



Sonoma County Energy Independence Program

PROPERTY ASSESSED CLEAN ENERGY FINANCING APPLICATION



2300 County Center Drive, Ste. A105, Santa Rosa, California 95403-3009

Phone: (707) 565-6470 Fax: (707) 565-6474

sceip@sonoma-county.org

www.sonomacountyenergy.org

Please consider the environment by printing application materials double-sided.

[Date Received]



File No. _____

Sonoma County Energy Independence Program

ALERT: Fannie Mae/Freddie Mac Instructions for Lenders

SINGLE FAMILY HOME OWNERS: In May, 2010, Fannie Mae and Freddie Mac, government sponsored enterprises that purchase a large segment of conforming single family home mortgages, issued new instructions to lending institutions on how to treat properties with assessments under Property Assessed Clean Energy (PACE) programs such as SCEIP. These letters, and additional statements issued by the Federal Housing Finance Agency, the agency that regulates single family home lenders, instruct lenders to treat energy assessments as “loans” instead of “assessments.” Copies of these letters and statements can be viewed at the following links or may be obtained upon request from the SCEIP storefront:

- <https://www.efanniemae.com/sf/guides/ssg/annltrs/pdf/2010/ll1006.pdf>
- <http://www.freddiemac.com/singlefamily/guide/bulletins/pdf/iltr050510.pdf>
- <http://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Statement-on-Certain-Energy-Retrofit-Loan-Programs.aspx>
- <http://www.fhfa.gov/Media/PublicAffairs/Pages/Statement-of-FHFA-Acting-Director-Edward-J-DeMarco-on-PACE-Programs.aspx>

On August 31, 2010, the agencies issued additional instructions to lenders that Fannie Mae and Freddie Mac “will not purchase mortgage loans secured by properties with an outstanding PACE obligation.” These letters can be viewed at:

- <https://www.efanniemae.com/sf/guides/ssg/annltrs/pdf/2010/sel1012.pdf>
- <http://www.freddiemac.com/singlefamily/guide/bulletins/pdf/bll1020.pdf>

These letters and statements may lead lenders to conclude the assessment should be paid off before a property transfers or is refinanced. In addition, it may lead some lenders to conclude that participating in SCEIP is a violation of typical mortgage terms prohibiting prior liens without lender consent. If you are selling your property, a buyer’s lender may refuse to finance a loan unless the assessment is paid off. We urge you to carefully read the disclosure information in the SCEIP application, review your mortgage documents, evaluate the risks of proceeding with an application at this time, and contact your lender if you have any concerns or for information regarding any other financing options that may be available to you.

I/We have read the above statement. All property owners on title must initial below:

_____	_____	_____	_____
<i>Initials</i>	<i>Date</i>	<i>Initials</i>	<i>Date</i>
_____	_____	_____	_____
<i>Initials</i>	<i>Date</i>	<i>Initials</i>	<i>Date</i>



APPLICATION INSTRUCTIONS

Please complete and sign the attached Application form and include all requested attachments. Please type or print neatly in blue or black ink.

All applications are processed on a first-come, first-served basis, upon receipt, until funds are depleted. Incomplete or incorrect applications cannot be processed. Resubmitted applications are processed on a first-come, first-served basis upon the new receipt date.

Application approval and execution of an Assessment Contract and an Implementation Agreement (“Contract Documents”) are required before any financing is available. Sample Contract Documents can be viewed online at www.sonomacountyenergy.org. All record owners must sign the Application, Lending Disclosure Statement and Contract Documents, as applicable. See [Summary of Sonoma County Energy Independence Program Financing Process](#) for more detailed information.

If there are insufficient funds available, an approved applicant will be placed on a waiting list.

Keep a copy for your records of your completed Application and all documents submitted. Keep a copy of all receipts, paid invoices, and home improvement contracts.

Submit completed Applications and attachments to sceip@sonoma-county.org or to 2300 County Center Drive, Ste. A105, Santa Rosa, California 95403-3009. For questions regarding the status of your Application call (707) 565-6470 or email sceip@sonoma-county.org.

For information on home improvement contracts or the status of the state license for your proposed contractor visit www.cslb.ca.gov or call the Contractor’s State License Board at 1-800-321-CSLB. For information regarding residential and commercial energy analyses visit www.pge.com or <https://www.calcerts.com/>.

