utilize **C-PACE Financing**.

Program Manager – The County Administrator or such person designated in writing by the County Administrator to supervise the **Program** and act as liaison with the **Program Administrator**.

Project – The construction of **Eligible Improvements** on **Eligible Property** that meets the requirements set forth in this **Program Guide**.

Project Center – A web portal containing all documents, applications, and instructions required to be approved for **C-PACE Loans** offered through VPA.

Project Costs - All **Eligible Improvement** costs necessary to complete the installation of a **Project**, such as the installation/construction contract amount (materials and labor) and any required ancillary cost incurred in order to complete the installation of an **Eligible Improvement**. Ancillary costs also include so called “soft” costs (third party reports, legal opinions, project development fees, capitalized interest, program fees, and any other financing fees, etc.) that are required to close the **C-PACE Loan**.

Project Developer – An individual or company that assists the **Borrower** in developing the scope of the **Project** and/or assisting in arranging **C-PACE Loans**.

Property Owner Certification (also known as a Borrower Certification) - A certificate from a Property Owner, certifying that (1) the Property Owner is current on all loan payments secured by a mortgage or deed of trust lien on the Property, (2) the Property Owner is current on all federal, state, and local taxes and there is no federal income tax lien, judgment lien, or other involuntary lien against the Property, and (3) the Property Owner is not insolvent or in bankruptcy or foreclosure proceedings.

Qualified Energy Professional – A professional meeting certain criteria to perform the **Energy Analysis**.

Registered Contractor – A business or organization that has registered with the **Program Administrator** to provide services to **Borrowers**.

Servicing Fee – This fee is collected annually with the **C-PACE Loan Payment** over the term of the **C-PACE Loan** if the **Program Administrator** services the **C-PACE Loan Payments**. (See [Section 5.0 Program Fees](#) for further details.)

Stabilized Occupancy - The occupancy level that an income producing property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties.

Stabilized Value - The market value of the property after it reaches stabilized occupancy as evidenced by an appraisal of the property.

VPA – The Virginia PACE Authority

Appendix B: Common C-PACE Eligible Improvements

Eligible Energy Measures

The following list of predominant, long-standing, proven energy efficiency technologies, water conservation technologies, and renewable energy generation systems is intended as a reference list and can change at any time. If not included on this list, Program Administrator will review proposed Eligible Improvements and accept them on a case-by-case basis.

- High efficiency lighting
- Heating ventilation air conditioning (HVAC) upgrades
- New automated building and HVAC controls
- Variable speed drives (VSDs) on motors fans and pumps
- High efficiency chillers
- High efficiency boilers and furnaces
- High efficiency hot water heating systems
- Combustion and burner upgrades
- Fuel switching resulting in an overall reduction in the number of BTUs required to achieve a given end use
- Water conservation measures
- Heat recovery and steam traps
- Building enclosure/envelope improvements
- Building automation (energy management) systems
- Renewable energy systems
- Electric vehicle charging stations
- Voltage optimization devices that reduce energy consumption by an end user

The following end-use savings technologies are generally more applicable to industrial facilities:

- New automated process controls
- Heat recovery from process air and water
- Cogeneration used for peak shaving
- Process equipment upgrades
- Process changes

Shown below are key aspects of some of the most commonly applied technologies listed above, with their typical simple payback range. These payback ranges are only provided for informational purposes and should not be construed as a guarantee of performance or requirement for C-PACE Financing eligibility.

Lighting (typical 2- to 3-year simple payback)

- Daylight controls and natural daylighting designed to reduce energy and improve visual comfort;

- Upgrades for existing fluorescent fixtures including electronic ballasts, T8 lamps, and reflectors including the installment of LED bulbs and fixtures;
- Meeting rooms and other intermittently occupied spaces can garner significant energy savings with the use of timers and occupancy sensors;
- Smaller impact opportunities including security lighting, stairwell lighting, exterior night-time security lighting and exit signs.

Refrigeration (typical 3- to 5-year simple payback)

- Install improvements to refrigerated cases and walk-in coolers to improve efficiency and decrease waste:
 - Additional insulation, anti-sweat heater controls, auto-closers for cooler/freezer doors, case-lighting controls, improved defrost controls, suction line insulation, etc.;
- Thermal Storage Systems (for load shifting);
- Compressors (VFD and controls, heat recovery, mechanical sub-cooling, evaporative condensers, etc.)

