PACE –SELF LENDING PROGRAMS
TABLE OF COMPARISON

Component	SELF	PACE*
Voluntary or Mandatory	Voluntary	Voluntary
Organizational tax status	Non-profit	Local government special district (PACE District) formed pursuant to Section 163.01, F.S.
Financing mechanism	Fixed-rate installment personal loan	Non-ad valorem assessment collected on property tax bill.
Collection Process	SELF underwrites, services, and collects all loan payments	Assessment paid as a part of the annual tax bill; collected by local tax collector pursuant to state law.
Repercussions for Failure to Repay Financing	Credit Score reduced No risk of property loss *SELF absorbs loss with loan loss reserve.	Penalties, interest, sale of a tax certificate on the property, and **possible loss of the property** pursuant to State law.
Regulations	U.S. Treasury CDFI Fund (Federal)	Federal, State, and Counties
Local Government Approval Required to Operate	No	Yes
Mandatory Reporting	To United States Treasury Department	To Counties/Cities where they operate*
LMI Legal Requirements	Minimum of 60% of loans must be with low to moderate income (LMI) residents	None
Demographic Focus	Low- and Moderate-Income (LMI) homeowners	None
Sector Focus	Residential Affordable housing and multifamily	Residential and Commercial
Funding Source	Public & Private sources.	Private sources.

Financing mechanism security	Unsecured personal loans	• Secured tax assessment backed by equity in the home or business
Permissible Improvements	• Energy conservation and efficiency • Renewable energy • Wind resistance • Water conservation • Water quality (including septic tank to sewer conversions) • Disability accommodation	• Energy conservation and efficiency • Renewable energy • Wind resistance

Lending Term	Up to 10 years *Typically, 5-7 years	Up to 25 years for renewable energy projects; term is based on the estimated useful life of the equipment
Financing Primarily Considers	Ability to repay including income, recent credit history, Mortgage payment history and other factors. Credit and income are NOT a determining factor but are considered.	• Equity in property • Mortgage payment history, • Property tax payment history • Property lien history
Payment Frequency	Monthly	• Annual or quarterly
Prepayment Penalty	No	• Most agreements have pre-payment penalties of 5- 10%. • Varies by program
Credit Rebuilding	• Provides credit rebuilding educational seminars; • Provides reports to credit bureau to help participants rebuild credit	Does not have credit rebuilding
Refinancing Option	Yes. Can provide an alternative payment plan if clients fall behind.	Available on residential & commercial projects.
Client Interaction	Loan officer engages client, closes loan, and oversees contractor and project	Contractor engages client or client contacts PACE program Administrator and is referred to contractors
Project Management	• Client will select contractor from approved contractor list. • SELF reviews pricing to prevent price gouging/ • SELF staff **works with client** and contractors during construction, and pays contractors directly. • Contractor is not paid until project complete and compliance documents have been submitted • Loan officer manages any issues with contractor or project.	• PACE program administrator approves via online and disburses funds to property owner or may, in some cases, directly disburse to contractor upon client signing-off on completion.
Transfer of financing	None. This is a personal loan.	Assessment runs with property; at time of sale, ownership of property improvements transfers to new owner as do tax bill payments. Some financial institutions (lenders) including Fannie Mae and Freddy Mac may require full payment of assessment at time of property sale.
Contractors	Recruited, pre-screened, and approved by SELF	Varies by provider. In general, contractor must be approved by PACE Administrator

* PACE programs may differ slightly depending on administrators.