

ATTACHMENT 2: Lien or Other Obligation Holder
Consent to C-PACER Assessment and Lien; Notice

Property/Loan Information

Eligible Property Address:

Parcel Number:

Lien or Other Obligation Holder NAME:

Loan Number:

This Lien or Other Obligation Holder Consent to C-PACER Assessment and Lien (this "Consent") is given by the undersigned entity (the "Holder") with respect to the above-referenced C-PACER Assessment and Lien and property ("Property") in relation to the Snohomish County C-PACER program (the "Program").

RECITALS

A. The Holder is in receipt of written notice ("the Notice") from the owner of the Property ("Property Owner") that it intends to finance the installation on the Property of certain Qualified Improvements according to Chapter 36.165 of the Revised Code of Washington (RCW) and chapter 2.900 of the Snohomish County Code (SCC) that will be permanent improvements affixed to the Property and that will be financed by participating in the Program.

B. The Holder understands that, as a result of the Property Owner's participation in the Program, which will involve an Assessment Agreement between Snohomish County and the Property Owner, and a Financing Agreement between the Property Owner and [REDACTED] (the "C-PACER Capital Provider"), that the C-PACER Assessment and Lien against the Property, as described in those documents (the "C-PACER Assessment"), will be levied on the Property, and that the C-PACER lien against the Property is a first and prior lien, second only to a lien for taxes imposed by the state, a local government, or a junior taxing district against the real property on which the C-PACER lien is imposed, from the date on which the notice of the C-PACER lien is recorded until the C-PACER Assessment, including any interest, penalties, and charges accrued or accruing under the terms of the Financing Agreement are paid in full.

C. The Property Owner has agreed in a manner acceptable to the Holder to uphold and pay on a timely basis both the existing obligations to the Holder which are secured by the Property and the proposed C-PACER Assessment payments.

D. The Holder consents to the Property's participation in the C-PACER program and that the C-PACER lien will take precedence over all other liens except for a lien for taxes as described in paragraph B and RCW 36.165.060.

CONSENT AND ACKNOWLEDGEMENT

The undersigned hereby represents that it is authorized to execute this Consent and Acknowledgement on behalf of the Holder. The Holder hereby:

- (i) Confirms it received the Notice.
- (ii) Consents to the Property’s participation in the Program.
- (iii) Agrees the C-PACER lien will take precedence over all other liens except for a lien for taxes as described in RCW 36.165.060.

The Holder hereby acknowledges that the Property Owner, the County, the C-PACER Capital Provider and the County’s designated C-PACER Program Administrator will rely on the representations and acknowledgements of the Holder set forth in this Consent and Acknowledgement. The Recitals are integrated into and made a part of this Consent and Acknowledgment.

Holder:

By:

Signature:

Title:

Date:

In witness whereof, _____ has caused its name to be signed this _____ day of

_____, _____.

By: _____

**Notice of Proposed C-PACER Assessment and
Request for Consent of Lien or Other Obligation Holder to C-PACER Assessment and C-PACER
Lien**

Notice Date:

Lien or Other Obligation Holder:

Street:

City/State/Zip Code:

ATTN:

Property/Loan Information:

Address: ("The Property")

Loan Number:

Why has the Financial Institution received this notice?

The Property Owner listed below owns the subject Property. Your Financial Institution holds a lien, mortgage or security interest or other secured encumbrance on the Property.

[Property Owner] (the "Property Owner") wishes to install energy efficiency, water conservation, renewable energy, and/or resiliency improvements to the property using Commercial Property Assessed Clean Energy and Resiliency (C-PACER) financing, known as the "C-PACER" program. The Property Owner requests your consent for the property to participate in the program.

Background on C-PACER in Washington

Washington statute (chapter 36.165 RCW) (the "C-PACER Act") authorizes Washington counties to establish a C-PACER program in their communities. Capitalized terms used herein, but not defined herein, have the meaning given to such terms in the C-PACER Act.