Motors (typical 3- to 5-year simple payback)

- High efficiency electric motor replacements usually pay back when a motor is running for long periods at high load, or at the end of motor life;
- The cost premium over standard motors normally can be recovered in less than 2 years;
- Motor sizing to the actual load profile to improve efficiency and control electrical power factor.

Variable Speed Drives (typical 3- to 5-year simple payback)

- Applied to motors, pumps and fans;
- Matches motor use to variable operating load;
- Can save up to 40 percent in power consumption;
- Can be packaged with controls;
- Extends motor life.

HVAC (typical 2- to 8-year simple payback)

- New packaged units can increase efficiency and indoor comfort;
- Proper sizing of HVAC equipment is a major opportunity, since full-load operation is more efficient than part load operation - consider fan capacity reduction or staging of 2 smaller units rather than partial loading of one large unit;
- Install VSDs on HVAC motors;
- Balance air and water supply systems to remove trouble spots demanding inefficient system operation:
 - Improve maintenance;
 - Eliminate simultaneous heating and cooling;
 - Install economizers and direct digital controls;
- Variable air volume conversions versus constant air flow;
- Ventilation reduction;

- Unoccupied shutdown or temperature setback/setup (controls).

Chillers (typical 5- to 10-year simple payback)

- New chiller models can be up to 30-40 percent more efficient than existing equipment;
- Upgrade lead chiller(s) (base load) to high efficiency;
- Manage chiller and condenser settings to minimize compressor energy;
- Optimize pumping energy for distribution of chilled water
- Optimize HVAC operation to:
 - Improve temperature/humidity control;
 - Eliminate unnecessary cooling loads;
- CFC reclamation program/inventory - chiller replacement may achieve both CFC management and energy efficiency objectives.

Boilers (typical 3- to 5-year simple payback)

- Replace steam with hot water boilers for hot water heating loads;
- Improve maintenance;
- Optimize operation/staging in multiple boiler plants;
- Optimize boiler controls;
- Tune or replace burners;
- Add small "pony" boilers for low loads:
 - Reduced fuel consumption/energy costs;
 - Reduced emissions;
 - Reduced maintenance costs;
 - Higher reliability.

Heat Recovery (typical 2- to 4-year simple payback)

- Heat recovery devices to capture waste heat from water, process heat and exhaust air to re-use it for preheating: of Building intake air:
 - Boiler combustion air;
 - Boiler feedwater;
 - Inlet water for domestic hot water.

Automated Building and HVAC Controls (typical 3- to 5-year simple payback):

- Old controls may still be pneumatic systems based on compressed air - new electronic controls are more precise and reliable, with greater capabilities;
- Can automate lighting, chiller, boiler and HVAC operation:
 - Load shedding;
 - Optimal start/stop/warm up;
 - Ventilation control;
- Whole-building energy management systems may come with other advanced control technologies:
 - Security, fire and life safety;
 - Alarm monitoring and report generation;
 - Preventive maintenance scheduling;

- Remote monitoring/metering capabilities may be attractive.

Building Shell and Fenestration (typical 3- to 10-year simple payback)

- Roof insulation, combined with reflective roof coatings in warm climates, reduces energy consumption;
- Review building pressurization for proper ventilation:
 - Balance exhaust and intake air quantities;
 - Add weather-stripping on doors and windows;
 - Seal cracks and unnecessary openings;
- Window films to reduce solar heat gain and/or heat loss;
- Replace windows with more energy efficient glazing.

Water Conservation Improvements (typical 3- to 5-year simple payback)

- Domestic water use can be impacted greatly by the replacement of toilets, urinals, and other bathroom fixtures;
- Commercial kitchens can save water through the replacement of pre-rinse valves, dishwashers, and icemakers;
- Laundry equipment in commercial properties and Laundromats can benefit greatly with upgraded equipment;
- HVAC systems can reduce water consumption through the installation of cooling towers, condensers, and steam boilers;
- Industrial water consumption from car washes, film and x-ray processing, and high-tech manufacturing can be reduced through the installation of equipment involved in each specific process/facility.

