



October 2021

The Venue

Lansing building complex refinances with PACE while it replenishes occupants

The Venue, located in Lansing's East Town neighborhood on Michigan Avenue, is a mixed-use property featuring 42 apartment units with multiple commercial units on the ground floor. Built in 2018, The Venue quickly filled up with residential and commercial tenants, including a tattoo parlor, dojo, boxing and fitness studio, flowershop, and a coffee house.

However, due to the pandemic, the building began to lose tenants and general business. After learning about PACE, the property owners of The Venue refinanced the building's original energy appliances under more favorable terms that would increase their bottom line. By refinancing original energy installations with PACE, the property owners can now rebuild their capital reserves and upgrade The Venue's commercial space while it continues to add new tenants and resume building services at full occupancy.

The Venue marks the second PACE refinance project associated with the pandemic, further demonstrating the value of PACE as a real estate financing tool that not only helps commercial property owners and businesses realize future savings through building retrofits, but can also help them remain afloat during times of financial uncertainty.

✓ Project Quick Stats

Pace District: Ingham County

Property Owner: 2000 Block, LLC

PACE Contractor: G-Energy

PACE lender: PACE Loan Group

Amount Financed: \$1,500,000

Net Savings: \$1,600,025

Total Savings: \$3,100,025

Energy Conservation Measures:

- Building envelope and foundation
- Domestic hot water
- High efficiency water fixtures
- HVAC
- Windows

Project Term: 22 years

Impact: The PACE project at The Venue is expected to save over 6.5 million gallons of water, 10.5 kilowatt hours of electricity, and 7 thousand metric tons of CO2!

Lean & Green Michigan

Lean & Green Michigan™ helps commercial, industrial and multi-family property owners take advantage of PACE to finance energy projects, eliminate waste and save money through long-term financing solutions that make energy projects profitable. Lean & Green Michigan™ is a public-private partnership that works with local governments, contractors, property owners, and lenders to invigorate Michigan's PACE statute with a market-based approach to energy finance and economic development.

Project Partners



INGHAM COUNTY



PACE Financing

Commercial building owners spend \$200 billion per year on utilities, yet 30% of this is waste. The energy projects that could make these properties efficient often require significant up-front capital and take years to achieve profitability. Commercial loans typically have a tenor of 3-5 years, making the annual repayment greater than the energy savings. PACE changes all this by allowing property owners to finance energy efficiency and renewable energy projects via a property tax special assessment.

Ingham County's elected leaders created a countywide PACE district in April 2013 by joining the statewide Lean & Green Michigan PACE program. Since the County will enforce the PACE assessment just like any other property tax obligation, lenders feel secure in providing fixed-interest loans with terms of up to 25 years. The result is 100% up front financing to facilitate energy-saving projects. In addition, these projects create good jobs, and communities upgrade their building stock, increasing the local tax base over time.

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