



FE: *Is PACE a form of performance contracting?*

Maurer: Yes, it's under the umbrella of performance contracting. PACE is a financing mechanism for performance contracting. Traditionally, private institutions—privately held companies—they typically couldn't utilize the legislation to perform performance contracting, simply because they don't want to lease or the long-term obligation tied to them personally. The PACE financing model ties the loan to the particular building. So a building owner can do the improvements, and if they sell the property the loan stays with the building.

That's the major difference between PACE and other financing mechanisms. Private sector building owners could be doing performance contracting for last.