Renewable Clean Energy Improvements (typical 3- to 15-year simple payback)

- Solar photovoltaic power;
- Solar thermal;
- Wind Power;
- Geothermal energy;
- Fuel Cell;
- Combined Heat and Power.

Electric Vehicle Charging Stations

- Transitioning from gasoline and diesel-powered vehicles frequently reduces total transportation-related energy consumption, as measured by total BTUs consumed;
- Electric vehicles have lower cost for operation, maintenance, and fuel than gasoline or diesel-powered equivalents.

Voltage Optimization Devices

- Savings may be achieved by reducing energy lost during the transmission and transformation processes.

Resiliency

- Flood vents;
- Floating foundations;
- Hurricane shutters;
- Reinforced roofing systems;
- Thermal protection/insulation;
- Sea walls;
- Sump pumps;
- Wet and dry floodproofing;
- Emergency generators (no diesel);
- Infrastructure to raise equipment above 3-foot freeboard.

Stormwater

- Green roofs;
- Blue roofs;
- Pervious pavement;
- Other Stormwater management systems exceeding local County code;
- Rainwater capturing systems;

Ineligible Measures

- Measures that are not permanently installed and can be easily removed;
- Any measure that cannot be explained in terms of industry-standard engineering or scientific principles.

Appendix C: C-PACE Program Agreement

THIS C-PACE PROGRAM AGREEMENT (this “Agreement”), is made and entered into this ____ day of _____, 20____, by and among the County of Fairfax, Virginia (“County”), _____, a _____, (“Capital Provider”), and _____, a _____, (“Property Owner”), and is attached to and made a part of that certain C-PACE LOAN AGREEMENT dated as of the same date made by and between Capital Provider and Property Owner.

RECITALS

WHEREAS, Property Owner owns all that certain real property together with all improvements, buildings, and other structures thereon, and appurtenances thereto, lying in the County and commonly known as [Address], as more fully described in Exhibit A (the "Property");

WHEREAS, the Commonwealth of Virginia has authorized its localities to establish commercial property assessed clean energy programs under Section 15.2-958.3 of the Code of Virginia of 1950, as amended (the “Act”). In conformance with the Act, the County has enacted Chapter 127 of the Fairfax County Code (the “Ordinance”) to create the Fairfax County Commercial Property Assessed Clean Energy (C-PACE) Financing Program (the "Program"), the requirements of which are set forth in the Ordinance and the Program Guidelines promulgated thereunder;

WHEREAS, pursuant to the terms of the Program, County has approved Property Owner’s application for constructing improvements upon or renovating the Property to increase energy or water usage efficiency, installing a renewable energy production or distribution system to service the Property, or otherwise improving the Property as contemplated by the Act, as generally described in Exhibit C (the Project);

WHEREAS, Capital Provider has agreed to make a C-PACE Loan to Property Owner to finance the Project (the “C-PACE Loan”);

WHEREAS, the Project consists of Eligible Improvements as defined in the Ordinance, which allows the County, at Property Owner’s request, to impose a voluntary special assessment lien equal in amount to the Total C-PACE Loan Amount against the Property in order to secure the C-PACE Loan authorized under the Program;

WHEREAS, pursuant to the Program the County may collect Property Owner’s payments under the C-PACE Loan Agreement on Capital Provider’s behalf as C-PACE Payments;

WHEREAS, pursuant to the Act and the Ordinance the County entered into a contract with [Program Administrator name] (“Program Administrator”) for Program administration services;

WHEREAS, the Program Manager is authorized to enter into this Agreement on behalf of the County pursuant to the Ordinance;

NOW, THEREFORE, for and in consideration of the making of the C-PACE Loan, County approval of the Project, and the financing arrangements between Capital Provider and Property Owner, and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Capital Provider, Property Owner, and County agree as follows:

AGREEMENT

ARTICLE 1 – DEFINITIONS

1.01. Any and all capitalized terms used in this Agreement that are not specifically defined herein shall have the meanings set forth in the Ordinance.

ARTICLE 2 – C-PACE FINANCING

2.01. Financing of Project. Capital Provider will provide financing for the Project in accordance with the C-PACE Loan Agreement. The C-PACE Loan amount includes a Program Fee of \$_____, payable at closing. Capital Provider shall remit the Program Fee to the Program Administrator within ten days of closing.