Sonoma County Energy Independence Program

APPLICATION

The Sonoma County Energy Independence Program (“SCEIP”) provides financing for the installation of energy efficiency improvements, water efficiency improvements, and renewable energy sources that are permanently fixed to real property (“Improvements”). Assessment Contracts and Implementation Agreements will be entered into as provided for in State law, Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10) and the Sonoma County Energy Independence [Program Report and Administrative Guidelines](#).

SECTION 1: Eligibility Requirements

- Applicant(s) is/are legal owner of the property described in the Application (the “Property”).
- Property is developed and located within Sonoma County. Mobile homes that are not affixed to real property and subject to secured property tax are not eligible.
- All property taxes for the subject property are current for the previous three years (or since Property Owner took ownership if less than three years). Property Owner is current on all property taxes for any other properties owned in Sonoma County. Property Owner is current on all mortgage(s).¹ For commercial property,² lender has signed the [Lender Acknowledgment form](#) for SCEIP Financing.
- Property Owner is not in bankruptcy and the property is not an asset in a bankruptcy.³
- There are no federal or state income tax liens, judgment liens, or similar involuntary liens on the Property.
- Improvement costs are reasonable for the scope of the proposed project and to Property value.
- Requested Financing Amount is reasonable to Property Market Value.⁴ For residential properties, the total amount of requested funding must be less than 10% of the market value. As a guideline for commercial properties, the Requested Financing Amount should not exceed 10% of the market value.
- The lien to value ratio (excluding the Requested Financing Amount) does not exceed 100 percent.⁵
- Total annual property taxes, plus current assessments, including projected annual SCEIP assessments due on the property do not exceed 5% of the property’s market value, as determined at the time of approval of the contractual assessment.

For further information on eligibility requirements, see the [Program Report and Administrative Guidelines](#), or contact SCEIP staff at (707) 565-6470.

¹ If property is subject to loan modification because of default or delinquency, additional restrictions may apply. See [Program Report and Administrative Guidelines](#) for details.

² For SCEIP, “residential property” is defined as single-family properties with 3 units or fewer; “commercial property” is all other property.

³ If property owner has been in bankruptcy in the past three years, additional requirements may apply. See [Program Report and Administrative Guidelines](#) for details.

⁴ Residential property value will be determined by a property valuation provided by Prime Valuation LLC, or submitting an appraisal by a licensed California real estate appraiser.

⁵ Calculation: Sum of all lien balances against the property ÷ market value is less than or equal to 100%.

FOR OFFICE USE ONLY

File No. _____

[Date Stamp]

Received On: _____ By: _____

HOW DID YOU HEAR ABOUT SCEIP (CHECK ONE)

Contractor Newspaper or Periodical Other (Please specify)
 Radio Friend or Family Other: _____

SECTION 2: Applicant Information

PROPERTY OWNER(S) LEGAL NAME(S) AS THEY APPEAR ON PROPERTY TAX RECORDS

OWNER 1	LAST 4 DIGITS OF SSN OR TIN XXX-XX-	LIST ALL PARCEL #'S OWNED BY APPLICANT
OWNER 2	LAST 4 DIGITS OF SSN OR TIN XXX-XX-	LIST ALL PARCEL #'S OWNED BY APPLICANT
OWNER 3	LAST 4 DIGITS OF SSN OR TIN XXX-XX-	LIST ALL PARCEL #'S OWNED BY APPLICANT
OWNER 4	LAST 4 DIGITS OF SSN OR TIN XXX-XX-	LIST ALL PARCEL #'S OWNED BY APPLICANT

PROPERTY OWNER(S) TYPE (CHECK ALL THAT APPLY)

Individual(s) / Joint Tenants / Common Property (Not in Trust) Corporation Limited Liability Company
 Trust / Trustees / Living Trust Partnership Other (Please specify)

PROPERTY OWNER CONTACT INFORMATION

NAME	EMAIL ADDRESS	DAYTIME TELEPHONE NO

PHYSICAL PROPERTY ADDRESS AND ASSESSOR'S PARCEL NUMBER (SITE OF IMPROVEMENTS)

