Presale Report
Calvert Impact Climate, Inc. Series 2024-1

Morningstar DBRS
June 18, 2024

Contents

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Rating Summary

Class	Amount ($)	Coupon (%)	Rating	Rating Action
A	17,484,000	[TBD]	AAA (sf)	New Rating – Provisional
B	564,000	[TBD]	AA (sf)	New Rating – Provisional
C	752,000	[TBD]	BBB (sf)	New Rating – Provisional
Total	18,800,000			

* See Appendix C for Scope and Meaning of Financial Obligations.

Executive Summary

DBRS, Inc. (Morningstar DBRS) assigned provisional ratings to the Calvert Impact Climate, Inc. Series 2024-1 transaction (the Issuer or the Transaction) as listed above. The ratings are to the timely payment of interest and ultimate payment of principal by the legal final maturity date. The Transaction represents the second series of securitization issued by Calvert Impact, Inc. The Class A, Class B, and Class C Notes (the Notes) are expected to be aligned with the Green Bond Principles published by the International Capital Market Association. The Transaction collateral consists of $52.6 million of commercial property assessed clean energy assets (PACE Assets).

The Transaction is structured under an indenture that provides for the issuance of three classes of notes—Class A, Class B, and Class C—as part of the Series 2024-1 issuance. The indenture can be modified to provide for the issuance of subsequent series of the Notes pursuant to a Notes Issuance Supplement. Each note will rank pari passu with each other note of the same class. Additionally, the classes of notes issued by each series are secured by the aggregate portfolio of PACE Assets.

The transaction has a pro rata pay structure with payment obligations to the timely payment of interest and ultimate payment of principal. The payment structure transitions to a sequential-pay structure while either a Loss Trigger Event or an Event of Default (EOD) has occurred and is continuing.

Initial credit enhancement for the Notes consists of overcollateralization (OC), a Liquidity Reserve Account, and excess cash flow. If an EOD or Loss Trigger Event has occurred and is continuing, the Class A Notes benefit from the subordination of Class B and Class C Notes, and the Class B Notes benefit from the subordination of the Class C Notes.

Initial OC for the Notes is set to a fixed dollar amount equal to the difference between the aggregate principal amount of the PACE Assets and the aggregate principal amount of the Notes on the Closing Date of each series of issuance, subject to a floor of 3% of the aggregate principal amount of the PACE Assets. The OC at the close of this series will be 7.80%.

The Liquidity Reserve Account is funded at closing and is replenished on each Distribution Date at no less than 0.25% of the aggregate principal balance of all outstanding Notes. Funds held in this account can be used to cover fees and expenses and interest shortfalls for the Notes after remittance amounts are exhausted.

The Issuer anticipates interest paid on the PACE Assets will exceed the interest earned on the Notes for each collection period, net of fees and expenses paid by the Issuer on each Distribution Date, resulting in excess cash flow. Any excess cash flow will be used to maintain the Liquidity Reserve Account at its floor balance.

Transaction Parties and Relevant Dates

Issuer:	Calvert Impact Climate, Inc.
Sponsor, Master Servicer, and Master Portfolio Administrator:	Calvert Impact, Inc.
Originators:	PACE Equity LLC
Sellers:	PACE Equity Warehouse C, LLC
Indenture Trustee:	U.S. Bank Trust Company, National Association (rated AA (high) with a Stable trend)
Custodian:	U.S. Bank National Association (rated AA (high) with a Stable trend)
Expected Closing Date:	June 28, 2024
Semiannual Distribution Dates:	15th of June and December
First Semiannual Distribution Date:	December 15, 2024
Legal Final Maturity:	December 15, 2053

Rating Rationale

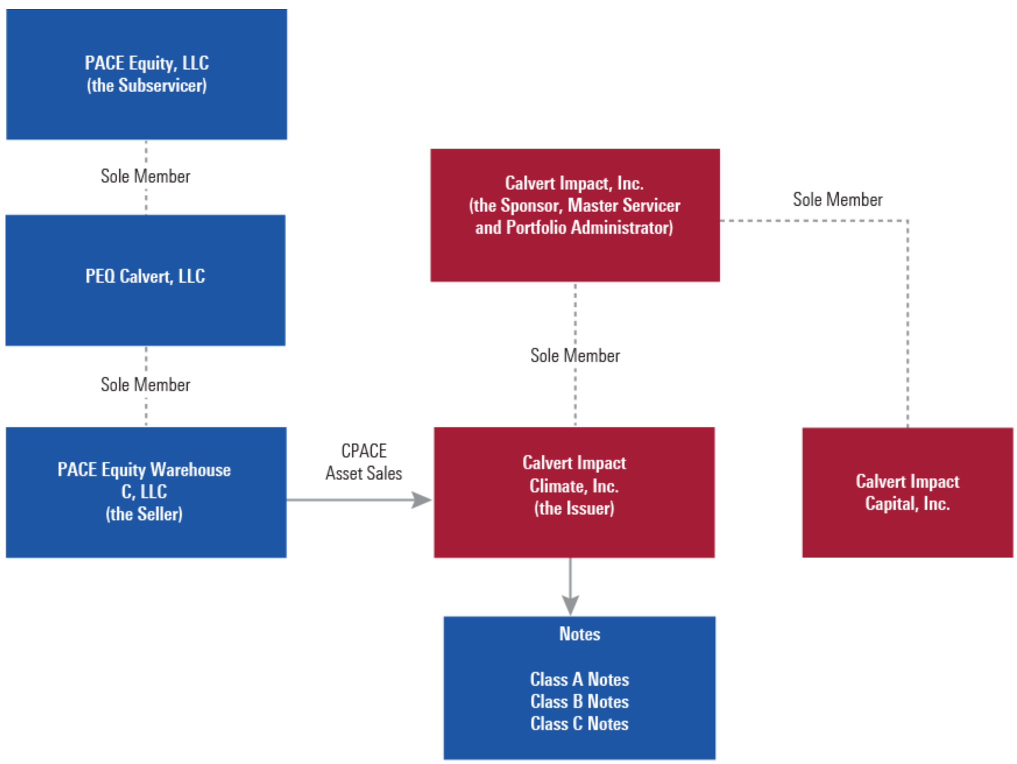
The ratings are based on Morningstar DBRS' review of the following analytical considerations:

- Transaction capital structure, proposed ratings, and form and sufficiency of available credit enhancement.
- Credit enhancement in the form of OC, liquidity reserve, and excess spread.
- Credit enhancement levels sufficient to support the Morningstar DBRS-expected delinquency and loss severity assumptions under various stress scenarios.
- The value of the commercial properties that secure the underlying assessments relative to the outstanding balance of the assessments and the priority of each assessment being senior to a first-lien mortgage.
- Review of specific properties (e.g., properties securing larger assessments and/or nonstandard property types) and review of the construction status of existing properties.
- The ability of the Transaction to withstand stressed cash flow assumptions and repay investors according to the terms of the transaction documents. For this transaction, the rating addresses the timely payment of interest and the payment of principal by the Legal Final Maturity.
- Morningstar DBRS performed an operational review of Calvert Impact, Inc. (the Company) and considers the Company to be an acceptable Master Servicer for PACE transactions, which typically do not include the collection of cash and investor level reporting.
- Morningstar DBRS performed an operational review of PACE Equity LLC (PACE Equity) and considers it to be an acceptable originator and servicer of PACE assessments.

- The legal structure and presence of legal opinions that address that the Issuer has a valid first-priority security interest and consistency with Morningstar DBRS' *Legal Criteria for U.S. Structured Finance* methodology.
- Review of legal considerations specific to PACE.
- Performance of servicing, primarily by local county tax collection offices.
- The transaction assumptions consider Morningstar DBRS' baseline macroeconomic scenarios for rated sovereign economies, available in its commentary *Baseline Macroeconomic Scenarios for Rated Sovereigns: March 2024 Update*, published on March 27, 2024. These baseline macroeconomic scenarios replace Morningstar DBRS' moderate and adverse Coronavirus Disease (COVID-19) pandemic scenarios, which were first published in April 2020.