2.02. C-PACE Special Assessment Lien. For the benefit of Capital Provider in order to secure the C-PACE Loan, County agrees to levy a C-PACE Assessment and place a C-PACE Lien on the Property. The C-PACE Lien shall be equal in amount to the Total C-PACE Loan Amount, as set forth in the C-PACE Certificate attached hereto as Exhibit B, which shall include the C-PACE Loan amortization schedule. After the execution of this Agreement Capital Provider will promptly record the Certificate in the Clerk’s Office and provide a copy of the recorded Certificate to the County. As long as the C-PACE Loan Agreement is in force, the current C-PACE Payment together with any delinquent C-PACE Payment (including all due but unpaid interest, late fees, and penalties) shall constitute a first lien on the Property, on par with property tax liens against real property. The C-PACE Lien shall run with the land and that portion of the C-PACE Assessment that has not yet become due shall not be eliminated by foreclosure of a property tax lien on the Property.

2.03. C-PACE Loan Terms and Assessment Payments. Property Owner shall repay the C-PACE Loan by making C-PACE Payments to Capital Provider in accordance with the amortization schedule set forth in the C-PACE Certificate, as may be amended to the extent permitted under the Ordinance and the C-PACE Loan Agreement. In the case of a conflict between the terms of the C-PACE Loan Agreement and the Certificate, the Certificate shall control. Capital Provider shall be responsible for (i) preparing all documentation in respect of the C-PACE Loan, this Agreement, the Certificate, and any assignment or amendment of any of the foregoing documentation allowed under the Ordinance and the C-PACE Loan Agreement, and (ii) presenting such documentation to the Program Administrator prior to the execution or any assignment or amendment thereof.

2.04 Assignment of the C-PACE Loan. In accordance with the Ordinance, and to the extent provided in the C-PACE Loan Agreement, Capital Provider shall have the right to transfer and assign all of its rights and obligations under the C-PACE Documents to one or more successor Capital Providers. An assignment by Capital Provider shall be evidenced by a C-PACE Assignment. The County shall not be obligated under Section 3.02 of this Agreement to remit any payment related to the C-PACE Loan to a new Capital Provider unless a recorded copy of the C-PACE Assignment has been provided to the County and the Program Administrator at least thirty days before the such payment is due. Recordation of the C-PACE Assignment shall constitute an assumption by the new Capital Provider of the Capital Provider's C-PACE rights and obligations contained in the C-PACE Documents.

ARTICLE 3 – DEFAULT AND REMEDIES

3.01. Default by Property Owner; Penalties and Interest. Failure by Property Owner to make any C-PACE Payment when due shall constitute a default under this Agreement. Delinquent Payments shall be subject to penalties and interest, as set forth in the C-PACE Loan Agreement. Interest on Delinquent Payments shall accrue from the first day following the day such Delinquent Payment was due and shall be collected upon the principal and penalties of all C-PACE Payments then remaining unpaid.

3.02. Remedies. In addition to the remedies available to Capital Provider under the terms of the C-PACE Loan Agreement, the County shall institute legal action to collect Delinquent Payments in accordance with the C-PACE Loan Agreement, the Ordinance, and Title 58.1, Chapters 32 and 39 of the Code of Virginia, as amended, which enforcement action may include conducting a tax foreclosure sale of the Property by public auction. In addition to the C-PACE Payments and Delinquent Payments due to Capital Provider, the County shall be entitled to recover its costs and expenses, including reasonable attorneys' fees and costs, in the same manner as in a suit to collect delinquent real estate taxes. All collection and enforcement costs, expenses, interest and penalties incurred by Capital Provider and the County shall (i) be added to the Delinquent Payments being collected, (ii) become part of the aggregate amount sued for and collected, (iii) be added to the C-PACE Assessment, and (iv) be secured by the C-PACE Lien. The County shall remit to Capital Provider all amounts due to Capital Provider and collected pursuant to the enforcement of a Delinquent Payment, less actual costs incurred by the County to enforce the C-PACE Lien.

3.03. Waiver of Certain Defenses; Confession of Judgment. By executing this Agreement, and as a condition of approval of the Project under the Program and the Ordinance, Property Owner hereby:

- (a) waives all defenses, affirmative or otherwise, to a foreclosure action brought for the nonpayment of any C-PACE Payment;
- (b) agrees to provide a confession of judgment if requested by the County or Capital Provider.

