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Hatchery Road Apartments

Greenworks Lending and Oakland Co. Complete First MI PACE Deals

The PACE project on Hatchery Road is modest in terms of dollars, but a transformative opportunity for a small apartment building in Waterford Township. Trademark Building Co. Inc. took over the building in poor condition, with most equipment nearing the end of its lifespan. PACE financing allowed Trademark to make myriad efficiency improvements, including heating, cooling, interior and exterior lighting, and water systems, without writing a big check up front.

“This program allowed me to update the building, give the tenants a better life, lower utility bills, and reduce our impact on the environment,” said Trademark owner Tony McGukin. “We’ve changed the culture of the building for the residents by making these improvements.”

The Hatchery PACE project is also historic: it is the first completed with Oakland County government and the first project in Michigan for Greenworks Lending, a national leader in PACE financing that is active in a half dozen other states and has ambitious growth plans in the Great Lakes State.

✓ Project Quick Stats

PACE District: Oakland County

Property Owner: Trademark Building Co. Inc.

PACE lender: Greenworks Lending

Amount Financed: \$135,626.69

Total Savings: \$175,680

Energy Conservation Measures:

- Interior and exterior LED lights
- New furnaces, air conditioning systems, and insulation
- Efficient toilets
- Low-flow shower heads and other water fixtures
- Water heating

Project Term: 20 years

Lean & Green Michigan

Lean & Green Michigan™ helps commercial, industrial and multi-family property owners take advantage of PACE to finance energy projects, eliminate waste and save money through long-term financing solutions that make energy projects profitable. Lean & Green Michigan™ is a public-private partnership that works with local governments, contractors, property owners, and lenders to invigorate Michigan's PACE statute with a market-based approach to energy finance and economic development.

Project Partners



PACE Financing

Commercial building owners spend \$200 billion per year on utilities, yet 30% of this is waste. The energy projects that could make these properties efficient often require significant up-front capital and take years to achieve profitability. Commercial loans typically have a tenor of 3-5 years, making the annual repayment greater than the energy savings. PACE changes all this by allowing property owners to finance energy efficiency and renewable energy projects via a property tax special assessment.

Oakland County's elected leaders created a countywide PACE district in by joining the statewide Lean & Green Michigan PACE program. Since the County will enforce the PACE assessment just like any other property tax obligation, lenders feel secure in providing fixed-interest loans with terms of up to 25 years. The result is 100% up front financing to facilitate energy-saving projects. In addition, these projects create good jobs, and communities upgrade their building stock, increasing the local tax base over time.

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