CASE STUDY:
LATROBE BUILDING
C-PACE AS A CRITICAL COMPONENT OF CAPITAL STACK IN HISTORICAL RETROFIT

PROJECT OVERVIEW
PROPERTY TYPE:
Class B/C Office Building to Hospitality

INSTALLED MEASURES:
New automated building and HVAC controls, high efficiency lighting improvements, water heating improvements, climate control appliances, and other controls and improvements that reduce energy and water use.

THE CHALLENGE:
In June 2017, Ash NYC acquired the historical Latrobe Building with the intent to retrofit the Class B/C office building to hospitality. In order to finance this significant transformation and ensure the efficiency of the building’s operations, ASH NYC needed a diverse, multi-layered capital stack to improve cash-flow and short-term realized ROI.

THE SOLUTION:
ASH NYC used more than $3.9 million of a $29.2 million capital stack to finance C-PACE eligible improvements. These improvements will make the building more efficient while also providing a high degree of customer comfort; not only does this demonstrate ASH NYC’s commitment to improving underperforming properties, it also indicates the advantages that C-PACE financing has over traditional capital, such as having an extended loan term, being non-recourse debt, and being repaid with savings from the improvements. The $3.9 million of C-PACE financing is predicted to have a savings to investment ratio of 1.19.

ABOUT MD-PACE
MD-PACE is a statewide partnership between PACE Financial Servicing and the Maryland Clean Energy Center to build a statewide commercial Property Assessed Clean Energy (C-PACE) program.

To learn more about MD PACE:
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