ARTICLE 4 – ADDITIONAL COVENENANTS AND AGREEMENTS

4.01. **Program Compliance.** Property Owner represents and warrants that it has and will comply in all respects with the Act, the Ordinance, and the Program Guidelines.

4.02. **Indemnification.** Without limitation of any other obligation or liability of Property Owner or any right or remedy of Capital Provider or the County contained herein or in the C-PACE Loan Agreement, Property Owner agrees to indemnify and hold harmless Capital Provider and the County, as well as their respective directors, officers, employees, agents, subsidiaries and affiliates (each, an “Indemnified Party”), from and against all damages, losses, settlement payments, obligations, liabilities, claims, suits, penalties, assessments, citations, directives, demands, judgments, actions or causes of action, whether statutorily created or under the common law, including all costs and expenses (including, without limitation, reasonable fees and disbursements of attorneys, engineers and consultants) and all other liabilities whatsoever (including, without limitation, liabilities under any applicable environmental laws, regulations or rules) which shall at any time or times be incurred, suffered, sustained or required to be paid by any such Indemnified Party (except any of the foregoing which result from the negligence or willful misconduct of the Indemnified Party) on account of or in relation to or in any way in connection with any of the arrangements or transactions contemplated by, associated with or ancillary to this Agreement, or any other documents executed or delivered in connection herewith or therewith, all as the same may be amended from time to time, whether or not all or part of the transactions contemplated by, associated with or ancillary to this Agreement or any such other documents are ultimately consummated, resulting from any conduct, act or failure to act by Property Owner or its affiliates or related parties. In any investigation, proceeding or litigation, or the preparation therefor, Capital Provider and the County shall each select its own counsel and, in addition to the foregoing indemnity, Property Owner agrees to pay promptly the reasonable fees and expenses of such counsel. In the event of the commencement of any such proceeding or litigation, Property Owner shall be entitled to participate in such proceeding or litigation with counsel of its choice at its own expense; provided that such counsel shall be reasonably satisfactory to Capital Provider and the County. This section shall survive the execution, delivery, performance of this Agreement, repayment of the C-PACE Loan, and the extinguishment of the C-PACE Lien.

4.03. **C-PACE Enforceability; Severability.** If (a) the C-PACE Act, the Ordinance, the C-PACE Documents, and/or any material provisions thereof are found by a court of competent jurisdiction to be illegal or otherwise unenforceable such that the C-PACE Loan and/or C-PACE Lien are not enforceable or otherwise not collectible in the manner set forth in the C-PACE Act or the C-PACE Documents for any reason, or (b) an action is brought by any person to have the C-PACE Act, the Ordinance, the C-PACE Documents, and/or the C-PACE Lien challenged, nullified or overturned, and during the pendency of the action, the C-PACE Documents and/or the C-PACE Lien may not be enforceable or collectible as contemplated under the C-PACE Act, then Property Owner (i) shall continue to make the C-PACE Payments as required under the C-PACE Documents, and (ii) shall execute any and all documentation necessary to perfect and enforce the C-PACE Documents and the C-PACE Lien as may be required by Capital Provider or the County. If any one or more of the provisions of this Agreement shall be found to be invalid, illegal or unenforceable in any

respect or to any extent, such finding shall not affect the validity, legality or enforceability of the remaining provisions of this Agreement.

ARTICLE 5 – MISCELLANEOUS

5.01. Amendment. This Agreement may be amended only by written agreement of the County, Property Owner, and Capital Provider.

5.02. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed a single agreement.

5.03. Governing Law; Venue. This Agreement and its terms, including, but not limited to, the parties' obligations under it, the performance due from each party under it, and the remedies available to each party for breach of it, shall be governed by, construed, and interpreted in accordance with the laws of the Commonwealth of Virginia. Any jurisdiction's choice of law, conflict of laws, rules, or provisions, including those of the Commonwealth of Virginia that would cause the application of any laws other than those of the Commonwealth of Virginia shall not apply. Any and all disputes, claims and causes of action arising out of or in connection with this Agreement or any performance hereunder, shall be brought in the state courts of Fairfax County, Virginia, or in the United States District Court, Eastern District of Virginia, Alexandria Division.

