

Commercial PACE

Hospitality Case Study

Le Meridien Hotel | Arcadia, California

C-PACE Financing: \$42.5 million

Purpose: Refinance

Term: 30-Year Fixed

Eligible Items: Building envelope, lighting & electrical, mechanical, plumbing & water efficiency, elevators



Case Breakdown

THE DILEMMA

The Le Meridien Hotel had to secure more permanent financing with their construction loan's maturity date quickly approaching. Since the Covid-19 pandemic's effect on the hospitality industry left the hotel's future uncertain, traditional banks were not able to provide funding. The borrowers' only option was to settle for a short-term expensive bridge loan.

THE SOLUTION

Thanks to energy-efficient improvements featured in the property, Le Meridien met the eligibility requirements needed to qualify for C-PACE financing. Bayview PACE allowed the borrowers to refinance \$42 million at a low fixed rate over a 30-year term, giving them significantly more time to stabilize the property and fund the project on their terms.

THE RESULTS

Financing from Bayview C-PACE, a division of Silver Hill Funding, LLC, saved the owners a significant amount of money, during a time when equity is precious and leverage even more scarce. Le Meridien Hotel will join other commercial buildings across the country that are adopting energy-efficient methods to reduce carbon emissions, improve the efficiency and value of their properties, utilizing the flexible and low cost financing from Bayview PACE.

C-PACE Funding is primarily used for:

- ✓ New construction
- ✓ Renovation/Repositioning
- ✓ Mandated Building Upgrades (energy or seismic)

C-PACE Funding can also be used for:

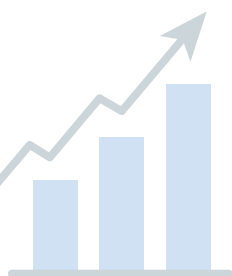
- ✓ Equity/Refinance
- ✓ Rescue Capital



The Bayview PACE Difference

- Consistently lower rates and fees
- Longer capitalized interest period
- Up to a 10-year interest-only period*
- PACE lookback of up to 10 years*
- Transactions from \$500,000 to over \$100MM
- Up to 40% LTV
- Structuring expertise across the capital stack based on billions of completed transactions

*may be limited by program availability



About Bayview PACE

Bayview PACE, a division of Silver Hill Funding, LLC, is on a mission to make innovative C-PACE financing accessible and profitable for commercial real estate owners and borrowers. With fixed-rate, non-recourse financing and competitive rate and term options available, Bayview PACE helps fund environmentally-efficient building upgrades in all participating states. Bayview PACE is a division of Silver Hill Funding, LLC, the proposed lender, and is an affiliate of Bayview Asset Management ("BAM"), an investment management firm focused on investments in mortgage and consumer credit, including whole loans, asset-backed securities, mortgage servicing rights, and other credit-related assets with ~\$15 billion AUM. Please visit www.bayviewpace.com.



Silver Hill Funding, LLC, its successor and/or assigns, pursuant or made under the applicable provisions of contractual agreements, is the proposed lender. Bayview PACE is a division of Silver Hill Funding, LLC.

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