Transaction Structure

The following diagram summarizes the transaction structure:



Company Descriptions

Master Servicing

Calvert Impact, Inc.

Calvert Impact, Inc. (the Company) will act as Sponsor, Master Servicer, and Master Portfolio Administrator for this transaction. The Company is headquartered in Bethesda, Maryland, and was formed for charitable and educational purposes. The Company's focus is conducting research and education about the field of impact investing, including how impact investments may be used to address critical social issues, such as helping disadvantaged populations and mitigating the effects of climate change. The Company is the sole member of Calvert Impact Capital, Inc. (CIC) and the parent of other corporate entities that, in general, are associated with discrete investment strategies and securities offerings. References to the Company and its subsidiaries is the Calvert Impact Group. The Calvert Impact Group uses capital to create a more equitable and sustainable world. Calvert Impact Group of companies began within the Calvert mutual funds in the late 1980s to add private, community investment exposures to the funds' responsible investing activities. CIC was subsequently formed as an independent 501(c)(3) organization and, since 1995, has raised and deployed capital for the benefit of low-income populations and under-represented markets.

The Company was formed in 2022 and was subsequently made the sole member of CIC and the parent company of the other entities in the Calvert Impact Group. In addition to arranging the Cut Carbon Note, the Company is developing investment products and strategies related to expanding access to finance for small businesses, investing growth capital in mission-driven and minority-owned banking institutions, and mitigating climate change.

The Calvert Impact Group and PACE Equity have worked together for nearly four years. Since August 7, 2020, CIC has financed $480 million in C-PACE assets originated by PACE Equity, including the $52.6 million in C-PACE assets that constitute the collateral for the Transaction. As of March 31, 2024 97 C-PACE assets totaling $471 million were still outstanding. The Cut Carbon Note was established in 2023 to finance Cirrus Low Carbon assets originated by PACE Equity, though the Cut Carbon portfolio will include conventional C-PACE assets as well. Of the $52.6 million in C-PACE asset collateral for the Transaction, ten C-PACE assets totaling $36.7 million were Cirrus Low Carbon assets.

Calvert Impact, Inc. will act as Master Servicer and Master Portfolio Administrator for this transaction. The Master Servicer is permitted to delegate, and will delegate, certain servicing duties. The Master Portfolio Administrator is permitted to delegate, and will delegate, certain portfolio administration duties to one or more subportfolio administrators. PACE Equity will act as subservicer and subportfolio administrator for this transaction. PACE Equity has contracts with Willdan Financial for part of the portfolio servicing duties as outlined below.

Led by an experienced and stable leadership team, the Calvert Impact Group of companies employs 41 full-time employees and has hired several new team members over the last year to continue to build out operational capacity for the Cut Carbon program. Management reports no change to the 10-member leadership team in the last eight years. The Calvert Impact Group uses third-party service providers for IT management, certain aspects of human resources and benefits administration, and outside legal counsel for specific legal issues including securities regulatory compliance.

Calvert Impact Group maintains a very basic control structure and does not have an internal audit function. However, management has indicated that the Calvert Impact Group and its subsidiaries have undergone significant operational due diligence from many of its investors over time—including large banks and other institutional investors—to ensure that systems, processes, policies, and practices are sufficient to manage private capital. The Calvert Impact Group has a general counsel and two associate general counsels who oversee all legal matters for the organization. The Calvert Impact Group works with multiple outside law firms to help ensure legal and regulatory compliance. The Company reports no material litigation or regulatory investigations.

Several quality control and audit procedures are undertaken by Calvert Impact Group with respect to the assets underlying the Cut Carbon notes. At the origination stage, CIC's loan administration team reviews the C-PACE asset materials to ensure compliance with the applicable eligibility criteria and completes a standardized eligibility analysis. Ahead of each issuance, the Company also reviews and summarizes the municipal diligence charts prepared by PACE Equity for each C-PACE asset it originated. Finally, as part of the credit rating process, Johnson Lambert LLP, the Company's auditor, performs an independent review of certain characteristics of the assets in the C-PACE asset pool, including, without limitation, examining the underlying legal documents for each asset to confirm certain key terms.

Asset-level monitoring is performed on PACE Equity's RAMP system. Calvert Impact Group also receives ongoing reporting from US Bank and monitors the timely receipt of all C-PACE payments. The Issuer is in the process of implementing a Salesforce product to load funding schedules and closing documents to dual-track asset-level payment and performance. Additionally, weekly calls are conducted with PACE Equity. As a vendor, PACE Equity undergoes regular vendor reviews from the Calvert Impact Group that include, among other things, financial, operational and risk reviews. All investor reporting will primarily be performed by U.S. Bank Trust Company National Association as Indenture Trustee based upon materials prepared by the Company in its capacity as Master Servicer and Master Portfolio Administrator. In addition, the issuer plans to make certain reports generally available on its website.

The Calvert Impact Group's website is available 24/7 and is protected by a valid third-party SSL certificate. Information about the Calvert Impact Group, products and services offered by the Calvert Impact Group, as well as the impact of those products and services is available on the website. Generally, the Calvert Impact Group receives a third-party penetration test every two years and continues to enhance its cybersecurity environment.

Over the past year the Calvert Impact Group has retired all on-premises servers and data to the cloud. As production systems are in Microsoft Azure, resources are available even if the physical building is offline. Full daily backups are scheduled to run geo-redundant storage in the Microsoft Azure cloud. Cloud servers are backed up daily and test file restorations are completed as part of the monthly maintenance routine. Test results are documented in the monthly maintenance report. Retention for Microsoft Azure server backups is 30 days. No formal disaster recovery test has been performed; however, a tabletop exercise of incident handling and response was conducted in June 2022, resulting in recommendations to develop and implement an incident response policy.

PACE Equity LLC

Subservicer and Sub-Portfolio Administrator

PACE Equity LLC is a Wisconsin limited liability company formed in October 2013 by founder and current CEO/President Edward A. Engman. Headquartered in Milwaukee, the company is a project developer providing project management, energy engineering consulting, and financing services to commercial building owners and developers located throughout the United States utilizing property assessed clean energy (PACE) programs.

PACE Equity has originated and funded over $500 million of C-PACE transactions across more than 100 projects. Asset types in the portfolio include multifamily apartments, mixed use, office, industrial, senior living, and hospitality, including new construction and building redevelopment for C-PACE assets. PACE Equity hires local Market Leaders who build direct relationships with property owners and developers to provide turnkey development and C-PACE financing in 31 states. The Company also completed its first transactions in Virginia and Tennessee.

As of June 2024, outstanding assessments previously originated by PACE Equity had an average balance of $4,965,395, average loan-to-value ratios (LTVs) of 16.51% and terms ranging between 10 to 30 years. In Q1 2022 PACE Equity launched a low carbon product with Calvert branded as Cirrus Low Carbon. This initiative creates significant financing rate reductions and other financial incentives to drive a change of behavior for property owners to develop more energy efficient and sustainable buildings.

PACE Equity has an experienced management team with over 200 years of combined senior level experience in financing, operations, and marketing from small entrepreneurial businesses to Fortune 500 companies. Recent management changes include a new interim CFO and three VP positions in operations and sales. Though still relatively small, the company has increased staff from 13 employees to 22 staff and 15 Market Leaders who are PACE Equity’s field team in leading CPACE markets across the U.S. The Market Leaders originate transactions and are independent contractors for PACE Equity. Two consultants of the Company were recently brought on as full-time staff to focus on Market Leader recruitment and brand marketing for PACE Equity’s new Cirrus Low Carbon Program as well as overall PACE Equity marketing strategies. Additions to staff included resources hired from Johnson Controls to manage energy engineering in-house.