STREET ADDRESS	CITY	STATE	ZIP
		CA	
ASSESSOR'S PARCEL NUMBER FOR SUBJECT PROPERTY			

MAILING ADDRESS (IF DIFFERENT)

MAILING ADDRESS	CITY	STATE	ZIP

SECTION 3: Property Information

PROPERTY TYPE (CHECK ALL THAT APPLY)

Single Family Residential (1 to 3 units) Multi-Family Residential (4 or more units)
 Industrial Commercial
 Home Owner's Association (HOA/CCRs) Historic District
 Commercial NAICS Code _____

MORTGAGE MODIFICATION INFORMATION	
Is this property currently subject to any type of loan modification program?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, is the loan modification the Home Assistance Modification Program (HAMP)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Please note: Additional documentation may need to be provided in order to process the application.	

SECTION 4: Proposed Improvement Project Information

PROPOSED IMPROVEMENT PROJECT (Attach additional page(s) if necessary)		
ENERGY ANALYSIS METHOD?	HOW IS PROPERTY CURRENTLY HEATED?	HOW IS PROPERTY CURRENTLY COOLED?

1. PROPOSED IMPROVEMENT MEASURE NAME		TYPE OF IMPROVEMENT (CHECK ONE)	
		<input type="checkbox"/> Water <input type="checkbox"/> Energy <input type="checkbox"/> Generation	
QUANTITY AND/OR SIZE. INDICATE # OF DOORS AND WINDOWS SEPARATELY		UNITS	
PROPOSED IMPROVEMENT MAKE AND MODEL		PROPOSED IMPROVEMENT SPECIFICATIONS, I.E., AFUE, U-RATING, R-RATING, ETC.	
PROPOSED IMPROVEMENT COST	(-) LESS REBATE	(+) PLUS ESTIMATED PERMIT FEE	(=) NET PROPOSED IMPROVEMENT COST
\$	\$	\$	\$

2. PROPOSED IMPROVEMENT MEASURE NAME		TYPE OF IMPROVEMENT (CHECK ONE)	
		<input type="checkbox"/> Water <input type="checkbox"/> Energy <input type="checkbox"/> Generation	
QUANTITY AND/OR SIZE. INDICATE # OF DOORS AND WINDOWS SEPARATELY		UNITS	
PROPOSED IMPROVEMENT MAKE AND MODEL		PROPOSED IMPROVEMENT SPECIFICATIONS, I.E., AFUE, U-RATING, R-RATING, ETC.	
PROPOSED IMPROVEMENT COST	(-) LESS REBATE	(+) PLUS ESTIMATED PERMIT FEE	(=) NET PROPOSED IMPROVEMENT COST
\$	\$	\$	\$

3. PROPOSED IMPROVEMENT MEASURE NAME		TYPE OF IMPROVEMENT (CHECK ONE)	
		<input type="checkbox"/> Water <input type="checkbox"/> Energy <input type="checkbox"/> Generation	
QUANTITY AND/OR SIZE. INDICATE # OF DOORS AND WINDOWS SEPARATELY		UNITS	
PROPOSED IMPROVEMENT MAKE AND MODEL		PROPOSED IMPROVEMENT SPECIFICATIONS, I.E., AFUE, U-RATING, R-RATING, ETC.	
PROPOSED IMPROVEMENT COST	(-) LESS REBATE	(+) PLUS ESTIMATED PERMIT FEE	(=) NET PROPOSED IMPROVEMENT COST
\$	\$	\$	\$

TOTAL PROJECT COSTS (Sums from above)			
PROPOSED IMPROVEMENT COST(S)	(-) LESS REBATE(S)	(+) PLUS ESTIMATED PERMIT FEE(S)	(=) NET PROPOSED IMPROVEMENT COST
\$	\$	\$	\$

PROGRAM COSTS/FEEES

Property Valuation Cost (\$12) – An appraisal tool used to determine the property market value of residential properties. Due when the application is submitted.

Title Cost (\$50/\$125) – Due when the application review is complete, immediately preceding title search. The amount of the title cost is based on the requested financing amount. For financing requests less than \$5000 the title cost is \$50. For financing requests \$5,000 to \$500,000, the title cost is \$125. Financing requests over \$500,000 require a full title search and title insurance. Contact SCEIP for estimate. For a second title search on the same APN within 180 days, the title cost is \$30.

