



# Montgomery County Green Bank

## Commercial Loan for Energy Efficiency and Renewables (CLEER) Program Guide

---

The Montgomery County Green Bank is a publicly-chartered nonprofit corporation dedicated to accelerating affordable energy efficiency and clean energy investment in Montgomery County, MD. We partner with the private sector to build a more inclusively prosperous, resilient, sustainable, and healthy community. Our work supports Montgomery County's goal to reduce its greenhouse gas emissions.

This document describes these requirements and benefits for commercial financing offered by MC Green Bank, which includes programs for business, multifamily, and public sector projects.

Commercial Loan for Energy Efficiency and Renewables (CLEER) Program Guide .....	1
About CLEER.....	2
Benefits of CLEER .....	2
Financing Type, Amount, and Volume .....	2
Eligible Properties .....	2
Eligible Borrowers .....	3
Eligible Measures.....	3
CLEER Partners .....	4
Authorized Contractors .....	4
Partnering Lenders.....	4
CLEER Loan Terms.....	4
Interest Rates and Fees.....	4
Credit Enhancement .....	4
Summary of CLEER Terms .....	4

---

## About CLEER

CLEER provides loans tailored for commercial/industrial property owners, nonprofits, and multifamily or common ownership communities (e.g. condos) seeking to complete a clean energy or energy efficiency project.

### **Benefits of CLEER**

CLEER's objective is to provide financing with flexible loan terms that can be set to allow energy savings to offset the costs of financing improvements, *potentially making the project costs neutral or cash flow positive.*

Flexible loan terms help achieve neutral-to-positive cash flow by aligning loan payments with dollars saved from energy savings.

You can use the loan for:

- Any energy efficiency measures, including costs that utility incentives or other grants do not fully cover.
- Solar PV installations.
- To cover any costs associated with Building Tune-Ups.

Nonprofits may be eligible for reduced fees: Contact your lender to find out more.

### **Financing Type, Amount, and Volume**

CLEER has negotiated a financing product with partnering lenders to provide:

- Loan amounts from \$10,000 to \$250,000
- Up to 100% financing
- No lien on property (based on borrower's credit)
- Loan of up to 12 years
- Allowance of up to 30% of the loan amount that can go toward non-energy related aspects of the project.

### **Eligible Properties**

Properties must be located in the Pepco service area of Montgomery County, Maryland.

Qualifying properties include:

- Offices
- Retail spaces
- Manufacturing sites
- Warehouses
- Multifamily rentals
- Common ownership communities (e.g., condominiums, cooperatives and planned unit developments)

## ***Eligible Borrowers***

- Commercial property owners or tenants, condominiums or Planned Unit Developments (PUDs), homeowners' associations, or cooperative corporations
- For-profit entities
- Non-profit entities (Properties owned by nonprofits may be eligible for reduced fees)
- Tenants of commercial properties (May need the prior written consent of the property owner)

## ***Eligible Measures***

Loan proceeds can support a variety of energy efficiency measures, including all Pepco Energy Savings for Business Eligible Measures PLUS solar PV, Energy Storage, and HVAC (gas). CLEER also provides financing for the full scope of work, including improvements that go beyond those measures supported by utility incentives. Eligible measures include:

### Pepco Energy Savings Measures

All measures eligible for incentives through Pepco's Energy Savings for Business Program for Montgomery County, MD, are eligible for CLEER, including

[Chillers](#)

[Combined Heat and Power](#)

[Custom Projects](#)

[Full Building Tune-Up](#)

[HVAC Tune-Up](#)

[Kitchen-Refrigeration](#)

[Lighting Fixtures and Controls](#)

[LED Sign Lighting](#)

[Miscellaneous Energy Efficient Equipment](#)

[Monitoring-Based Commissioning](#)

[Operations and Maintenance Training](#)

[Packaged HVAC Units](#)

[Specialized Controls](#)

[Variable Frequency Drives](#)

### Solar Photovoltaic projects:

This includes stand-alone solar projects. With Solar PV, a Pepco Energy Savings Measure is not required, but energy efficiency is always encouraged.

