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PACE Loan Group provides \$3.2 million in financing

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Providence, RI Rhode Island Infrastructure Bank (Infrastructure Bank) completed \$3.2 million in Commercial Property Assessed Clean Energy (C-PACE) program financing for energy efficiency elements being built into the new Eddy Street Self Storage facility located at 1117 Eddy St. The Infrastructure Bank also welcomes PACE Loan Group to the program and congratulates them on funding their first project in Rhode Island.

The 155,850 s/f warehouse and storage facility will incorporate high-efficiency heating, ventilating, and air-conditioning (HVAC) systems, LED lighting throughout the facility, and advanced lighting controls to optimize efficiency. These energy efficiency components will allow Eddy Street Self Storage to utilize 26% less energy than a baseline code compliant facility and will save the building nearly \$50,000 per year in energy costs. Greenhouse gas reduction associated with this greater efficiency is equivalent to the annual energy use of 421 homes.

“The Infrastructure Bank is pleased to help finance energy efficient components being built into Eddy Street Self Storage that will result in significant energy savings for the business, while also reducing greenhouse gas emissions,” said Jeffrey R. Diehl, CEO. “As commercial property developers look to make their buildings more energy efficient, C-PACE offers access to long-term, fixed rate funding for building upgrades that complements traditional construction finance and lowers the project’s cost of capital. C-PACE requires no out-of-pocket costs or personal guarantees. Repayment occurs via an assessment on the property and typically the energy cost savings from these upgrades outweigh the payment.”

Rafi Golberstein, co-founder and CEO of PACE Loan Group (PLG) remarked, “PLG helps developers complete their financing by leveraging our years of commercial real estate with an attractive equity alternative through our PACE loans. We’re thrilled to have this great project as our first PACE loan in Rhode Island and we found a great partner in Cogent that had the foresight to develop with energy efficiency as a project goal. With no upfront cost to developers, using PACE is a no-brainer when sustainability and energy efficiency is a goal.”

“Building energy efficiency into our new Eddy Street Self Storage facility has been a priority, and thanks to C-PACE, we’re able to finance these components that will result in significant energy cost savings,” said Ned Mahic, CEO of Cogent Capital Group, which is developing the facility. “We want to thank the team at PLG and the Infrastructure Bank for working with us to help make this project a reality.”