



PALM BEACH COUNTY PACE CONSUMER DISCLOSURE NOTICE

PURSUANT TO SECTION 6 OF THE PALM BEACH COUNTY PROPERTY ASSESSED CLEAN ENERGY (PACE) ORDINANCE

Ord. No. 2017 - 012, § 6, 4-4-17

The PACE or Property Assessed Clean Energy Program is authorized by statute and is used in Florida to finance energy efficiency improvements, renewable energy improvements and wind resistance improvements. PACE is privately financed and is NOT government subsidized. Before participating in the PACE program, please review the following information.

This project includes installation of _____ . These improvements and the PACE assessment may or may not affect the overall value of the property.

Is the PACE program free for me?

No. The PACE Program is **not** free. To participate in the program, you must qualify for the PACE funds that finance the improvements. **You owe the amount of the PACE lien plus interest.** The term of this financing shall not exceed the useful life of the improvements made to your property. The PACE assessment will be collected in the same manner as real estate taxes. This PACE assessment will appear on the property owner’s tax bill. Failure to pay the PACE assessment may cause a tax certificate to be issued against the property, and **failure of payment thereof may result in the loss of property subject to the PACE assessment, including homestead property, in the same manner as failure to pay property taxes.** When the assessment is paid off in full, the lien will be removed, and you will no longer see this line item on your property tax bill.

Financial Disclosures:

Financed Amount The amount of money financed.		
Number of Years Financed <i>The number of years that payments will be added to the property tax bill. Does not exceed the useful life of the improvements.</i>		
Total you will have paid (Total amount of the debt) <i>Total estimated amount you will pay including the financed amount (product cost + upfront costs), interest (fixed interest rate, capitalized interest and effective rate of the interest charged APR), and administrative fees. Final amount may differ based on actual close date.</i>		
Fixed Simple Interest Rate The unchanging rate charged on the financed amount.		
Capitalized Interest Interest that is added to financed amount, increasing both the balance and the eventual interest due.		
Effective rate of interest charged (APR) Interest rate on the financed amount restated from the nominal interest rate and expressed as the equivalent interest rate if compound interest was payable annually in arrears.		
Estimated Fees and Annual Fees Include but not limited to up-front fees - typically based on a percentage of project costs, administration, project, and assessment fees		
Estimated Annual Payment Amount may vary based on <i>Special Assessment Payment and administration fee. Final amount may differ based on close date.</i>		
Estimated First Payment (First Tax Year) First year payment may be higher due to timing of financing and assessment added to the property tax bill.		
Current Value of Outstanding Mortgage(s) Total mortgage amount remaining.	Property Value Property Value as assessed by the Property Value.	
Mortgage cannot exceed 90% of Market value. Mortgage /Market Value PBC Ordinance Section 7.(2)(f)	PACE lien cannot exceed 20% of market value. Financed Amount / Market Value PBC Ordinance Section 7.(2)(a)	Mortgage and PACE lien cannot exceed market value. (Mortgage +Pace lien) / Market Value PBC Ordinance Section 7.(2)(a)
See Section _____ on Page _____ of the Financing Agreement for the repayment process, terms, amounts, and a schedule that fully amortizes the amount financed including estimated annual PACE assessment.		

Are there requirements that I need to meet for the financing?

Yes. State law requires that to be able to receive a PACE financing you must have paid all your property taxes and not have been delinquent for the last 3 years, that there are no involuntary liens on your home and no notices of default, and that you are current on your mortgage. Under State law, the PACE Program is **not** required to look at whether your family budget can afford the additional payments on your property tax bill.

Do I repay the PACE funds monthly?

Maybe. The PACE Program funds are paid with your property tax assessment. If you do not have a mortgage, you will pay annually at the same time your property tax bill is due. If you have a mortgage, your lender may include the property taxes in your monthly payment. If so, your monthly mortgage payment will increase accordingly. However, your mortgage lender will typically not make the adjustment until they receive the first tax bill with the assessment therefore, during the first year of the assessment, your escrow payments may increase significantly.

Do I pay interest for the financing?

Yes. PACE Programs charge **interest** over the repayment term you selected (up to 30 years). PACE Programs are only allowed to charge **fixed interest** rates, and variable or negative amortization financing terms are not permitted. Please review the Financing Estimate to see the interest rate applicable to your PACE assessment, which may be higher than other financing options available to you. Before agreeing to a PACE assessment, you should ask about any low interest loans available, like utility sponsored programs, federal weatherization programs or a lower rate loan at your bank or credit union with a second mortgage or a home equity line of credit.

Are there other costs?

Yes. PACE Program assessments also charge borrowers an up-front fee, typically based on a percentage of project costs, and may also include administration, project, and assessment fees as part of the annual payment, which is payable each year during the repayment term you selected. Please review the Financing Estimate to see the fees applicable to your PACE assessment.

Do I have any recourse if I am not happy with the improvements?

Maybe. A licensed contractor must do all PACE Program improvements requiring a license under applicable law. However, your recourse against the contractor if you are not happy with the improvements may be limited by the nature of the PACE Program financing. That is why it is important to carefully select the contractor and read all paperwork carefully.