Additionally, PACE Equity has a Vice President and four underwriters with an average of five years industry experience who conduct data collection, analyze data, and write up investment summaries. While management maintains adequate experience and tenure with the company, there is a key man risk issue in that the company is quite small and the Investment Committee, comprised of the President, CIO, and EVP of Originations, is responsible for all approval and pricing authority. Additionally, servicing is supported by Willdan Financial Services, a subsidiary of the Willdan Group as both sub-servicer and back-up servicer.

PACE Equity continues to experience minimal staff turnover in the corporate areas. Turnover in the Market Leader sales team is approximately 32%. Training for underwriting and transaction support has been on the job and supported and monitored closely by senior staff.

Controls

PACE Equity maintains a basic risk management and regulatory framework in support of its business. A municipal due diligence report is prepared by PACE Equity outside legal counsel and reviewed by Company officers for each state/C-PACE market program where the Company originates and closes financing transactions. This process includes a review of the relevant PACE statutes, lien priority and enforceability, documentation and underwriting requirements, foreclosure, billing and remittance processes, and identification of any risk elements. PACE Equity template documents are reviewed by legal counsel in each market to ensure that the requirements of each market are met, including financing and usury laws.

PACE Equity has a formal investment committee screening and approval process. All transactions are qualified to underwriting guidelines using a Qualification Matrix. As a part of the qualification process, background checks are conducted on project sponsors. Final origination approval must be by majority vote of the investment committee. Additionally, outside counsel is retained for each project to opine that the transaction meets PACE program and statutory requirements.

Each transaction is monitored for adherence to processes and underwriting guidelines through a detailed project profile prepared by the transaction manager for an initial pass/fail qualification prior to the project moving on to a more detailed underwriting and investment committee review. PACE Equity conducts a weekly operations meeting with officers and staff, as well as a daily huddle meeting, to manage transaction data, underwriting reviews, term sheet commitments, and the closing process to drive organizational alignment around delivery and execution and provide servicing updates and project progress discussions. The Company also conducts weekly reviews and communications with the market leaders in the field.

Management reports that the Company is not party to any material litigation nor is the subject of any regulatory or state investigations.

Originations and Underwriting

Originations are focused on new construction or major building retrofit. PACE Equity provides funding capital, energy engineering, and project governance to building owners and developers. PACE Equity hires local market leaders who build direct relationships with property owners and developers to provide turnkey development and C-PACE financing in more than 34 states, with a large concentration in Ohio and Wisconsin. Funding is provided for multifamily, mixed use, offices industrial, healthcare, senior living, and hospitality properties. The current portfolio is heavily weighted toward multifamily and office properties. PACE Equity will not lend to properties related to adult entertainment, churches, public schools, amusement parks, cannabis-related businesses, mines, or cemeteries.

The Company performs ownership/sponsorship reviews to confirm that the organization is good standing. A background check is performed on key individuals and principals of the organization or sponsor. For development and new construction projects, PACE Equity evaluates the experience and track record of the developer and team supporting the project.

In the case of major redevelopment or new construction, a completion guarantee is required from either the sponsor or a third party. A review is also conducted on the general contractor to ascertain experience with successful construction projects of similar asset types. PACE Equity determines the scope of PACE work and eligible funding amount after a review of the construction budget, plans, drawings, and specifications. A PACE Construction Disbursement Agreement is executed that requires PACE project funds to be held in a segregated bank depository account established and controlled by PACE Equity for each project. All project disbursement releases must be approved by PACE Equity after receipt of an acceptable draw package of required support documents that includes an independent third-party construction progress inspection report, and the final disbursement requires a Completion Certificate.

PACE Equity maintains a template-driven underwriting process to identify and analyze key components of a project. General underwriting criteria include a 100% signed lender consent prior to closing. A project impact analysis is prepared for each transaction, highlighting energy savings and savings-to-investment ratio, if applicable.

PACE Equity current underwriting requires a Phase 1 Environmental Site Assessment (ESA) within 24 months of closing on all projects above $1 million. In the event that any RECs are identified, an approved plan to obtain closure shall be in place and the cost for such remediation shall be included in the final construction budget for the project. A CREC is acceptable, if the CREC status does not affect property value. PACE Equity requires a Phase 1 ESA within 24 months of closing on any large balance project greater than $15 million. PACE Equity requires a satisfactory Environmental Data Base Review (EDR) on a transaction less than $1 million.

At closing, insurance coverage for the property is required, including general liability, builder’s risk, property casualty, and, if applicable, flood. For any multitenant properties, the leases and rent rolls are collected and reviewed. For any owner-occupied properties and/or tenants occupying more than 50% of the building, financials are required and evaluated for their ability to meet debt service coverage ratio (DSCR) obligations. Minimum DSCRs are 1.30 times (x) on hotels, 1.0x on nonprofit, and 1.10x on all other asset classes. PACE Equity requires PACE LTVs of 30% or lower, and LTVs of up to 35% may be approved so long as the concentration limit does not exceed 10% of the portfolio.

PACE Equity’s underwriting requires a FIRREA-compliant appraisal completed within 12 months of the PACE closing on any new construction and major redevelopment projects. PACE Equity's underwriting requires a FIRREA-compliant appraisal completed within 18 months of the PACE closing for a standard balance of $1 million to $40 million. Appraisals shall contain an evaluation of the economic and risk factors for the property type and give weighting to both the sales approach and the capitalized income approach. The appraisal shall contain the “As is Value of Land" for new construction and the “As is Value of the Existing Building” for redevelopment projects. Special purpose property appraisals must give consideration to the valuation of alternative uses in addition to highest and best use. Appraisal reviews are performed by the PACE Equity underwriters. Additionally, prior to project approval, the Investment Committee members also review the appraisal.

Any underwriting exceptions must be written up in the Project Profile investment summaries with mitigating factors identified. Sign-off by two of the three investment committee members is required.

Technology

PACE Equity maintains an adequate technology platform using a proprietary asset management system for its origination and servicing platform. The RAMP Asset Management System (RAMP) includes standard reporting and assessment tracking and billing capabilities. Over the past year, PACE Equity enhanced RAMP to incorporate all the data, documents, and processes from data collection and underwriting through the closing and servicing of the asset. This includes the qualification matrix, project detail, asset-specific detail, property information, credit metrics, capital stack items, servicing detail, impact data, pro forma information, payment schedules, payment detail, case history, construction disbursement, and contact list data tape detail. RAMP also includes a document vault and various portfolio asset and portfolio reports. The RAMP IT platform is supported by one local Milwaukee management resource and three vendor staff in Nepal. Disaster recovery is maintained via cloud storage with real-time redundant secure backups. Data security and network intrusion practices are in place and are monitored by a third-party vendor.

Portfolio Characteristics

PACE Assets

At closing, the Transaction will comprise 15 PACE Assets. The tables below show the collateral distribution for the PACE Assets. The PACE Assets have an average balance of approximately $3,504,574, a weighted-average (WA) annual interest rate of 7.26%, and a WA original term of 27.49 years.

Summary Statistics	
Number of Loans	15
Current Financed Amount ($)	52,568,605
Average Total Financed Amount ($)	3,504,574
Range of Total Financed Amount ($)	1,263,141 to 10,974,995
WA Original Term (years)	27.49
Range of Original Term (years)	20 to 30
WA Loan Rate (%)	7.26
Range of Loan Rate (%)	5.95 to 8.78
WA LTV (%)	17.83
WA Combined LTV (%)	66.97

PACE Assets were originated solely by PACE Equity.

For the PACE Assets, the composition by commercial property type is shown below.

Morningstar DBRS Property Type	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
Multi-family	24,346,265	46.31	7	46.67
Industrial	11,505,458	21.89	2	13.33
Other non-traditional	6,170,121	11.74	1	6.67
Office	5,240,025	9.97	3	20.00
Esoteric	2,883,031	5.48	1	6.67
Lodging	2,423,704	4.61	1	6.67
Grand Total	52,568,605	100.00	15	100.0

By geographic concentration, the largest state is Illinois at 20.88% of the aggregate PACE Assessment Balance.

