

CASE STUDY: MADISON EQUITIES

Petros PACE Finance Helps Madison Equities Cut Energy & Operating Costs by 40%

Project Highlights

Project 1



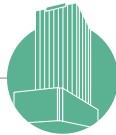
375 Jackson
237,819 SF
Built in 1981

Project 2



First National Bank Building
662,845 SF
Built in 1914

Project 3



US Bank Center
379,295 SF
Built in 1973

Location of Properties: St. Paul, Minnesota

THE CLIENT

Madison Equities, Inc. is a private real estate company that has interests in office, retail investments and hospitality in St. Paul and Ramsey County. The Company's focus is to acquire, manage, and lease its investments internally, with its own staff. Madison Equities is one of the largest office owners in Ramsey County and owns multiple properties across Minnesota.

THE CHALLENGE

Madison Equities needed to make upgrades to three of its premier properties. These properties all had costly and out of date mechanical systems approaching the end of their useful life and causing an increase in operating and energy costs.

THE NEEDS

- HVAC upgrades with controls
- Variable frequency drives
- Efficient lighting with controls
- Air handling units
- Chillers and boilers

THE SOLUTION

C-PACE financing enabled comprehensive improvements, ensuring that all three buildings would be energy efficient for the long term, and requiring no out-of-pocket costs for Madison Equities.

THE RESULTS

- Upgrades energy and operating costs by 40% for each building.
- Energy savings are enough to power 1,235 residential homes.
- Efficient building design minimized future utility expenses.
- The improvements modernized the facility, making it more attractive to tenants and buyers.

THE PARTNERS

Xcel Energy
St. Paul Port Authority
Minnesota Control Solutions

\$1.4 Million
Annual Savings

\$10.2 Million
C-PACE Loan

\$27.6 Million
Cumulative Savings



“When we purchased this historical property last year, it was clear that we could make this class-A building substantially more energy-efficient. We feel a great responsibility to preserve the integrity of this landmark. Working with St. Paul Port Authority and Petros PACE Finance made this extensive revitalization undertaking a manageable process.”

– *Jim Crockarell, Principal of Madison Equities*

BENEFITS OF PETROS C-PACE FINANCING



100% financing of hard and soft costs with no out-of-pocket



Increases net operating income and property value



Fixed-rate financing with up to 30-year terms



Ability to recover as an operating expense



Decreases utility and maintenance costs



Displaces higher cost mezzanine and equity capital

WHY PETROS PACE FINANCE?

Expertise

Our leadership team’s 100+ years of combined experience in C-PACE, monetizing tax credits, and commercial lending means certainty of close for our clients.

Execution

We’ve earned the trust of our clients because we break barriers and execute efficiently. We’re defining the future of C-PACE every day.

Scalability

We’re growing quickly and we’re taking our clients with us. With billions in committed capital, we can provide C-PACE financing ranging from \$500,000 to \$200 million or more.

Sustainability

We use private funds from committed institutional investors to promote environmental sustainability and economic development.

For more information on our projects, visit our website at www.petros-pace.com

PHONE: 512.599.9038 | EMAIL: info@petrospartners.com