

FINANCING APPLICATION

Application Information

CF-00000001 Application ID	04-16-2014 Application Start Date	
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Property Information

Single Family Residential Property Type		
5670 Main Street Street Address		
Cupertino City	CA State	94100 Zip

Contractor Information

Contractor-Install Self-Install

Smith Solar and HVAC Company Name (Not Applicable if Self Install)		
Sam Smith Contractor Employee Name		
123 1st St. Street Address		
San Jose City	CA State	94102 Zip

Owner Information

Individual Owner Type	Yes Is Primary Contact for Application?	
Sarah First Name	 Middle Initial	Brown Last Name
123-45-6789 SSN	01-01-1971 DOB	805-555-5555 Phone
Sarahbrown@gmail.com Email		
5670 Main Street Mailing Street Address		
Cupertino Mailing City	CA Mailing State	94100 Mailing Zip

Eligible Product(s)

	Product Type	Maximum Project Amount
1	Solar Panels	\$25,000.00
2	Solar Inverters	\$6,300.00
3	Electric Vehicle Charging Station	\$3,300.00
Total Project Amount		\$34,600.00



FINANCING APPLICATION DISCLOSURE

Application ID: **CF-00000001**
 Property Address: **5670 Main Street**
Cupertino, CA 94100

Under the CaliforniaFIRST program ("Program"), the California Statewide Communities Development Authority ("CSCDA") finances installation of renewable energy, energy efficiency and/or water efficiency products that are permanently fixed to real property ("Eligible Products"). Eligible Products will be financed by levying a contractual assessment and placing a lien on your real property. The assessment will be repaid by collecting payments through annual installments that will be included on your property tax bill, consistent with an assessment contract between CSCDA and the property owner(s) ("Assessment Contract"). As discussed below, these installments will include interest, fees, annual costs and other costs. The Program is administered by Renewable Funding LLC ("Program Administrator"). The Program Administrator manages the Program Call Center and daily activities of the Program.

All relevant information about the Program can be found in the CaliforniaFIRST Program Residential Property Owner Handbook ("Property Owner Handbook") and is discussed below. The list of cities and counties participating in the Program ("Participating Communities") is available on the Program website and in the Property Owner Handbook.

Program Requirements and Terms

The following requirements and terms apply to the Program. By signing this application, you acknowledge these requirements and terms and certify that, to the best of your knowledge, all applicable requirements have been satisfied. To verify that certain requirements have been satisfied, you authorize the Program Administrator to obtain a credit report for the property owner(s) and/or trustee(s) whose social security numbers are provided on this application.

1. The property identified above (the "Property") is within a Participating Community, is used for residential purposes, has three (3) units or fewer, and is not undergoing development.
2. There is at least 10% equity in the Property (in other words, mortgage-related debt is no more than 90% of the value of the Property). In addition, the amount financed under the Program is the lesser of \$200,000 or 10% of the value of the Property and, when combined with any other debts or obligations secured by the Property, cannot exceed 100% of the value of the Property.
3. Taxes on the Property must be current for the prior twelve (12) months and have not have been paid late more than once during the prior three (3) years (or since the purchase of the Property if owned by the current property owner(s) for less than 3 years). The Property is not subject to any current federal or state income tax liens, judgment liens, mechanic's liens, similar involuntary liens, or other liens/judgments over \$1,000 in total.
4. All debts and obligations secured by the Property must be current and no mortgage payment can have been more than thirty (30) days late during the previous twelve (12) months. There have been no notices of default or foreclosure filed against the Property within the last two (2) years (or since the purchase of the Property if owned by the current property owner(s) for less than 2 years). The Property cannot be an asset in a bankruptcy proceeding and property owner(s) cannot have declared bankruptcy in the past two (2) years.
5. The Property's title is not subject to power of attorney, easements, or subordination agreements restricting authority of the property owner(s) to subject the Property to a PACE lien, other than issues related to standard mortgage loan agreements.
6. All owners of record of the Property have signed this application and all other required Program documentation, including but not limited to the Completion Certificate and the Assessment Contract.
7. The maximum term of the financing per Property is the lesser of a) the useful economic life of the greatest Eligible Product or approved Custom Product cost financed with respect to such Property and b) twenty (20) years.
8. The all in tax rate on the Property may not exceed 5% of the subject Property value.
9. State incentive and rebate programs are available and participating property owners must declare any rebates received for the project.

