

# PACE Be Smart

PACE is an innovative financing tool that is now available to property owners in Broward County participating cities.

There are other types of financing tools available, Broward County does not guarantee that the PACE program is the best financing option.

**It is up to YOU to make the best financial decision.**

Here are some key points to be aware of:

1. PACE is a financing program (not a rebate or grant) the property owner agrees to pay back the financed amount on their annual property tax bill.
2. PACE Providers are private companies that administer the program. This program is not operated by Broward County government.
3. Your annual property tax bill will increase. If you pay your taxes through escrow, your monthly mortgage payments will also increase.
4. Broward County does not charge the property owner any fees regarding PACE. There are administrative fees and interest associated with PACE financing from the PACE Providers - and those vary depending which PACE Provider you choose.
5. PACE financing is recorded against the property as an assessment. The tax lien is in the first position, meaning that if a homeowner goes into default, the PACE Provider gets paid before any other creditors, including the lender(s) that hold the mortgage.
6. Nonpayment risks foreclosure and default on the homeowner's traditional mortgage.
7. PACE assessments don't always show up on the first tax bill; it often shows up in the second tax cycle, so homeowners may find themselves in a situation of having to pay more (up to double) the first year to true up the impound account. You should call your mortgage servicer immediately if you choose PACE financing.
8. For the most part, conventional loan institutions (i.e. Fannie Mae, Freddie Mac) and some banks currently won't lend on a property unless the PACE debt is settled in full prior to closing or refinancing.
9. Property owners must notify potential buyers that there is a PACE assessment on the property prior to sale.
10. You have **3 days** in which to cancel the financial agreement from the date signed.
11. The Certificate of Completion should not be signed until the improvement project has been completed to your satisfaction.
12. Due to the tax bill cycle, a prepayment made to your PACE Provider between July-November could result in an incorrect tax bill.