State	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
IL	10,974,995	20.88	1	6.67
OH	8,608,222	16.38	5	33.33
FL	6,970,458	13.26	1	6.67
WI	6,958,704	13.24	2	13.33
MI	6,170,121	11.74	1	6.67
TX	5,137,013	9.77	2	13.33
NE	2,883,031	5.48	1	6.67
CA	2,739,607	5.21	1	6.67
MN	2,126,454	4.05	1	6.67
Grand Total	52,568,605	100.00	15	100.0

The WA LTV for the Initial PACE Assets is 17.83%.

PACE Assessment LTV (%)	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
5.00 to 9.99	8,783,146	16.71	3	20.00
10.00 to 14.99	13,714,937	26.09	3	20.00
15.00 to 19.99	6,782,024	12.90	3	20.00
20.00 to 24.99	20,548,891	39.09	5	33.33
25.00 to 29.99	2,739,607	5.21	1	6.67
Grand Total	52,568,605	100.00	15	100.0

The WA combined LTV (CLTV) for the Initial PACE Assets is 66.97%, with 60.43% of the pool having a CLTV less than 70.00% as measured by principal balance.

Combined LTV (%)	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
20.00–29.99	5,131,146	9.76	2	13.33
30.00–39.99	2,739,607	5.21	1	6.67
50.00–59.99	10,974,995	20.88	1	6.67
60.00–69.99	12,914,600	24.57	3	20.00
70.00–79.99	5,036,729	9.58	3	20.00
80.00–89.99	4,442,750	8.45	2	13.33
90.00–99.99	11,328,778	21.55	3	20.00
Grand Total	52,568,605	100.00	15	100.0

The below shows the original loan distribution of the collateral pool. The WA original term of the collateral in the transaction is 27.49 years.

Original Term (years)	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
20	2,126,454	4.05	1	6.67
23	6,170,121	11.74	1	6.67
24	3,577,294	6.81	1	6.67
25	6,094,719	11.59	2	13.33
28	7,054,369	13.42	4	26.67
29	1,553,852	2.96	1	6.67

30	25,991,795	49.44	5	33.33
Grand Total	52,568,605	100.00	15	100.0

The table below shows the top five largest PACE assessments, representing approximately 61.31% of the aggregate PACE Asset Principal Balance.

Top Five Largest Assets	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
Jeffers - Colman Yards	10,974,995	20.88	1	6.67
LactaLogics - HQ (Cut Carbon)	6,970,458	13.26	1	6.67
Wallick - Oakleaf (2nd Funding)	6,170,121	11.74	1	6.67
F Street - Germantown	4,535,000	8.63	1	6.67
Concord - 1 S. Main	3,577,294	6.81	1	6.67
Grand Total	32,227,868	61.31	5	33.33

A description of each of the top five PACE assessments in the initial portfolio follows.

Jeffers - Colman Yards

Loan Snapshot

PACE Program
IECA Illinois Energy Conservation Authority
Trust Balance ($)
10,974,995
Percentage of Initial Pool
20.87
Assessment LTV (%)
25.00
Combined LTV (%)
51.20
First Repayment Date
1/1/2025
Loan Tenor (years)
30
Tax Bills/Year
Semiannual

Debt Stack ($)

Trust Balance
10,974,995
First Mortgage/Construction Loan
11,500,000
Mezzanine Financing
n/a
Total Debt
22,474,995

Collateral Summary			
Property Type:	Multi-family	**Expected Completion Date:**	January 2024
City, State:	Rockford, IL	**Capitalized Interest:**	$1,985,295.
Construction Type:	Major Renovation		

The subject is a historic industrial building (vacant) and proposed to conversion to a class A, 181-unit multifamily apartment complex and approximately 15,932 sf of ground floor retail, known as B5. This project is part of a larger phase I development that includes 215 total units across three buildings (B4, B5 – subject, and B9). The apartment units consist of studios, one, two, and three-bedroom units. PACE proceeds will only be financing measures included in building B5. The PACE assessment will be placed on both the building B5 parcel, and the building B4 & B9 parcel because the appraisal values both buildings. PACE Equity will be financing $8,472,047 in directs costs and the PLTC based on TAF is 12.36%.

The collateral is a part of larger part of the property that is owned by the City of Rockford. The City is offering to sponsor a comprehensive incentive package while also agreeing to sell the entire property for $500,000. Sponsor also plans to utilize Tax Incremental Financing (TIF), Historic Tax Credits and a Brownfields Loan for this project. The Property is currently enrolled in the Illinois Environmental Protection Agency Site Remediation Program (SRP). The City and Sponsor are working with Fehr Graham as a joint effort to remediate the property during development.

LactaLogics - HQ

Loan Snapshot

PACE Program
FRED FDFC PACE
Trust Balance ($)
6,970,458
Percentage of Initial Pool
13.25
Assessment LTV (%)
14.17
Combined LTV (%)
99.72
First Repayment Date
11/1/2025
Loan Tenor (years)
30
Tax Bills/Year
annual

Debt Stack ($)

Trust Balance
6,970,458
First Mortgage
40,000,000
Mezzanine Financing
n/a
Total Debt
46,970,458

Collateral Summary			
Property Type:	Industrial	**Completion Date:**	September 2025
City, State:	Port St. Lucie, FL	**Capitalized Interest:**	$722,508
Construction Type:	Major Renovation		

The subject property is a 58,475 sf, 2-story, industrial/office property, built in 2002. The office/work area totals 16,528 and 41,947 sf of warehouse space. The building is being converted to a state-of-the-art life-science laboratory facility that will have 69,920 sf and includes an expansion to the second floor (adding a manufacturing area of 11,445 sf). The 16,528 sf of office areas will remain. The renovations will include upgraded office finishes, a concrete mezzanine in the warehouse, new air conditioners, work/process areas/rooms in the warehouse, upgraded electrical, upgraded fire sprinklers, along with other building and site improvements. The owner converting the existing industrial warehouse into a commercially produced donor-based non-perishable breastmilk supplier.

Wallick—Oakleaf Meadow Valley (Second Funding)

Loan Snapshot

PACE Program
MI-L&G Lean & Green Michigan
Trust Balance ($)
6,170,121
Percentage of Initial Pool
11.73
Assessment LTV (%)
6.26
Combined LTV (%)
69.73
First Repayment Date
11/30/2024
Loan Tenor (years)
23
Tax Bills/Year
Annual

Debt Stack ($)

Trust Balance
6,170,121
First Mortgage
44,000,000
Mezzanine Financing
$18,583,702
Total Debt
68,753,823

Collateral Summary			
Property Type:	Other nontraditional	**Completion Date:**	June 2024
City, State:	Grand Traverse County, MI	**Capitalized Interest:**	$525,746
Construction Type:	Ground-Up Construction		

This PACE loan will fund cost overruns and increases for construction on a new development of a 154-unit senior living project consisting of 50 independent-living units, 60 assisted-living units, and 44 memory-care units. PACE Equity has an existing assessment of $18,583,702. Any cost overruns greater than $5,375,000 shall be funded with additional equity.

The Sponsor is Wallick Communities (Wallick). Wallick is an experienced developer of housing for low-income families and seniors in the country that dates back to 1969 with more than 190 managed communities across the Midwest and more than 13,000 apartment units. Wallick has been providing senior living solutions for more than 30 years. Wallick's portfolio of senior living falls under three distinct categories. Oakleaf Villages provides independent and assisted living. The Grove communities specialize in memory care. The Ashford communities focus on value-driven assisted living.

America First Multifamily Investors, L.P., a direct placement lender, whose general partner is an affiliate of Greystone Servicing, was formed on April 2, 1998, under the Delaware Revised Uniform Limited Partnership Act for the primary purpose of acquiring, holding, selling, and otherwise dealing with a portfolio of mortgage revenue bonds that have been issued to provide construction and/or permanent financing for affordable multifamily properties, student housing, senior citizen residential properties, and commercial properties. According to its year-end (YE) 2020 reports, the publicly traded company had more than $1.18 billion in total assets and $453.26 million of total shareholders' equity.

