

June 18, 2021

REQUEST FOR MORTGAGE QUOTES FOR THE PURCHASE OF COMMERCIAL REAL ESTATE PROPERTY

Background

East Bay Community Energy (EBCE) was formed as a Community Choice Aggregator (CCA) on December 1, 2016 and is recognized as a governmental agency known as a joint powers authority (JPA). The authority for joint powers includes the County of Alameda and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Newark, Piedmont, Pleasanton, Oakland, San Leandro, Tracy and Union City to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs in all member jurisdictions.

EBCE is governed by a board of directors consisting of elected representatives from each member jurisdiction. EBCE has the rights and powers to set rates for its services, incur indebtedness, and issue bonds or other obligations to meet its responsibilities for the acquisition of electric power for its service area.

Request for Quotes

EBCE is seeking to purchase its primary office facilities. It is intended that these premises will be 100% occupied by EBCE for operations and meeting functions. EBCE is targeting facilities with a purchase price between \$8MM - \$10MM and is also intending to finance improvements from approximately \$1MM - \$2MM. As such, EBCE is taking quotes for financing a mortgage and improvements from various candidates.

Specifically, EBCE is seeking information on the following aspects as they relate to commercial real estate mortgages and improvement lending:

1. Details on the bank history, operations, and location of headquarters and other brick and mortar locations
2. Rate quotes with 10-year term and 25-year amortization lengths. We are also interested in seeing other term and amortization lengths if available. Please provide the price as of June 23, 2021. Please provide a breakdown of the funding and spread in your rate quote.
3. Applicable loan-to-value ratios.

4. Standard timeframe for closing and if you have an ability to accelerate your closing. Please note that as a public agency EBCE will need to see board approval for the load on July 21, 2021. Additional time for closing may occur after this date.
5. Please speak to options available for the improvement financing and how they relate to, or stand apart from, the mortgage.
6. We currently hold an \$80MM credit facility with Barclays Bank that currently has priority over all EBCE assets in the event of liquidation. We are creating an amendment with them that will allow us to take a mortgage and give first deed of trust on the property with another lender. Please confirm if your bank can be subordinate to Barclays beyond the lien on the property.
7. Please provide any additional, relevant information, or other benefits to partnership, we would need to make the best decision possible.

Please note, EBCE's annual audited financial statements are available on our website here: <https://ebce.org/documents-and-resources/>.

How to Submit Quotes

Please submit all quotes and information by email to Jason Bartlett, Finance Manager at jbartlett@ebce.org no later than 5pm PST, Thursday, June 24th, 2021.

Please submit any additional questions to the email address above by 5pm PST, Tuesday, June 22nd, 2021. A circular will be distributed with any submitted Q&A by noon on Wednesday June 23rd.

Thank you,



Jason Bartlett
Finance Manager, EBCE