Program Rates, Fees, and Costs

Below are the rates, fees and costs of the Program. For rates, fees and costs specific to your application please see the Assessment Contract and Financing Statement.

RATES	
Fixed Interest Rate. The rate will be set when the Assessment Contract is issued and will be locked for 90-120 days (depending on the Eligible Products being financed). Installation of the Eligible Products must be completed and a Completion Certificate must be submitted to CSCDA by this date or the interest rate may change.	Set Daily.
Annual Percentage Rate (APR). Interest and certain other costs over the Assessment term expressed as a rate. This is not your interest rate.	Varies. Based on interest rate and other costs.
UPFRONT COSTS	
Program-Related Fees. One-time charges. Includes program administration, origination, program sponsor, bond counsel, and tax administration.	Not to exceed 6.40% of Assessment Amount
Lien Recording. The amount charged by the government for recording notice documents relating to the assessment on the Property.	Varies by county. Not to exceed \$100.
Reserve Fund. One-time charge deposited into debt service reserve fund for bonds issued by CSCDA to finance projects in the Program.	0.25% of Assessment Amount
CAEATFA PACE Loss Reserve Program. One-time charge for participation in the CAEATFA PACE Loss Reserve Program.	0.25% of Assessment Amount
Foreclosure Expense Reserve Account. One-time charge deposited into a reserve account that CSCDA will use to pay for the costs of foreclosing on the Property and other properties participating in the Program as a result of a delinquency in the payment of any Financing Installment or Administrative Expenses.	Varies. Not to exceed \$10 per transaction.
Capitalized Interest. A lump sum interest charge for the period prior to the first tax year in which payment is made.	Varies based on when financing begins.
ANNUAL COSTS	
Estimated Administrative Expenses. An annual charge that will change based on the costs of the Program.	Varies by County. May be increased over time.

OTHER COSTS													
<p>Prepayment Penalty. A charge for paying off all or any portion of the assessment amount during the first five years.</p> <p>Please note: If you refinance or sell the Property during the first five years and a lender requires you to pay off the total assessment, you will be required to pay this charge.</p>	<p>The total of:</p> <p>(i) the unpaid amount of the assessment to be prepaid, (ii) a prepayment premium computed by multiplying the amount of the assessment to be prepaid by the percentage set forth below, (iii) accrued but unpaid interest relating to the unpaid principal amount to be prepaid through the date on which the related bonds will be redeemed, and (iv) a reasonable processing fee.</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: right;">Through Initial Tax Year on the Property Tax Bill:</td> <td style="text-align: right;">5%</td> </tr> <tr> <td style="text-align: right;">Year 2:</td> <td style="text-align: right;">4%</td> </tr> <tr> <td style="text-align: right;">Year 3:</td> <td style="text-align: right;">3%</td> </tr> <tr> <td style="text-align: right;">Year 4:</td> <td style="text-align: right;">3%</td> </tr> <tr> <td style="text-align: right;">Year 5:</td> <td style="text-align: right;">3%</td> </tr> <tr> <td style="text-align: right;">Years 6-20:</td> <td style="text-align: right;">No penalty</td> </tr> </table>	Through Initial Tax Year on the Property Tax Bill:	5%	Year 2:	4%	Year 3:	3%	Year 4:	3%	Year 5:	3%	Years 6-20:	No penalty
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Years 6-20:	No penalty												

Additional Disclosures

The following describes some (but not all) characteristics and risks of participation in the Program as well as laws to which the Program is subject. Additional information regarding the Program is provided in the Assessment Contract and the other Program documents. The Program Administrator is committed to your understanding each of the items listed below before you enter into an Assessment Contract, and invites you to ask Program representatives any questions regarding these items or for copies of any document related to the Program.