F Street—Germantown

Loan Snapshot

PACE Program
WI-WPA Wisconsin PACE Commission
Trust Balance ($)
4,535,000
Percentage of Initial Pool
8.62
Assessment LTV (%)
11.72
Combined LTV (%)
68.21
First Repayment Date
1/31/2025
Loan Tenor (years)
25
Tax Bills/Year
Semiannual

Debt Stack ($)

Trust Balance
4,535,000
First Mortgage
21,862,000
Mezzanine Financing
n/a
Total Debt
26,397,000

Collateral Summary			
Property Type:	Industrial	**Completion Date:**	November 2023
City, State:	Washington County, WI	**Capitalized Interest:**	$477,677
Construction Type:	Ground-Up Construction		

The PACE loan is being used for the construction of a 374,804-square foot (sf) warehouse/distribution facility in Germantown, Wisconsin. The PACE loan represents an LTV of 11.7% based on the as-stabilized value of $38.7 million ($103.3 per sf (psf)) and an implied capitalization rate of 5.75% on the appraiser's projected year-one stabilized net operating income of $2,225,876 ($1.82 psf). The stabilized total debt LTV is 68.2% based on total debt, including PACE, at approximately $26.4 million and as-stabilized value of $38.7 million. Based on the as-complete value of $32.3 million, the total debt LTV is 81.7% at completion.

The property will feature 36-foot clear heights with an estimated 5% allocated for office finish. As a speculative construction project, no tenants are currently committed for the property. The sponsor's projected potential rental income of $2,586,148 ($6.90 psf) is higher than the appraiser's market rent conclusion at $6.25 psf and in the higher end of the range for comparable rental transactions in the area ranging from $4.95 psf to $7.58 psf.

The Sponsor is F Street Group, which was founded in 2008 by Scott Lurie. The company invests in several business verticals, including lending and real estate development. The majority of the company's portfolio is concentrated in Wisconsin. F Street Group manages more than $350 million in real estate assets and raised $125 million of equity capital. F Street Development Group is a branch and brand of F Street Group that seeks opportunities in commercial real estate through both strategic and value-add acquisition and development. Currently, it has more than 35 projects and $250 million of assets under management. F Street Development Group currently holds four industrial properties in its portfolio, and this will be F Street Group's second new construction industrial building. It used PACE Equity as a part of the first industrial project.

Concord 1 S. Main

Loan Snapshot

PACE Program	TX-TPA Texas PACE Authority
Trust Balance ($)	3,577,294
Percentage of Initial Pool	6.80
Assessment LTV (%)	24.84
Combined LTV (%)	24.84
First Repayment Date	5/30/2024
Loan Tenor (years)	24
Tax Bills/Year	Semiannual

Debt Stack ($)

Trust Balance	3,577,294
First Mortgage	0
Mezzanine Financing	n/a
Total Debt	3,577,294

Collateral Summary			
Property Type:	Multifamily	**Expected Completion Date:**	December 2024
City, State:	Web County, TX	**Capitalized Interest:**	$234,671
Construction Type:	Gut Rehab		

The property was formerly a 205-room, 15-story hotel with ground-floor retail and top-floor retail space that was built in 1973. The property is currently undergoing conversion/renovation to multifamily use. The property will include 136 multifamily units and 13,665 sf of retail space. The residential portion will consist of 48 studio apartments and 88 one-bedroom/one-bathroom apartments. The property will include a pool, a laundry area, conference rooms, a fitness center, and ground-floor and top-floor retail.

The Sponsor is Concord Capital New York, LLC (Concord), an investment firm specializing in the acquisition of both real estate-secured bank debt and real estate owned properties. The firm purchases assets from a diverse array of sellers, including commercial banks, thrifts, credit unions, real estate investment trusts, institutional investors, investment banks, insurance companies, commercial finance companies, commercial mortgage-backed securities/mortgage-backed securities servicers, and government entities. Concord has a seasoned team of real estate and finance professionals and uses leading processes and technology to help achieve superior execution from acquisition and origination to resolution and securitization.

Currently, Concord owns and manages more than 600,000 sf of commercial properties. Concord primarily owns commercial properties consisting of shopping centers and mixed-use properties and has multifamily properties at 1715-1721 East 8th Street Brooklyn, New York.

Standard Priority of Payments

On each Payment Date as of which the Notes have not been accelerated in relation to an Event of Default, on which no Optional Redemption or Mandatory Redemption shall have occurred, and that is prior to the Legal Final Maturity, the Indenture Trustee will distribute Available Funds in the following order:

1. To the applicable payees, pro rata and pari passu, (A) to the Indenture Trustee (including as Paying Agent) and the Bank, the Indenture Trustee Fee and any accrued and unpaid Indenture Trustee Fee plus any Extraordinary Expenses payable to the Indenture Trustee (including as Paying Agent) and the Bank, (B) to the Custodian, the Custodian Fee and any accrued and unpaid Custodian Fee plus any Extraordinary Expenses payable to the Custodian, and (C) all Administrative Expenses, in each case subject to any applicable cap, if any, set forth in the relevant definitions thereof;
2. To the Master Servicer and Master Portfolio Administrator, respectively, (A) the Senior Master Servicing Fee and any accrued and unpaid Senior Master Servicing Fee plus any Extraordinary Expenses payable to the Master Servicer and (B) the Master Portfolio Administrator Fee and any accrued and unpaid Master Portfolio Administrator Fee, in each case subject to any applicable cap, if any;
3. If no Loss Trigger Event has occurred and is continuing, as determined by the Master Servicer:
   (A) First, to the Noteholders of each Class, the aggregate Note Interest for such Distribution Date, pro rata and pari passu based on the respective amount of Note Interest due for each Class;
   (B) Second, to the Liquidity Reserve Account, the amount, if any, necessary to cause the balance in the Liquidity Reserve Account to equal at least 0.25% of the aggregate principal balance of the Notes;
   (C) Third, to the Noteholders of each Class, the Principal Distribution Amount for such Distribution Date, pro rata and pari passu based on the Outstanding Principal Balance of the Notes, until the Outstanding Principal Balance of all of the Notes is reduced to zero;
4. If a Loss Trigger Event has occurred and is continuing, as determined by the Master Servicer:
   (A)First, the aggregate note interest for such Distribution Date applied in the following order of priority: first, to the Class A Noteholders, the Note Interest allocable to such Class A Notes; second, to the Class B Noteholders, the Note Interest allocable to such Class B Notes; and third, to the Class C Noteholders, the Note Interest allocable to such Class C Notes;
   (B) Second, for deposit to the Liquidity Reserve Account, any amount necessary to cause the balance in the Liquidity Reserve Account to equal at least 0.25% of the aggregate principal balance of the Notes;
   (C) Third, an amount equal to the Outstanding Realized Loss Amount applied in the following order of priority: first, to the Class A Noteholders until the Outstanding Principal Balance of the Class A Notes is reduced to zero; second, to the Class B Noteholders until the Outstanding Principal Balance of the Class B Notes is reduced to zero; and third, to the Class C Noteholders until the Outstanding Principal Balance of the Class C Notes is reduced to zero; and
   (D) After giving effect to the payment of the amount set forth in the preceding clause, to the Noteholders of each Class, the Principal Distribution Amount, pro rata and pari passu based on the Outstanding Principal Balance of the Notes, until the Outstanding Principal Balance of the Notes is reduced to zero;

5. To the Indenture Trustee (including as Paying Agent), the Bank and the Custodian, pro rata and pari passu, any amounts owed but not paid in accordance with clause (i) above;
6. To the Master Servicer, the Subordinate Master Servicing Fee, and to the Master Servicer and the Master Portfolio Administrator, any amounts owed but not paid in accordance with clause (e)(ii) above and any other expense owed to any such party; and
7. To the Sponsor in repayment of the Grant, any remaining Available Collections.

