



ENVIRONMENTAL UPGRADE FINANCE

Are energy or water costs a risk to your business? Do you have a project you want to undertake to reduce the risk and increase your business' profitability?

The merits of upgrading can be significant for building owners and tenants alike. However capital budget restrictions and traditional finance can limit the ability of tenants and building owners to share the benefits of energy and water upgrades.

Sustainable Melbourne Fund's (SMF) Environmental Upgrade Finance (EUF) overcomes this barrier and has resulted in increased resale value for landlords, reduced energy costs for tenants and secure long-term tenancies.

How Does an EUF Work?

Just like traditional finance, the building owner will take a loan from the bank and repayments will be made. However repayments redirected through the local rates collection system, and can be paid by the tenant. This provides benefits for the tenant by lowering energy costs and the building owner via increased asset values.

Building Owner Benefits

- Opportunity to share costs with tenants
- Landlord owns asset
- No additional security required (personal, business guarantees, mortgages or registered charges)
- No hidden costs
- No costly and complicated refinances
- Simple application and credit process
- Potential tax benefits*

Tenant Benefits

- Extended finance loan terms to increase cash - flow
- Potential tax benefits*
- Reduce business risks with fixed repayments
- Competitive interest rates
- Simple application and credit process
- No complicated landlord negotiations
- Off balance sheet

*Seek financial advice





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To date, we have injected over \$14.5 million in building upgrades across Victoria. This has included boiler and chiller upgrades, variable speed drives, renewable energy systems, lighting solutions and regenerative lifts resulting in the reduction of over 125,000 tonnes of greenhouse gas emissions.

Through a Sustainable Melbourne Fund EUF you can access cheap competitive, fixed, long term finance and be able to share the benefits with.

Project Eligibility

Any project that delivers a positive environmental outcome could qualify. Some project examples include:

- Lighting and HVAC upgrades
- Solar installation
- Installation of water efficient plants and fixtures e.g. heating/cooling system upgrades
- Recycling and waste minimisation

Call SMF to find out more.

Customer Eligibility

- Your local council offers EUAs
- The Property is on ratable land;
- You don't own your building through a Self-Managed Super Fund
- Your property is used primarily for non-residential purposes (eg: Agriculture, Manufacturing, Retail, Commercial Office etc);

Next Steps

Sustainable Melbourne Fund is interested in hearing from building owners, tenants, project developers and service providers.

Contact Sustainable Melbourne Fund on 1300 432 044 to discuss how an EUA will benefit your business.