1. **Existing Mortgage.** The Program establishes the manner by which CSCDA may finance, pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10), the installation of Eligible Products. Eligible Products will be financed pursuant to an Assessment Contract between you and CSCDA. BEFORE COMPLETING A PROGRAM APPLICATION, YOU SHOULD CAREFULLY REVIEW ANY MORTGAGE AGREEMENT(S) OR OTHER SECURITY INSTRUMENT(S) THAT AFFECT THE PROPERTY OR TO WHICH YOU AS THE PROPERTY OWNER ARE A PARTY. ENTERING INTO AN ASSESSMENT CONTRACT WITHOUT THE CONSENT OF YOUR EXISTING LENDER(S) COULD CONSTITUTE AN EVENT OF DEFAULT UNDER SUCH AGREEMENTS OR SECURITY INSTRUMENTS. DEFAULTING UNDER AN EXISTING MORTGAGE AGREEMENT OR SECURITY INSTRUMENT COULD HAVE SERIOUS CONSEQUENCES TO YOU, WHICH COULD INCLUDE THE ACCELERATION OF THE REPAYMENT OBLIGATIONS DUE UNDER SUCH AGREEMENT OR SECURITY INSTRUMENT. IN ADDITION, FANNIE MAE AND FREDDIE MAC, THE OWNER OF A SIGNIFICANT PORTION OF ALL HOME MORTGAGES, STATED THAT THEY WOULD NOT PURCHASE HOME LOANS WITH ASSESSMENTS SUCH AS THOSE OFFERED BY CSCDA. THIS MAY MEAN THAT PROPERTY OWNERS WHO SELL OR REFINANCE THEIR PROPERTY MAY BE REQUIRED TO PREPAY SUCH ASSESSMENTS, AND ANY ASSOCIATED PREPAYMENT PENALTIES, AT THE TIME THEY CLOSE THEIR SALE OR REFINANCING. If your lender requires an impound for your property taxes, the you should notify the lender of the annual assessment payment amount so they can adjust your impound amount.
2. **Valuation Disclosure.** We will order an automated valuation of the Property. We will promptly give you a copy of this valuation, even if your financing does not close. You can pay for an additional appraisal for your own use and to establish the property value at your own cost.
3. **Foreclosure.** Not later than October 1 each year, CSCDA will determine whether any annual assessment obligation is not paid when due and will have the right and obligation to order that any such delinquent payment, penalties, interest, and associated costs be collected by an action brought in Superior Court to foreclose the lien of such delinquent assessment obligation in the manner provided and to the extent permitted by applicable law. By December 1 of the same year, CSCDA will initiate the order to foreclose.

4. **No Endorsement, Warranty or Liability.** CSCDA, purchasers of bonds issued by CSCDA, and the Program Administrator do not endorse any manufacturer, contractor, product, or system, or in any way warranty such equipment, installation, or the efficiency or production capability of any equipment. CSCDA, purchasers of bonds issued by CSCDA, and the Program Administrator make no representations and have no responsibility regarding the equipment and its installation, including the quality, safety, cost savings, efficiency or production capability of any equipment; or any compliance of the equipment or its installation with any applicable laws, regulations, codes, standards or requirements. Further, CSCDA, purchasers of bonds issued by CSCDA, and the Program Administrator shall not be in any way liable for any incidental or consequential damages resulting from the equipment or its installation.
5. **Validation.** The Program Administrator may validate that installed Eligible Products meet Program eligibility requirements including requiring the applicant to provide additional sales receipts, contractor invoices, serial numbers or other identifying details, portions of packages or stickers originally attached to the installed Eligible Products beyond what the Program already requires to be provided. The Program Administrator may also conduct an inspection to validate installation of Eligible Products at qualified locations. You, by submitting this application, consent to any such onsite validations, which shall be conducted during normal business hours following advance notice to you. By submitting this application, you also agree to sign the authorization form to participate in billing energy usage analysis to measure Program impact savings and participant satisfaction.
6. **Equal Credit Opportunity Act (ECOA).** The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of an applicant's income derives from any public assistance program; or because an applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.
7. **Fair Credit Reporting Act.** As part of assembling your Program application, CSCDA has requested a consumer report bearing on your credit worthiness, credit standing and credit capacity. This notice is given to you pursuant to the Fair Credit Reporting Act.
8. **Communications with Legal Advisers.** If you have any questions about any agreements or security instruments that affect the Property or to which you are a party, or about your authority to execute this application or enter into an Assessment Contract with CSCDA without the prior consent of your existing lender(s), we strongly encourage you to consult with your own legal counsel and your lender(s). Program staff cannot provide you with advice about existing agreements or security instruments.
9. **Monitoring and Recording Telephone Calls.** The Program Administrator may monitor or record telephone calls for security and customer service purposes. By applying for CaliforniaFIRST Financing, you consent to have any phone conversations with the Program Administrator recorded or monitored.
10. **Married Applicants.** A married applicant whose spouse does not have an ownership interest in the Property may apply for a separate account.

THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977 FAIR LENDING NOTICE

IT IS ILLEGAL TO DISCRIMINATE IN THE PROVISION OF OR IN THE AVAILABILITY OF FINANCIAL ASSISTANCE BECAUSE OF THE CONSIDERATION OF:

1. TRENDS, CHARACTERISTICS OR CONDITIONS IN THE NEIGHBORHOOD OR GEOGRAPHIC AREA SURROUNDING A HOUSING ACCOMMODATION, UNLESS THE FINANCIAL INSTITUTION CAN DEMONSTRATE IN THE PARTICULAR CASE THAT SUCH CONSIDERATION IS REQUIRED TO AVOID AN UNSAFE AND UNSOUND BUSINESS PRACTICE; OR
2. RACE, COLOR, RELIGION, SEX, MARITAL STATUS, DOMESTIC PARTNERSHIP, NATIONAL ORIGIN OR ANCESTRY.

IT IS ILLEGAL TO CONSIDER THE RACIAL, ETHNIC, RELIGIOUS OR NATIONAL ORIGIN COMPOSITION OF A NEIGHBORHOOD OR GEOGRAPHIC AREA SURROUNDING A HOUSING ACCOMMODATION OR WHETHER OR NOT SUCH COMPOSITION IS UNDERGOING CHANGE, OR IS EXPECTED TO UNDERGO CHANGE, IN APPRAISING A HOUSING ACCOMMODATION OR IN DETERMINING WHETHER OR NOT, OR UNDER WHAT TERMS AND CONDITIONS, TO PROVIDE FINANCIAL ASSISTANCE.

THESE PROVISIONS GOVERN FINANCIAL ASSISTANCE FOR THE PURPOSE OF THE PURCHASE, CONSTRUCTION, REHABILITATION OR REFINANCING OF ONE- TO FOUR-UNIT FAMILY RESIDENCES OCCUPIED BY THE OWNER AND FOR THE PURPOSE OF THE HOME IMPROVEMENT OF ANY ONE- TO FOUR-UNIT FAMILY RESIDENCE.

IF YOU HAVE ANY QUESTIONS ABOUT YOUR RIGHTS, OR IF YOU WISH TO FILE A COMPLAINT, CONTACT THE MANAGEMENT OF THIS FINANCIAL INSTITUTION OR:

SECRETARY OF BUSINESS, TRANSPORTATION AND HOUSING
980 9TH STREET, SUITE 2450
SACRAMENTO, CALIFORNIA 95814

Property Owner Declaration and Signature(s)

By signing this Application, I hereby declare under penalty of perjury under the laws of the State of California all of the following:

1. That the information provided in this Application is true and correct to the best of my knowledge as of the date set forth opposite my signature below and that I understand that any intentional or negligent misrepresentation(s) of the information contained in this Application may result in civil liability and/or criminal penalties including, but not limited to, imprisonment, liability for monetary damages to CSCDA, its agents, or successors and assigns, insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which I have made in this Application, or both.
2. I have the authority to authorize the Program Administrator to obtain a credit report for each of the property owner(s) and/or trustee(s) whose social security number(s) is provided on this application.
3. I have the authority to authorize the Program Administrator to share relevant information on application and financing status with the contractor(s) indicated on this application. The Program Administrator will not share social security numbers with the contractor(s).
4. I understand that it is my responsibility to receive all necessary approvals from my homeowners' association and/or historical review board, as applicable to my Property and project.
5. I understand that it is my responsibility to receive, read and understand all documents regarding the Program, which, in addition to the information on the Program website, include without limitation the following:

a. Residential Property Owner Handbook;	g. Privacy Policy Notice;
b. Financing Application and Disclosure;	h. Self-Install Agreement (if applicable);
c. Assessment Contract;	i. Payment Assignment for Solar PV Pre-Paid Lease or PPA (if applicable);
d. Financing Statement;	j. Notice to Proceed; and
e. Notice of Right to Cancel;	k. Completion Certificate.
f. Electronic Record and Signature Disclosure;	
6. I have had an opportunity to ask Program representatives and/or my legal counsel any questions I have regarding the documents listed above. I understand I will be asked to sign the Assessment Contract, among other documents, before receiving any funds.