Realized Losses

Any claim for principal in respect of a PACE Asset in the PACE Asset Portfolio that is (1) an installment payment with respect to a PACE Asset that is delinquent for two years or more after its due date; (2) not recovered as a result of a foreclosure proceeding, tax lien sale, or other enforcement action; (3) written off by the Master Servicer in accordance with its collection policy; or (4) no longer secured by the related assessment lien for any reason other than as a result of having been satisfied by the property owner or a foreclosure proceeding, tax lien sale, or other enforcement action.

Redemption Priority of Payments

The redemption priority of payments applies at such time as of which the Notes have been accelerated as a result of an event of default, on which an optional redemption or mandatory redemption is occurring or that is the legal final maturity, in each case, as specified in the payment date report. On each semiannual payment date when the redemption priority of payments applies, available funds and all amounts in the prefunding account, liquidity reserve account, interest supplement account, and capitalized interest account will be distributed in the following order, solely in accordance with the related payment date report:

1. To the applicable payees, pro rata and pari passu, (A) to the Indenture Trustee (including as Paying Agent) and the Bank, the Indenture Trustee Fee and any accrued and unpaid Indenture Trustee Fee plus any Extraordinary Expenses payable to the Indenture Trustee (including as Paying Agent) and the Bank, (B) to the Custodian, the Custodian Fee and any accrued and unpaid Custodian Fee plus any Extraordinary Expenses payable to the Custodian, and (C) all Administrative Expenses, in each case without regard to any applicable cap, if any;
2. To the Master Servicer and Master Portfolio Administrator, respectively, (A) the Senior Master Servicing Fee and any accrued and unpaid Senior Master Servicing Fee plus any Extraordinary Expenses payable to the Master Servicer and (B) the Master Portfolio Administrator Fee and any accrued and unpaid Master Portfolio Administrator Fee, in each case subject to any applicable cap, if any;
3. To the Class A Noteholders, pro rata and pari passu based on the respective Note Interest due on the Class A Notes, the Note Interest payable to the Class A Noteholders for such Distribution Date;
4. To the Class A Noteholders, pro rata and pari passu based on the Outstanding Principal Balance of the Class A Notes, until the Outstanding Principal Balance of the Class A Notes is reduced to zero;
5. To the Class B Noteholders, pro rata and pari passu based on the respective Note Interest due on the Class B Notes, the Note Interest payable to the Class B Noteholders for such Distribution Date;
6. To the Class B Noteholders, pro rata and pari passu based on the Outstanding Principal Balance of the Class B Notes, until the Outstanding Principal Balance of the Class B Notes is reduced to zero;

7. To the Class C Noteholders, pro rata and pari passu based on the respective Note Interest due on the Class C Notes, the Note Interest payable to the Class C Noteholders for such Distribution Date;
8. The Class C Noteholders, pro rata and pari passu based on the Outstanding Principal Balance of the Class C Notes, until the Outstanding Principal Balance of the Class C Notes is reduced to zero;
9. To the Master Servicer, the Subordinate Master Servicing Fee, and to the Master Servicer and the Master Portfolio Administrator, any amounts owed but not paid in accordance with clause (ii) above and any other expense owed to any such party; and
10. To the Sponsor in repayment of the Grant, any remaining Available Collections.

Events of Default

The occurrence of any of the following events will constitute an Event of Default under the Indenture:

1. Failure of the Issuer, as of the legal final maturity date, to (A) pay or have paid all interest on the Notes remaining outstanding and unpaid in full and (B) reduce or have reduced the aggregate principal balance of the Notes to zero;
2. Failure of the Issuer to pay or have paid (A) all Note Interest and (B) any principal amounts due and payable to Noteholders of any Class of Notes on any Distribution Date;
3. Default by the Issuer in the observance or performance of certain covenants or agreement of the Issuer made in the Indenture and the other Transaction Documents (subject to any applicable cure period);
4. Certain events of bankruptcy relating to the Issuer or the Issuer's property (subject to any applicable cure period);
5. Failure of the Indenture or the other Transaction Documents and the related financing statements to create, attach and perfect a valid first-priority security interest in any material portion of the Trust Property (subject to any applicable cure period);
6. The Issuer becoming a taxable mortgage pool that is taxable as a corporation for U.S. federal or state income tax purposes;
7. Final nonappealable judgment in the amount of $500,000 or more against the Issuer not discharged, satisfied, or stayed within 60 days and not promptly funded by insurance coverage;
8. Certain breaches of representations or warranties of the Issuer (subject to any applicable cure period);
9. A statute, rule, or regulation of a competent legislative or governmental rule-making body is adopted in final form, or there is a final, nonappealable judgment of a court of competent jurisdiction that is rendered, which has a material adverse effect on the ability of the Issuer to make payments on the Notes;
10. An ERISA or tax lien securing the payment of money in excess of $5,000,000 shall be rendered against the Issuer;
11. The Master Servicer is terminated or resigns, and a replacement satisfactory to the Majority Controlling Class Noteholders is not appointed within 90 days; and
12. The Issuer being required to be registered as an investment company under the Investment Company Act.

Reserve Accounts

Liquidity Reserve Account

On or prior to the date hereof, the Paying Agent on behalf of the Indenture Trustee shall establish and maintain a segregated account that is a securities account (the Liquidity Reserve Account) at the Bank (or such other financial institution as necessary to ensure that the Liquidity Reserve Account is at all times an Eligible Account) in the name of the Issuer, bearing a designation clearly indicating that such account and all funds deposited therein or property credited thereto are held for the exclusive benefit of the Noteholders. On the Closing Date, the Issuer shall deposit or cause to be deposited into the Liquidity Reserve Account an amount equal to at least the Liquidity Reserve Account Required Balance from the proceeds of the Notes. On each Distribution Date, the Paying Agent shall deposit or cause to be deposited into the Liquidity Reserve Account the amount required pursuant at all times. At the beginning of the Closing Date, the Issuer shall maintain an amount equal to at least the Liquidity Reserve Account Required Balance (0.25% of the expected aggregate principal balance of the Notes as of the Series 2024-1 Cutoff Date.) in the Liquidity Reserve Account.

Credit Enhancement

Overcollateralization

Initially, there is OC of 7.80% and the minimum OC will be 3.00%. The OC is the amount by which the total CPACE Assets in the master trust exceed the principal amount of all series outstanding Notes. The pro rata share of the master trust OC is $1,589,424.

Liquidity Reserve Amount

The Liquidity Reserve Required Amount, on any date of determination, will not be less than $52,000. The liquidity reserve will be at least 0.25% of the expected aggregate principal balance of the Notes as of the Series 2024-1 Cutoff Date.

Subordination

If an Event of Default or Loss Trigger Event has occurred and is continuing, the Class A Notes benefit from the subordination of Class B and Class C Notes and the Class B Notes benefit from the subordination of the Class C Notes. The Class A subordination is 7% calculated of the principal balance of the notes as of the Series 2024-1 Cutoff date. The Class B subordination is 4% calculated of the principal balance of the notes as of the Series 2024-1 Cutoff date.

Excess Spread

At closing, the Notes will also benefit from excess spread estimated to equal approximately 1.62% per annum, based on the WA collateral interest rate of 7.26% less the WA coupon of 5.645%.

Cash Flow Analysis

Delinquency and Loss Analysis for C-PACE

Morningstar DBRS developed expected delinquency probabilities (EDPs) for most PACE assessments included in the PACE Assets using the EDP matrix in the Morningstar DBRS' *Rating U.S. Property Assessed Clean Energy (PACE) Securitizations*. The EDP matrix is based on two factors for each C-PACE

Assessment: property type and Morningstar DBRS Market Rank. Morningstar DBRS uses ZIP code information provided by the Issuer to determine the Morningstar DBRS Market Rank.

For one property, Nebraska Multisport, Morningstar DBRS assigned an EDP of 59.80%.

The WA delinquency rate for the PACE Assets is 19.36%.