For energy improvements, does the contractor have to give me an energy audit?

No. In general, an energy audit is not required to verify energy savings for improvements to your home financed through PACE. Any figures on energy savings given to you by a contractor should be independently verified by you.

Could I lose my property if I have trouble making the increased tax payment?

Yes. If you default on your PACE financing obligations by failing to pay your property taxes, a tax certificate will be sold on the property. After two years of an unpaid tax certificate, your home could be forcibly sold through the Tax Deed Application process.

Can I refinance my home while I still am making payments to the PACE Program?

Maybe. PACE Program liens may impede your ability to refinance your home loan or to receive a home loan modification because some lenders will not want to enter into new loan terms while a PACE Program lien is assessed against your home. You may be required to prepay the PACE assessment in full as a requirement to refinancing.

Can I sell my home before I have paid off the PACE Program lien?

Yes. The PACE Program lien is automatically transferred to the buyer when you sell your home. But Fannie Mae, Freddie Mac and the Federal Housing Administration the Department of Veterans Affairs may not insure mortgages

with PACE assessments. Other lenders are not required to accept PACE Program liens. As a result, you may be required to prepay the PACE assessment in full as a requirement to selling your home.

Can I make additional, non-scheduled payments to reduce the balance or payoff the assessment?

Maybe. You should inquire with the PACE agency/authority/district about making additional payments or paying off your balance early. You do have the right of pre-payment without penalty, however, PACE agencies/authorities/districts, may have extra requirements before they accept an additional payment.

Can I cancel my PACE financing agreement?

Maybe. The property owner is guaranteed a **three-day** right to cancel the financing with the PACE agencies/authorities/districts. ***The property owner must consult the contractor's contract to cancel the project.***
Florida Statute 520.72 Cancellation of contract: "Every home improvement finance seller or home improvement seller shall furnish to the buyer a notice of the right to rescind the contract. Either party to a home improvement contract may cancel the contract by the exercise of the right to rescind until midnight of the third business day following the execution of the contract by giving notice to the other party by either certified mail or registered mail. The party invoking this section is not liable to the other for any damages incurred by cancellation under this section."

It is important that you protect yourself and your property so take your time before you sign. Ask for printed copy of all documents and read any documentation relating to the PACE financing BEFORE YOU ALLOW ANYONE TO WORK ON YOUR HOME. Make sure you understand the terms before you sign. Shop around and ask about other contractors that you may be able to use. PACE providers have a variety of contractors with varying interest rates.

Completed by Property Owner

I have read the above and I understand the information provided to me. I also understand there are other financing options possibly available. I also acknowledge there are other PACE contractors I may choose from. Please initial one of the following:

1. I _____ (Property Owner(s)) attest that I have disclosed that I **have** entered into a *previous* PACE assessment at this property and **seek to add an additional assessment** which will not exceed the statutory requirements of the PACE program for this project.

OR

2. I _____ (Property Owner(s)) attest that I have not previously undertaken another PACE assessment or entered into a PACE Financing Agreement at this property and that I am not currently in the process of entering into a PACE Financing Agreement with another PACE provider.

Only complete for Emergency Situations to Stabilize Property

3. I _____ (Property Owner(s)) attest that this is an emergency repair or replacement of a furnace, air conditioner, boiler, mini split, or other system that regulates the temperature of my home. This also indicates that I have waived the three-day rescission period of this contract.

You will receive a call from the Palm Beach County Tax Collector's PACE Consumer Advocate to review the information on this form before the assessment is processed. Please indicate the best times to reach you by phone between 8am and 5pm on Mondays through Fridays on the line below.

The best days and times to reach me are: _____ at phone # _____

CONTACT INFO

Palm Beach County Office of Resilience
Phone: 561-233-2400
Email: ResilientPBC@pbcgov.org
Web:
discover.pbcgov.org/resilience/Pages/PACE.aspx

Constitutional Tax Collector for Palm Beach County
Phone: 561-355-1126
Email: PACE@pbctax.com
Web: pbctax.com/pace
Mail: Tax Collector's Office, Attn: Excellence
P.O. Box 3715, West Palm Beach, FL 33402

Prior to execution of Financing Agreement, please email/mail a copy of the completed form to PACE@pbctax.com

For Property Owner	
I have reviewed the PALM BEACH COUNTY PACE CONSUMER DISCLOSURE NOTICE.	
Property Owner Signature	Date
Property Owner Print Full Legal Name	
Phone Number ()	Email
Physical Address	
Parcel Number	

For Contractor or PACE Representative	
I have reviewed the PALM BEACH COUNTY PACE CONSUMER DISCLOSURE NOTICE with the property owner.	
Approved PACE Contractor Name:	
Approved PACE Contractor Phone Number: ()	
PACE Contractor Representative Signature:	Date
PACE Program:	
PACE Program Representative Signature:	Date

For Use by the Palm Beach County Tax Collector only	
Tax Collector Representative name	
Tax Collector Representative Signature	Date
<input type="checkbox"/> Meets statutory/ordinance requirements	<input type="checkbox"/> Does not meet statutory/ordinance requirements (see attached)