



December 10, 2022

Alpena County
720 West Chisholm Street
Alpena, MI 49707
Attn: County Administrator Mary Catherine Hannah

Dear Ms. Hannah:

Lean & Green Michigan, LLC, operates the Lean & Green Michigan PACE program and serves as the PACE administrator for Alpena County, a member jurisdiction. We have reviewed the proposed PACE project at 1000 US 23 North, Alpena, MI 49707, which is owned by Rachee Lodging, Inc. Pending submission of final documents at closing substantiating all relevant facts and obligations, we find that the project meets all requirements of Michigan's PACE statute (PA 270 of 2010) and of Alpena County's PACE program.

The subject building is privately owned with clear title. The record owner is not in arrears on any property tax or other obligations to Alpena or Alpena County. An energy audit has been performed, and a plan for monitoring and verification is being finalized between the parties. PACE Equity, LLC, will be providing an energy performance guarantee to Rachee Lodging, Inc. The property will have a mortgage (or legal equivalent of a mortgage) which will be executed after the closing of the PACE loan. The lender has provided a letter stating that they are aware of and will consent to the PACE loan once the mortgage is in place. The ratio between the proposed assessment and the value of the property is within the PACE program guidelines. The term of the proposed assessment does not exceed the useful life of the equipment involved.

The project will fulfill vital public purposes of Alpena County, including saving the property owner money, creating jobs, improving the County's commercial building stock, and reducing emissions of carbon dioxide and other harmful gasses into the atmosphere.

Sincerely,

Todd M. Williams
President & General Counsel
Lean & Green Michigan, LLC