5.04. No Waiver of Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to the County, its officials, employees, contractors, or agents, or any other person acting on behalf of the County.

5.05. Successors and Assigns; No Third-Party Beneficiaries. This Agreement is binding upon and made for the benefit of Capital Provider, Property Owner, and County, and their respective successors and permitted assigns, and no other person or persons shall have any right of action hereunder.

IN WITNESS WHEREOF, Property Owner, Capital Provider, and County have executed this Agreement as of the date first written above by and through their duly authorized representatives.

[CAPITAL PROVIDER]

By: _____
Name:
Title:

[PROPERTY OWNER]

By: _____
Name:
Title:

COUNTY

By: _____
Name:
Title: Program Manager

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT B
CERTIFICATE OF LEVY AND LIEN OF C-PACE ASSESSMENT

At the request and with the consent of [Property Owner Name], a _____ [insert state of formation and type of entity] (the “Property Owner”; index as Grantor), the undersigned officer of the COUNTY OF FAIRFAX, VIRGINIA (the “County”; index as Grantee), acting pursuant to authority granted under the County’s Commercial Property Assessed Clean Energy Financing Program established pursuant to Section 15.2-958.3 of the Code of Virginia (the “C-PACE Act”) and Chapter 127 of the Fairfax County Code (the “Ordinance”), HEREBY, ON BEHALF OF [CAPITAL PROVIDER] (“Capital Provider”), LEVIES A SPECIAL ASSESSMENT AGAINST AND LIEN UPON certain real property commonly referred to as [Property address] and more particularly described in **Schedule I** to this Certificate (the “Property”), situated in the County and owned on the date hereof by Property Owner. This levy and lien shall secure the repayment of a C-PACE Loan made by Capital Provider to finance one or more Eligible Improvements under the Ordinance, disbursed pursuant to that certain C-PACE Loan Agreement between Property Owner and Capital Provider dated as of [date], as it may be amended pursuant to the Ordinance.

This levy and lien are made in accordance with, and subject to the provisions of, the C-PACE Act, the Ordinance and the C-PACE Loan Agreement and related documents. Upon the transfer or conveyance of the Property, each subsequent owner of the Property, by accepting title to the Property, assumes and agrees to perform all of the obligations and covenants set forth herein and in the C-PACE Agreement (the “C-PACE Agreement”) among Property Owner, Capital Provider, and County dated as of [date], and each other document referenced therein, including, without limitation, making the installment payments described below, from and after the date such owner acquires title to the Property. This levy and lien is based on the principal amount of the C-PACE Assessment of \$ _____, with interest thereon at a fixed rate equal to _____, calculated on a ____/____ basis, with equal installments of principal and interest due and payable in the amounts and at the times set forth in the amortization schedule attached as **Schedule II**, which shall control over any conflicting amounts set forth in the C-PACE Loan Agreement. In the event that any installment payment is not paid when it becomes due and payable, interest and penalties shall accrue upon the unpaid installment(s) at the lesser of (i) the rates and amounts provided for in the C-PACE Loan Agreement or (ii) the maximum annual rate permitted under law. At such time as the payments of this special assessment have been satisfied and paid in full, County shall file at the expense of the Property Owner a release of this Certificate in the land records of the County.

This Certificate constitutes a certificate of lien and is filed pursuant to the provisions of the C-PACE Act, the Ordinance, and the C-PACE Agreement to evidence a lien for the special assessment authorized thereby. Pursuant to the Act and the Ordinance, the lien shall have the same priority status as a lien for taxes of the County on real property. The Certificate and the levy and lien set forth herein shall run with the land and shall be binding upon Property Owner and its heirs, executors, administrators, successors, and assigns.

THE LIEN SET FORTH IN THIS CERTIFICATE SHALL NOT HAVE PRIORITY OVER ANY PREVIOUSLY RECORDED MORTGAGE OR DEED OF TRUST LIEN ON THE PROPERTY UNLESS A WRITTEN SUBORDINATION AGREEMENT IS EXECUTED BY THE HOLDER OF EACH EXISTING MORTGAGE OR DEED OF TRUST LIEN. EACH SUCH SUBORDINATION AGREEMENT IS ATTACHED HERETO AND MADE A PART HEREOF, OR HAS PREVIOUSLY BEEN RECORDED. By executing this Certificate, the undersigned officer is certifying that the County has received evidence from Property Owner that: (i) Property Owner is current on payments on loans secured by a mortgage or deed of trust lien on the property and on property tax payments, (ii) Property Owner is not insolvent or in bankruptcy proceedings, and (iii) Property Owner's title to the Property is not in dispute.

