



Liquid Web (Hillcorp Properties)

MI's first data center PACE deal improves Liquid Web

Eaton County is now home to Michigan's first data center that has utilized PACE financing for energy efficiency upgrades!

Hillcorp Properties and Liquid Web have long been important members of the Eaton County corporate community, and now they have become the third PACE project financed in Eaton County, making it one of the most active jurisdictions within the Michigan PACE market.

While many data centers appear to be traditional commercial properties, they use an exceptionally high volume of energy. One key challenge of data centers results from the need to keep equipment and servers cool. Under a \$3.69 million PACE project, Hillcorp Properties and Liquid Web will be installing new energy efficient air conditioners. These will create an immediate return on investment through extensive energy savings. An added benefit is that these energy efficient air conditioners will protect the equipment from deterioration over time by preventing overheating.

July 2018

✓ Project Quick Stats

PACE District: Eaton County

Property Owner: Hillcorp Properties, LLC

PACE Contractor: Keen Technical Solutions

PACE lender: Structured Finance Associates

Amount Financed: \$3,690,000

Net Savings: \$1,156,059

Energy Conservation Measures:

- 20 Units - Vertiv DA165 Computer Room Air Condition w/EconoPhase pump system and Aircooled Micro channel condenser
- 4 Units - Vertiv DAO85 Computer Room Air Condition w/EconoPhase pump system and Aircooled Micro channel condenser

Project Term: 20 years

Impact: The project will result in the data center using a thermal management system that economizes energy use while protecting against outside air contamination and reducing system wear and tear.

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.

Eaton County's elected leaders created a countywide PACE district in September 2014 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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