### Other Energy Efficiency, Energy Storage, and HVAC gas measures:

Other clean energy measures can be included in the financing *only* when the scope of work also includes at least one Pepco Energy Savings Measure.

### Related non-energy improvements:

No more than 30% of the loan amount of the financed scope of work may be used for non-energy improvements.

### Retrofit, Renovation, and New Construction:

Retrofits and renovations (including new construction in conjunction with retrofit of existing property) qualify. 100% new construction projects are not eligible.

---

## **CLEER Partners**

### ***Authorized Contractors***

CLEER projects must be completed by authorized contractors. The MC Green Bank maintains a list of authorized contractors on its website ([www.mcgreenbank.org](http://www.mcgreenbank.org)).

### ***Partnering Lenders***

CLEER was created through a partnership with lenders who have worked closely with MC Green Bank to develop and offer the flexible terms that are unique to CLEER. Financing is available through our current lending partners:

#### **Ascentium Capital LLC**

Contact: Josh Patton, Vice President of Sales  
Email: [JoshPatton@AscentiumCapital.com](mailto:JoshPatton@AscentiumCapital.com)  
Phone: 281.902.1969

#### **Revere Bank**

Contact: Horacio Chacon, Senior Vice President of Commercial Banking  
Email: [Horacio.Chacon@RevereBank.com](mailto:Horacio.Chacon@RevereBank.com)  
Phone: 301.841.9583

---

## **CLEER Loan Terms**

### ***Interest Rates and Fees***

Rates vary by depending on the Partnering Lender and are based on several factors, including borrower's credit, size of loan, term, and market conditions.

Montgomery County Green Bank also collects a Program Fee of 2.99% plus a 0.05% origination fee that can and will be included in the loan amount. This fee helps maintain the program for the widest audience possible.

### ***Credit Enhancement***

Montgomery County Green Bank provides a loan loss reserve covering losses of partner lenders up to a pre-determined amount. The loan loss reserve enables the lender to provide lower interest rates and flexible financing for eligible clean energy projects.

---

## **Summary of CLEER Terms**

<b><u>Term</u></b>	<b><u>Description</u></b>
<b>Financing Amounts</b>	Minimum: \$10,000 Maximum: \$250,000; larger loans may be approved on a case-by-case basis
<b>Term</b>	24 to 144 months, depending upon the Participating Lender
<b>Financing Rates</b>	Rates vary by Participating Lender and are based on several factors, including borrower's credit, size of loan, term, and market conditions.
<b>Eligible Properties</b>	Commercial or industrial properties or businesses ("Commercial Properties"), rental apartment buildings of 5 or more units, and multifamily communities, which include condominiums, Planned Unit Developments ("PUDs") and cooperatives. Properties must be located in the Pepco service area of Montgomery County, MD.
<b>Eligible Borrowers</b>	Commercial Property owners or tenants, a condominium or PUD homeowners' association, or cooperative corporation ("Business Owner")  For-profit or non-profit entities are eligible. Tenants of Commercial Properties seeking to make Eligible Measures may be asked to obtain the prior written consent of the property owner.
<b>Eligible Energy Improvements</b>	Eligible Measures approved by Pepco under its Commercial and Industrial ("C&I") energy savings program, PLUS several other qualifying energy-related improvements including: energy storage, photovoltaic (PV), or HVAC natural gas, must comprise at least 70% of the cost of improvements being financed.  Additional improvements to the property that are related to the above improvements (such as water conservation, roofing improvements to support solar PV installation, insulation, and painting of the area where the energy improvements were installed) are allowed and may account for up to 30% of the cost of improvements financed.
<b>Scope Magnitude</b>	All energy efficiency projects must include at least one Pepco-approved Eligible Measure. Stand-alone Solar PV projects allowed. Retrofits and renovations (including new construction in conjunction with retrofit of existing property) qualify. 100% new construction projects are not eligible.
<b>Security / Recourse</b>	UCC-1 and other filings, including fixture filings, as required by the Partnering Lender. Corporate and personal guarantee requirements vary by Partnering Lender.
<b>Underwriting Criteria</b>	Please contact Participating Lenders for additional details on their specific underwriting criteria.