



PACE financing plays an important role in the redevelopment of the historic 510 Collective in downtown Waco, Texas.

THE PROBLEM:

Beautiful historic downtown buildings are vacant or underutilized across Texas because the expense of bringing them back to life has been insurmountable without PACE financing. The iconic buildings at 510, 514 and 518 Austin Avenue in downtown Waco have been home to the historic Strand Theater, various banking institutions, and other tenants since the late 1800’s. Having evolved and expanded over the years, the buildings were consolidated into an inefficient building in both layout and energy usage, resulting in hot and cold spots, humidity issues, water leaks, inconsistent light levels, an inability to properly control the HVAC and lighting systems, and resultant high utility cost.

THE PACE SOLUTION:

Use of the McLennan County PACE program enabled the developer to transform the three buildings into an attractive and efficient office property rebranded as the 510 Collective. Property owner Steve Sorrells says, “our building will provide class A multi-tenant office space located at the center of Waco’s town square. While preserving many of the historic elements of the historic Citizen’s Bank and Strand Theater, it will also provide a contemporary and highly efficient office center for Waco’s central business district for the next one hundred years.”

PACE financing provided by Petros PACE Financing enabled the replacement of the antiquated chiller with a modern HVAC system, the installation of all LED lighting, the addition of building controls and automation, upgrades to high efficiency plumbing fixtures, the addition of roof insulation and new TPO roofing, and the installation of new energy efficient windows.

These energy efficiency and water conservation upgrades improved tenant comfort, indoor air quality, lighting levels and working conditions, as well as reduced operating expenses, and facilitated more predictable budgeting for the property owner.

COMMUNITY IMPACT:

“TFNB is excited to partner with the Texas PACE Authority to bring life to a historic part of downtown Waco. The 510 Collective project sat mostly empty for a number of years until Sorrells Development Co. approached the bank with their vision to give it new life. This project will transform the former bank and adjacent building into office space in the heart of downtown Waco. Not only is the project restoring an iconic building, but it is also creating jobs and serving as a catalyst for future development. By working with Petros PACE Financing and the Texas PACE Authority, the financing for this project was a seamless transaction,” notes Travis Kemp, Senior Vice President/Chief Credit Officer, TFNB Your Bank for Life.

PROJECT OVERVIEW

PROJECT FINANCING

Total Assessment: \$2,442,814.92
Term: 25 years

PROJECT PARTNERS

Petros PACE Finance
McLennan County
TFNB Your Bank for Life

IMPACT

Clean energy jobs created: 31
Total anticipated annual electric energy savings: 327,162 kWh/year
Total anticipated natural gas savings: 664 mmbtu/year
Total anticipated water savings: 1,469,000 Gal/year
Annual avoided CO²: 205 tonnes/year

BUILDING DETAILS

Building Size: 56,419 SF (as combined)
Year Built: late 1800s

IMPROVEMENTS

- HVAC, LED Lighting, Building Envelope and Controls, Elevator, Plumbing

PACE IN TEXAS

Texas PACE answers the question, “How are we going to pay for it?” and is transforming how developers, owners, and contractors look at projects, proving that there is a clear path forward for energy efficiency, distributed generation, water use reduction, and resiliency projects in existing buildings.

FOR MORE INFORMATION CONTACT

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www.texaspaceauthority.org

HOW DOES TX-PACE WORK?

Texas Property Assessed Clean Energy (TX-PACE) is an innovative financing program that offers commercial, industrial, and large multifamily property owners an opportunity to participate in a voluntary program to obtain up to 100% financing for water conservation, energy-efficiency, and distributed generation retrofits. TX-PACE has great potential to directly affect a business' bottom line; a project's savings in utility costs offsets the cost of installing the project. In most instances, this will result in an immediate positive cash flow.



MCLENNAN COUNTY

McLennan County established its PACE program in November 2018 to provide property owners with a market based flexible option for financing clean energy projects. The program allows them to do business with the parties of their choosing at the lowest possible cost and includes a high level of consumer protection to ensure that projects deliver the anticipated savings. McLennan County's program is based on the PACE in a Box model program created by more than 130 volunteer stakeholders. TX-PACE is one of McLennan County's economic development incentives to promote business expansion, retention, and redevelopment in the region.

www.texaspaceauthority.org/mclennan-county



TEXAS PACE AUTHORITY

Texas PACE Authority (TPA) is a nonprofit organization that administers the Texas PACE statute on behalf of local governments by taking a market-based approach to energy finance and economic development. TPA works with all parties – property owners, contractors, and lenders to bring energy and water improvements that are both economically sound and environmentally friendly.

www.texaspaceauthority.org



PETROS PACE FINANCE, LLC

Petros PACE Finance, LLC is the first specialty finance firm in the U.S. to dedicate all its resources to the commercial PACE market nationwide. The principals of Petros PACE Finance have substantial experience in structured finance and lending and bring significant value to all parties involved in the transactions in which they participate.

www.petros-pace.com



Your Bank for Life

TFNB YOUR BANK FOR LIFE

TFNB Your Bank For Life, founded in 1889, continues to deliberately and thoughtfully expand our footprint within Waco and Central Texas in order to provide true community-banking services to more individuals and businesses. One of our best tools is being able to participate in different programs that offer the best resources for our current and future customers.

www.tfnbt.com