7. I am applying to participate in the Program. I have the authority, without the consent of any third party, to execute and deliver this application, the Assessment Contract, and the various other documents and instruments referenced herein.
8. I understand that the financing provided pursuant to the Assessment Contract will be repayable through an assessment levied against the Property. I understand that a special priority assessment lien will be recorded by CSCDA against the Property in the office of the County Recorder of the County in which the Property is located upon execution of the Assessment Contract. The property tax bill for the Property will increase by the amount of installments sufficient to repay the assessment (with interest) and related administrative expenses. The Assessment Contract will specify the amount of the assessment and the assessment obligations (including principal, interest, and estimated administrative expenses) to be collected on the property tax bill for the Property each year during the assessment term specified in the Assessment Contract. The assessment obligations and any associated penalties will constitute a lien against the Property until they are paid. As with all tax and assessment liens, this lien will be senior to all existing and future private liens against the Property, including mortgages, deeds of trust and other security instruments.
9. I acknowledge receipt of a copy of The Housing Financial Discrimination Act of 1977 Fair Lending Notice.

I declare that: (i) I have the authority, without the consent of any third party which has not been previously obtained, to execute and deliver this application and attest to the accuracy of the information indicated in this application; (ii) I have received, read and understand the risks and characteristics of the Program described above; and (iii) I have been informed that I must take the sole responsibility to satisfy myself that executing the Assessment Contract, receiving financing for Eligible Products, and consenting to the assessment levied against the Property will not constitute a default under any other agreement or security instrument (including, specifically, the terms of any mortgage on the Property) which affects the Property or to which I am a party.

Sarah Brown Signature

Date

5 Simple Steps to Finance Home Improvements

1 Apply for CaliforniaFIRST Financing

To complete your application you need:
A. Property Owner & Property Info
B. Contractor Info
C. Selected Eligible Products



Call (844) 589-7953
to find out if you qualify



Download the Property Owner Handbook at
www.californiafirst.org/handbook
to learn more about program requirements

2 Sign Financing Documents

Review and sign your financing documents via email.
Receive your Notice to Proceed.



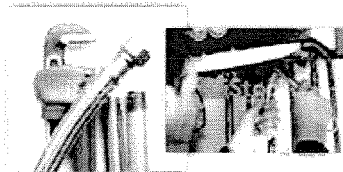
- Financing Application
- Assessment Contract
- Financing Summary
- Notice of Right to Cancel



- Start Installing Your Products

3 Install Products

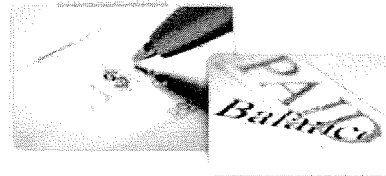
Once your Eligible Products have been installed,
you and your contractor sign and return the
Completion Certificate to receive payment.



- Products installed!

4 Pay Your Contractor

After the Completion Certificate is approved and the lien is successfully
recorded, funding will be disbursed 10-13 days later via wire or check.



5 Repay Your Property Tax Bill

Depending on when your lien is recorded, you may not see this
charge on your property tax bill until the following year.



Eligible Products



ENERGY EFFICIENCY PRODUCTS

- Air-Source Heat Pump
- Applied Window Films
- Attic Fan
- Attic Insulation
- Boiler
- Ceiling Fan
- Central Air Conditioner
- Cool Roof – Performance
- Cool Roof – Prescriptive
- Cool Wall
- Doors
- Duct Insulation
- Duct Replacement and/or Sealing
- Electric Heat Pump Tank Water Heater
- Evaporative Cooler
- Floor Insulation (over unconditioned space)
- Furnace
- Gas Pool Heater
- Gas Storage Tank Water Heater
- Gas Tankless Water Heater
- Geothermal Heat Pump
- Indoor Lighting Fixtures
- Outdoor Lighting Fixtures
- Pool Pump and Motor
- Programmable Thermostat Control
- Radiant Barrier
- Radiant Heating and/or Cooling (Floor, Wall, Ceiling)
- Skylights and Tubular Daylighting Devices
- Ventilating Fans
- Wall Insulation
- Whole House Fan
- Windows

RENEWABLE ENERGY PRODUCTS

- Advanced Energy Storage Systems
- Electric Vehicle Charging Station
- Small Wind Turbines
- Solar Inverters
- Solar Panels
- Solar Pool Heating
- Solar Water Heating

WATER EFFICIENCY PRODUCTS

- Artificial Turf
- Drip Irrigation
- Greywater Systems
- Hot Water Delivery Systems
- Rainwater Catchment Systems
- Toilets
- Weather-Based Irrigation Control Systems