Morningstar DBRS Category	Aggregate Balance ($)	% of Total	WA EDP (%)
Multi-family	24,368,175	46.33	14.29
Industrial	11,505,458	21.87	17.00
Other non-traditional	6,170,121	11.73	24.00
Office	5,249,528	9.98	21.00
Esoteric	2,883,031	5.48	59.80
Lodging	2,423,704	4.61	18.00

Once a property becomes delinquent and goes through a foreclosure process, liquidation proceeds are applied to bring the C-PACE arrearage current once the delinquency period ends. Because liquidation timelines are affected by state laws, Morningstar DBRS estimated the typical length of a liquidation period by state based on data from commercial mortgage defaults. The state timelines can be found in the Morningstar DBRS methodology *Rating U.S. Property Assessed Clean Energy (PACE) Securitizations*. Based on the rating scenario, after adding 60 days, the delinquency timelines are stressed based on the following table:

Delinquency Timelines	
AAA	Delinquency Period + 12 months
AA	Delinquency Period + 10 months
A	Delinquency Period + 8 months
BBB	Delinquency Period + 6 months
BB	Delinquency Period + 4 months
B	Delinquency Period

For the purpose of this transaction, an additional 45 months of stress was added to the delinquency period at AAA (sf) levels, an additional 36 months of stress was added to the delinquency period at AA (sf) levels, and an additional 30 months of stress was added to the delinquency period at BBB (sf) to account for portfolio concentrations and exposure to construction completion risk.

Morningstar DBRS modeled the C-PACE assessments using the above EDP assumptions along with the following timing curves and conditional payment rate (CPR) assumptions:

C-PACE Default Timing Curve and CPR Assumptions

Front-Loaded			Back-Loaded			Smooth			CPR Assumptions	
%	*Year*	*Starting Period*	*%*	*Year*	*Starting Period*	*%*	*Year*	*Starting Period*	*Class A &* Class B	*%*
30	1	2	10	1	2	15	1	2		5
20	2		10	2		15	2			10
20	3		10	3		15	3			15
10	4		10	4		15	4			
10	5		30	5		15	5			

5	6	20	6	15	6
5	7	10	7	10	7

Loss Severity

Morningstar DBRS assumed a loss severity of 30% based on the portfolio concentrations and exposure to construction completion risk.

Please see Appendix A for additional Morningstar DBRS cash flow modeling assumptions and results.

Legal Opinions

Morningstar DBRS expects Issuer's counsel to deliver a reasoned opinion that each sale of the PACE Bonds by a Seller to the Depositor pursuant to the Bond Purchase Agreements on the closing date constitutes a true sale, and therefore (1) the PACE Bonds would not be the property of Seller's bankruptcy estate and (2) the Code would not operate to stay payments on or proceeds from the PACE Bonds.

On the closing date of the Transaction, Morningstar DBRS and its outside counsel will review, among other opinions, (1) true sale; (2) substantive consolidation; (3) security interest; and (4) enforceability, corporate, and tax opinions. In connection with the rating agency confirmation related to this presale report, Morningstar DBRS and its outside counsel reviewed state program and/or validity opinions for certain of the PACE assets.

Morningstar DBRS expects counsel to the Issuer to also render an opinion stating that the indenture and the pledges and grants thereunder create a valid and perfected security interest in the PACE Bonds securing payment of the obligations of the Issuer and that the Notes constitute the valid and binding obligation of the Issuer.

Morningstar DBRS expects special tax counsel to the Issuer to also deliver legal opinions to the effect that assuming compliance with all provisions of the indenture, and certain related documents, for U.S. federal income tax purposes, (1) the Class A Notes, Class B Notes, and Class C Notes will be treated as indebtedness and (2) the Issuer will not be classified as an association, publicly traded partnership, or taxable mortgage pool, in each case, that is taxable as a corporation.

In addition, the Transaction structure, representations and warranties, and documentation will be reviewed for consistency with Morningstar DBRS' *Legal Criteria for U.S. Structured Finance*.

Appendix A: Cash Flow Details

Capital Structure

Class	Size ($)	Percent of Collateral (%)	Initial Credit Enhancement (%)	Assumed Coupon (%)	Rating
A	17,484,000	93.00	15.05	5.75	AAA (sf)
B	564,000	3.00	12.05	6.00	AA (sf)
C	752,000	4.00	8.05	6.75	BBB (sf)
Total	18,800,000				

Credit Enhancement

Credit Enhancement	Initial ($)
Liquidity Reserve Account	52,000
Overcollateralization*	4,100,017

* The OC is the amount by which the total CPACE Assets in the master trust exceed the principal amount of all series outstanding Notes.

Transaction Fees and Expenses		
Indenture Trustee Fee	$15,000	Annual
Administrator Fee	$22,000	Annual
Custodian Fee	$4,200	Annual
Administrative Expenses	$50,000	Annual
Senior Extraordinary	$200,000	Year 1 only

Rating	Prepay (%)	Default Timing (Resi, Commercial)	Recovery (Resi, Commercial) (%)	Default (%)	Defaulted Principal (%)	Principal Loss (%)	Collateral Cash Flow ($)	Collateral WAL (years)	"A" Principal Writedown	"A" Interest Shortfall	Residual Cash Flow ($)
AAA	(0.05, 0.15)	Front	70	19.20	2.63	0.79	78,082,733	7.4	–	–	2,735,779
AAA	(0.05, 0.15)	Back	70	19.01	2.96	0.89	77,910,826	7.3	–	–	2,590,705
AAA	(0.05, 0.15)	Smooth	70	19.13	2.85	0.85	77,979,687	7.3	–	–	2,697,641
AAA	(0.1, 0.2)	Front	70	18.93	2.59	0.78	73,264,670	6.1	–	–	2,196,406
AAA	(0.1, 0.2)	Back	70	18.59	2.90	0.87	73,096,189	6.0	–	–	1,963,161
AAA	(0.1, 0.2)	Smooth	70	18.77	2.80	0.84	73,164,460	6.0	–	–	2,119,201
AAA	(0.15, 0.25)	Front	70	18.69	2.56	0.77	70,107,990	5.2	–	–	1,783,145
AAA	(0.15, 0.25)	Back	70	18.14	2.82	0.85	69,939,177	5.1	–	–	1,579,882
AAA	(0.15, 0.25)	Smooth	70	18.48	2.76	0.83	70,012,295	5.2	–	–	1,675,654
AAA	(0, 0)	Front	70	19.21	2.63	0.79	123,622,606	19.2	–	–	6,874,356
AAA	(0, 0)	Back	70	19.55	3.04	0.91	123,534,330	19.2	–	–	6,831,789
AAA	(0, 0)	Smooth	70	19.47	2.90	0.87	123,562,121	19.2	–	–	6,873,488

Rating	Prepay (%)	Default Timing (Resi, Commercial)	Recovery (Resi, Commercial) (%)	Default (%)	Defaulted Principal (%)	Principal Loss (%)	Collateral Cash Flow ($)	Collateral WAL (years)	"B" Principal Writedown	"B" Interest Shortfall	Residual Cash Flow ($)
AA	(0.05, 0.15)	Front	70	19.20	2.19	0.66	77,889,786	7.3	–	–	10,806,660
AA	(0.05, 0.15)	Back	70	19.01	2.47	0.74	77,747,853	7.2	–	–	10,773,526
AA	(0.05, 0.15)	Smooth	70	19.13	2.38	0.71	77,805,084	7.2	–	–	10,795,090
AA	(0.1, 0.2)	Front	70	18.93	2.16	0.65	73,034,212	5.9	–	–	9,328,684
AA	(0.1, 0.2)	Back	70	18.59	2.42	0.73	72,895,888	5.9	–	–	9,366,887
AA	(0.1, 0.2)	Smooth	70	18.77	2.33	0.70	72,952,349	5.9	–	–	9,369,596
AA	(0.15, 0.25)	Front	70	18.69	2.14	0.64	69,856,553	5.1	–	–	8,361,565
AA	(0.15, 0.25)	Back	70	18.14	2.36	0.71	69,717,589	5.0	–	–	8,409,476
AA	(0.15, 0.25)	Smooth	70	18.48	2.30	0.69	69,778,677	5.0	–	–	8,450,583
AA	(0, 0)	Front	70	19.21	2.19	0.66	123,864,737	19.2	–	–	22,410,814
AA	(0, 0)	Back	70	19.55	2.53	0.76	123,788,407	19.2	–	–	22,328,435
AA	(0, 0)	Smooth	70	19.47	2.41	0.72	123,812,457	19.2	–	–	22,357,435