Dated at _____, Virginia this _____ day of _____, 20 .

Director, Fairfax County Department of
Tax Administration

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____ as Director, Fairfax County Department of Tax Administration, on behalf of the County of Fairfax.

Notary Public

My commission expires: _____
Notary registration no.: _____

[CAPITAL PROVIDER]

By: _____

Name:

Title:

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____ as _____, on behalf of the Capital Provider.

Notary Public

My commission expires: _____
Notary registration no.: _____

[PROPERTY OWNER]

By: _____
Name:
Title:

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____ [as _____, on behalf of the Property Owner].

Notary Public

My commission expires: _____
Notary registration no.: _____

Received for Record: _____, 20__ at _____ A.M./P.M.

Recorded in the Fairfax County Land Records at Book _____, Page _____

Clerk

SCHEDULE I
[PROPERTY DESCRIPTION]

SCHEDULE II
[C-PACE LOAN AMORTIZATION SCHEDULE]

EXHIBIT C
[PROJECT DESCRIPTION]

Appendix D: Disclosure of Risk

- Fairfax County and its Program Administrator do not provide legal advice and will not mediate any disputes between any participants in the Fairfax County C-PACE Program, including but not limited to, Borrowers of Eligible Properties and their tenants, Capital Providers, Registered Contractors, Project Developers, energy service companies, and utilities.
- In addition to other designated and implied responsibilities in the Fairfax County C-PACE Program, the Borrower is responsible for reviewing the terms, conditions, and obligations implied by the C-PACE Program Agreement, as well as the terms of the Financing Agreement or any other supplemental agreements with the Capital Provider and all agreements with Registered Contractors, Qualified Energy Professionals, and any other parties to the project.
- Borrowers should not rely on Program Administrator's approval of a Registered Contractor as assurance of the Registered Contractor's qualifications. Borrowers are responsible for conducting their own due diligence, including but not limited to consideration of professional licenses, finances, performance, and pricing, before selecting a contractor.
- Fairfax County and the Program Administrator do not provide any accounting advice regarding how a Borrower should treat the C-PACE Loan on their books and records.
- Fairfax County and the Program Administrator have the right to review all projects for eligibility and may approve Projects for C-PACE Loans according to the standards and criteria set forth in this Program Guide.
- Fairfax County and the Program Administrator retain ultimate discretion whether to approve C-PACE Loans and enter into a C-PACE Program Agreement to levy a C-PACE Lien against an Eligible Property.
- Fairfax County and the Program Administrator:
 - Do not endorse any particular Capital Provider, Registered Contractor, engineering/energy firm, manufacturer, product, or system design by this offering;
 - Are not responsible for any tax liability imposed on the recipient as a result of the payment;
 - MAKE NO REPRESENTATION OR WARRANTY, AND ASSUME NO LIABILITY WITH RESPECT TO THE QUALITY, SAFETY, PERFORMANCE, OR OTHER ASPECT OF ANY DESIGN, CONSULTING, PRODUCT, SYSTEM, EQUIPMENT, OR APPLIANCE INSTALLED OR RECEIVED AND EXPRESSLY DISCLAIM ANY SUCH REPRESENTATIONS, WARRANTIES, AND LIABILITY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Please contact your contractor for detailed manufacturer equipment warranties;
 - Do not guarantee that installation and operation of energy efficient equipment will result in reduced usage or in cost savings to a Borrower or any occupants of an Eligible Property;

- Are not responsible for the proper disposal/recycling of any waste generated as a result of any Project;
- Are not liable for any damages, including any incidental or consequential damages, arising out of the operation or malfunction of the products, equipment, or appliances, or the installation thereof related to a Project;
- Unless notified in writing, Program Administrator reserves the right to publicize participation in the Program;
- The Borrower is responsible for verification that qualified products, systems equipment or appliances were installed in the Project. However, upon a reasonable notice period, the Program Administrator reserves the right to conduct a separate site visit at its discretion.