



## A better performing building means a better performing business

### Me<sup>2</sup> Smart Security Financing—putting energy efficiency to work for businesses and financial institutions

Milwaukee Energy Efficiency (Me<sup>2</sup>) Smart Security Financing benefits both businesses and financial institutions. It provides collateral on behalf of businesses implementing energy-efficiency projects, allowing for no-money-down financing and mitigating a financial institution's risk. Plus, Me<sup>2</sup> Smart Security Financing can be paired with other Me<sup>2</sup> financing products and existing energy-efficiency offers through utilities, Focus on Energy, and more—Me<sup>2</sup> will help businesses receive the greatest financial benefit possible.

#### Why businesses should participate NOW?

- Improve your bottom line.
- Improve your cash flow.
- Make your property more comfortable for employees and tenants.
- Minimize your impact on the environment.
- Lower your borrowing costs.
- Market the “green” features of your property.
- Work with your existing lender.
- Accelerate your energy-efficiency projects.
- Increase reliability of your HVAC system and other energy-intensive equipment.
- Invest in an asset that may offer accelerated depreciation (consult your CPA).
- OFFER IS AVAILABLE FOR A LIMITED TIME!

#### How it works

1. **LEARN:** Me<sup>2</sup> staff are available to give you energy-saving ideas for your property and answer your questions about Me<sup>2</sup>. Then, contact a Participating Me<sup>2</sup> contractor to further define and estimate the cost of your project.
2. **APPLY:** Me<sup>2</sup> will work with you and the financial institution of your choice to apply and secure your Me<sup>2</sup> Smart Security Financing.
3. **UPGRADE:** Schedule and complete your approved energy-efficiency project with participating Me<sup>2</sup> contractors. Example projects may include: lighting, boilers, refrigeration equipment, ventilation systems, laundry equipment, etc.
4. **ENJOY:** Start saving energy and money day after day, year after year. Pay for your energy-efficiency improvements as you save on your energy bills.

Me<sup>2</sup> Smart Security Financing is an ideal fit for businesses in the City of Milwaukee looking to implement energy-efficiency projects between \$10,000 and \$1 million and are determined to target a minimum 15 percent estimated energy savings (relative to the percent of floor space affected by the retrofit, or a comparably reasonable baseline). Funding accessibility is determined by expected energy-efficiency savings of projects.



## Why financial institutions should participate NOW?

- Receive new deposits.
- Lower loan risk.
- Improve your bottom line.
- Provide a new offer to customers.
- Show a commitment to energy-efficiency.
- OFFER IS AVAILABLE FOR A LIMITED TIME!

## How it works

- 1. LEARN:** Utilize Me<sup>2</sup> to learn all about Me<sup>2</sup> Smart Security Financing and how it allows for lower cost lending to your customers by improving your collateral position.
- 2. PARTICIPATE:** Enter into a financing agreement with Me<sup>2</sup>. After participation is finalized, agreed upon funds will be deposited into your financial institution. These funds are available to secure loans for reviewed and approved energy-efficiency projects and to protect against defaults.
- 3. SPREAD THE WORD:** Continually notify your business clients of this value-added offer and a solution to improve cash flow.
- 4. ENJOY:** Help your customers save energy and money while increasing your financing portfolio.

Your financial institution receives new deposits to fund a reserve account. Those funds will be transferred to a cash collateral account hosted at your financial institution upon loan origination and will be used to partially secure energy-efficiency loans. The credit decision will be based on your financial institution's current underwriting policies. At the time of loan origination, 20 percent of the total loan will be transferred from the reserve account into the cash collateral account for the life of the loan. The transferred funds are accessible to your financial institution as cash collateral to support against default. As the loan amortizes the cash collateral account will be reduced to maintain the 20 percent security. And, if your financial institution chooses, the cash collateral account funds can be pooled offering more flexibility. In this scenario, again, 20 percent of a total loan will be transferred from the reserve account into the cash collateral account for the life of the loan; however your financial institution has the discretion to adjust the percentage of loan security up to 50 percent on an individual loan. Keep in mind the cash collateral account amount is fixed so if your financial institution chooses to fund one loan at 50 percent all corresponding secured loan amounts must adjust accordingly.

## Leveraging energy-efficiency benefits businesses and financial institutions

Smart financial decisions go hand-in-hand with profitable businesses. With help from Me<sup>2</sup>, businesses can more easily implement energy-efficiency projects and get a handle on energy costs; and financial institutions can lend funds for energy-efficiency projects with more confidence. To learn more, contact Me<sup>2</sup> today.

**Visit:** [www.smartenergypays.com/businesses](http://www.smartenergypays.com/businesses)    **Call:** 877.399.1203    **Email:** [Me2@milwaukee.gov](mailto:Me2@milwaukee.gov)

## More Me<sup>2</sup> financing products

Businesses can use the following Me<sup>2</sup> products along with the Me<sup>2</sup> Smart Security Financing to further offset energy-efficiency project costs:

- Clean Energy Financing Program
- Small Business Financing
- Interest Rate Buy Down