Rating	Prepay (%)	Default Timing (Resi, Commercial)	Recovery (Resi, Commercial) (%)	Default (%)	Defaulted Principal (%)	Principal Loss (%)	Collateral Cash Flow ($)	Collateral WAL (years)	"C" Principal Writedown	"C" Interest Shortfall	Residual Cash Flow ($)
BBB	(0.05, 0.15)	Front	70	19.20	1.81	0.54	77,697,539	7.1	–	–	10,911,035
BBB	(0.05, 0.15)	Back	70	19.01	2.04	0.61	77,579,167	7.1	–	–	10,951,202
BBB	(0.05, 0.15)	Smooth	70	19.13	1.96	0.59	77,627,135	7.1	–	–	10,941,009
BBB	(0.1, 0.2)	Front	70	18.93	1.78	0.54	72,805,466	5.8	–	–	9,452,496
BBB	(0.1, 0.2)	Back	70	18.59	2.00	0.60	72,689,367	5.8	–	–	9,519,123
BBB	(0.1, 0.2)	Smooth	70	18.77	1.92	0.58	72,736,953	5.8	–	–	9,489,822
BBB	(0.15, 0.25)	Front	70	18.69	1.76	0.53	69,607,071	5.0	–	–	8,458,621
BBB	(0.15, 0.25)	Back	70	18.14	1.94	0.58	69,489,258	4.9	–	–	8,580,848
BBB	(0.15, 0.25)	Smooth	70	18.48	1.90	0.57	69,541,493	4.9	–	–	8,549,340
BBB	(0, 0)	Front	70	19.21	1.81	0.54	124,088,305	19.2	–	–	22,641,294
BBB	(0, 0)	Back	70	19.55	2.09	0.63	124,023,434	19.2	–	–	22,571,096
BBB	(0, 0)	Smooth	70	19.47	2.00	0.60	124,043,914	19.2	–	–	22,595,039

Appendix B: Environmental, Social, and Governance (ESG) Considerations

Environmental, Social, and Governance (ESG) Checklist

ESG Factor		ESG Credit Consideration Applicable to the Credit Analysis: Y/N		Extent of the Effect on the ESG Factor on the Credit Analysis: Relevant (R) or Significant (S)*
Environmental		Overall:	N	N
	Emissions, Effluents, and Waste	Do the costs or risks result in a higher default risk or lower recoveries for the securitized assets?	N	N
	Carbon and GHG Costs	Do the costs or risks related to GHG emissions, and related regulations and/or ordinances result in higher default risk or lower recoveries of the securitized assets?	N	N
		Are there potential benefits of GHG-efficient assets on affordability, financeability, regulatory compliance, or future values (recoveries)?	N	N
		Carbon and GHG Costs	N	N
	Climate and Weather Risks	Are the securitized assets in regions exposed to climate change and adverse weather events affecting expected default rates, future valuations, and/or recoveries, considering key IPCC climate scenarios up to a 2°C rise in temperature by 2050?	N	N
	Passed-through Environmental credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by environmental factors (see respective ESG checklist for such issuer)?	N	N
Social		Overall:	N	N
	Social Impact of Products and Services	Do the securitized assets have an extraordinarily positive or negative social impact on the borrowers and/or society, and do these characteristics of these assets result in different default rates and/or recovery expectations?	N	N
		Does the business model or the underlying borrower(s) have an extraordinarily positive or negative effect on their stakeholders and/or society, and does this result in different default rates and/or recovery expectations?	N	N
		Considering changes in consumer behavior or secular social trends: does this affect the default and/or loss expectations for the securitized assets?	N	N
		Social Impact of Products and Services	N	N
	Human Capital and Human Rights	Are the originator, servicer, or underlying borrower(s) exposed to staffing risks and could this have a financial or operational effect on the structured finance issuer?	N	N
		Is there unmitigated compliance risk due to mis-selling, lending practices, or work-out procedures that could result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
		Human Capital and Human Rights	N	N
	Product Governance	Does the originator's, servicer's, or underlying borrower(s)' failure to deliver quality products and services cause damage that may result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
	Data Privacy and Security	Does the originator's, servicer's, or underlying borrower(s)' misuse or negligence in maintaining private client or stakeholder data result in financial penalties or losses to the issuer?	N	N
	Passed-through Social credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by social factors (see respective ESG checklist for such issuer)?	N	N
Governance		Overall:	N	N
	Corporate / Transaction Governance	Does the transaction structure affect the assessment of the credit risk posed to investors due to a lack of appropriate independence of the issuer from the originator and/or other transaction parties?	N	N
		Considering the alignment of interest between the transaction parties and noteholders: does this affect the assessment of credit risk posed to investors because the alignment of interest is inferior or superior to comparable transactions in the sector?	N	N
		Does the lack of appropriately defined mechanisms in the structure on how to deal with future events affect the assessment of credit risk posed to investors?	N	N
		Considering how the transaction structure provides for timely and appropriate performance and asset reporting: does this affect the assessment of credit risk posed to investors because it is inferior or superior to comparable transactions in the sector?	N	N
		Corporate / Transaction Governance	N	N
	Passed-through Governance credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by governance factors (see respective ESG checklist for such issuer)?	N	N
		Consolidated ESG Criteria Output:	N	N

* A Relevant Effect means that the impact of the applicable ESG risk factor has not changed the rating or rating trend on the issuer.
A Significant Effect means that the impact of the applicable ESG risk factor has changed the rating or trend on the issuer.

Environmental

There were no environmental factors that had a relevant or significant effect on the credit analysis. For more details about which environmental factors could have an effect on the credit analysis, please refer to the checklist above.

Social

There were no social factors that had a relevant or significant effect on the credit analysis. For more details about which social factors could have an effect on the credit analysis, please refer to the checklist above.

Governance

There were no governance factors that had a relevant or significant effect on the credit analysis. For more details about which governance factors could have an effect on the credit analysis, please refer to the checklist above.

The above ESG discussion relates to credit risk factors that could affect the issuer's credit profile and, therefore, the rating(s) of the notes. They are separate from ESG sustainability factors, which are generally outside the scope of this analysis. A description of how Morningstar DBRS considers ESG factors within the Morningstar DBRS analytical framework can be found in the *Morningstar DBRS Criteria: Approach to Environmental, Social, and Governance Risk Factors in Credit Ratings* at https://dbrs.morningstar.com/research/427030.

Appendix C—Scope and Meaning of Financial Obligations

Morningstar DBRS credit ratings on the Class A, Class B and Class C Notes address the credit risk associated with the identified financial obligations in accordance with the relevant transaction documents. For Information on the financial obligations, please refer to the corresponding Press Release published for this credit rating action.

Morningstar DBRS' credit rating does not address non-payment risk associated with contractual payment obligations contemplated in the applicable transaction documents that are not financial obligations. None of which have been identified.

Morningstar DBRS' long-term credit ratings provide opinions on risk of default. Morningstar DBRS considers risk of default to be the risk that an issuer will fail to satisfy the financial obligations in accordance with the terms under which a long-term obligation has been issued. The Morningstar DBRS short-term debt rating scale provides an opinion on the risk that an issuer will not meet its short-term financial obligations in a timely manner.

Notes:
All figures are in U.S. dollars unless otherwise noted.

This report is based on information as of June 13, 2024. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

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We rate more than 4,000 issuers and nearly 60,000 securities worldwide, providing independent credit ratings for financial institutions, corporate and sovereign entities, and structured finance products and instruments. Market innovators choose to work with us because of our agility, transparency, and tech-forward approach.

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