C-PACER financing helps stimulate local economies by allowing owners of agricultural, commercial, and industrial and multi-family properties with 5 or more dwelling units to obtain low-cost, long-term financing for energy efficiency, renewable energy, and water conservation and resiliency projects. Snohomish County, where the subject property is located, established a C-PACER program within its jurisdiction under chapter 2.900 of the Snohomish County Code (SCC) for qualifying property owners.

Through the C-PACER program, the financing for qualifying projects is provided by a private Capital Provider, and the principal amount is recorded by Snohomish County as a voluntary assessment and lien ("the C-PACER lien") on the Property. The annual assessment payments relating to that lien is repaid to, and collected by, the private Capital Provider, which Capital Provider has the responsibility of administering the Property Owner's C-PACER obligation. Assessments have long been used to pay for improvements to real property that meet a public policy objective, such as sidewalks, parks, lighting districts, and water and sewer projects. Like other assessments, the C-PACER obligations remain with a property upon its sale, until the financing is fully repaid, at which point the C-PACER lien and assessment are retired.

Under chapter 36.165 RCW, once consent from pre-existing lien holders and, if applicable, the holders of certain other obligations, on a property is given, an assessment can be imposed, and a C-PACER lien can be filed. Once filed, that lien, like other government-imposed liens, moves into a superior position above other obligations, except for property taxes and other qualifying government obligations.

To qualify for C-PACER financing, the proposed project must meet the following basic criteria:

- The property is located in Snohomish County, Washington, a county that has passed a resolution authorizing a C-PACER program;
- The property is an agricultural, commercial, or industrial property, or multi-family property of 5 or more dwelling units;
- The proposed measures reduce energy consumption, reduce water consumption, increase the production of on-site renewable energy, reduce lead in potable water, and/or increase the resiliency of the property, as defined in the C-PACER Act;
- The proposed measures are permanent improvements affixed to the property; and
- The Property Owner receives consent of the current mortgage/lien holder(s) and the holders of certain other obligations as described in RCW 36.165.070 and SCC 2.900.040.

What should your Financial Institution know?

Property Owner has indicated its intention to apply for C-PACER financing for improvements on the Property. The C-PACER financing will be levied on the Property pursuant to an Assessment Agreement between the Property Owner and the County, and the amount of the C-PACER financing will be determined by a Financing Agreement between the Property Owner and the private Capital Provider. The C-PACER financing terms will consist of:

Total cost of improvements:	
Total C-PACER financing requested (+/- 5%):	
Annual interest rate not to exceed:	
Term of repayment:	
Total estimated annual C-PACER Payments:	
# Payments per year:	

As required by the C-PACER Act, Property Owner is sending this Request for Consent of Lien or Other Obligation Holder to the creation of a C-PACER Assessment and Lien to:

- i. provide notice of Property Owner’s proposed participation of the Property in the program and receive consent from you that the Property may participate in the program and that the C-PACER lien will take precedence over all other liens except for a lien for taxes as described in RCW 36.165.060;
- ii. request confirmation from your Financial Institution (a current mortgage/lien or other obligation holder) that the levy of the C-PACER payments will not trigger a default nor the exercise of any remedies under your current lien or other encumbrance relating to the Property;

- iii. provide notice that, due to the requirements under the C-PACER Act and the County's Assessment Agreement with the Property Owner, the C-PACER private Capital Provider financing payments will be collected in installments consistent with RCW 36.165.060; and
- iv. declare the Property Owner's agreement to uphold and pay on a timely basis both the existing obligations to your Financial Institution which are secured by the Property and the proposed C-PACER installments.

Execution and Return of Consent. The Property Owner would appreciate your executing the attached Consent Form for the Snohomish County C-PACER program and returning it to the undersigned at your earliest convenience.

Sincerely,

BY: (signature): _____

PROPERTY OWNER NAME:

MAILING ADDRESS (if different than Property address):