Recording Fee (\$66) – for Assessment Lien documents and assessment contract. The amount is \$66, which is set by state law and the County Recorder’s Office. Due at contract signing.

PACE Loss Reserve Fee (.25% of requested financing amount) – Due for each residential application at the time final disbursement is requested. A one-time administrative fee of 0.0025 (0.25%) of the principal value of each assessment will be applied. The amount is set by state law and the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA). This fee is included in the Annual Percentage Rate (APR) calculation of the assessment.

Site Inspection Cost (\$150) – Applicant may request interim payments for projects over \$40,000. A finalized permit for that portion of work in which funds are requested will be required along with the Request for Disbursement form. If an interim payment is requested for a large project, an inspection by SCEIP staff to verify that 75% of materials are secured on the property will be required. There is a \$150 fee for a SCEIP inspection, which is due at the time of inspection. Interest will accrue on the entire assessment amount at the time of the first interim payment.

Note: These fees and costs may not be included in the requested financing amount.

ITEMIZED ESTIMATED COST OF IMPROVEMENT(S) – DOCUMENTATION REQUIRED*

A.	Construction contract(s) (bid price for cost of materials and labor less any applicable rebates), excluding permit fees:	\$ _____
B.	Contingency allowance - OPTIONAL [10% of above – single disbursement contracts under \$40,000 only]:	\$ _____
C.	Onsite energy and water survey/analysis costs [<u>Residential</u> : highly recommended but not required to participate; <u>Commercial</u> : must obtain free PG&E or equivalent onsite energy analysis]: ⁶	\$ _____
D.	Professional services (Appraisal, drafting, engineering, project management and/or plan preparation costs):	\$ _____
E.	<input type="checkbox"/> Permit Fee: _____ <input type="checkbox"/> Permit included in bid	\$ _____
Total:		\$ _____
Requested Financing Amount:		\$ _____

Minimum proposal amount (line A) is \$2500.

REQUESTED ASSESSMENT REPAYMENT PERIOD

10 Years 20 Years

The minimum amount for a SCEIP Assessment Contract is \$2,500. For assessments between \$2,500 and \$4,999, the term will be 10 years. Assessments \$5,000 and above may be a term of 10 or 20 years.

⁶ Residential applicants must provide the results of their free online My Action Plan analysis. See Required Documentation for more information.

Important Clarification

- | | <u>Initial</u> | <u>Here</u> |
|---|----------------|-------------|
| (1) Work cannot begin until Notice to Proceed is issued. | _____ | _____ |
| (2) Payment is disbursed after completion of work. | _____ | _____ |
| (3) For single disbursement contracts under \$40,000, <u>one</u> payment is issued, after <u>all</u> contractors' work is complete. | _____ | _____ |
| (4) Property is subject to an annual administrative assessment for every contract adjusted annually based on the Department of Labor Consumer Price Index. It pays for costs associated with financing and bonding. | _____ | _____ |
| (5) Prepayment is accepted for total remaining balance; however, no partial prepayment is allowed. | _____ | _____ |
| (6) Accrued interest – Interest begins accruing on the bonded amount determined at disbursement (the first interim payment for multiple disbursement contracts). | _____ | _____ |

*REQUIRED DOCUMENTATION

- Organizational documents if Property Owner is not on title as an individual, *i.e.*, *Trust Documents showing the 'powers of the trustee' to encumber the property.*
- Home Improvement Contract(s) or contractor's bid(s) or contractor's proposal(s), which include contractor's name and license number (unless self-installing). Please check our website for the list of participating contractors and basic qualification. If your contractor is not on our list, please have him submit the required information to us.
- Copy(ies) of all rebate application(s) relating to the improvement(s).
- Statements, purchase orders, or other evidence of cost for items not covered by a Home Improvement contract or contractor's proposal or bid.
- Current mortgage statements, transaction histories, or other evidence that all mortgages or any other loans secured by the Property are current, including home equity loans and home equity lines of credit.
- Disclosure regarding Assessment Financing – page 11 (please complete and sign).
- Residential properties: Printout of results of [My Action Plan](#) online energy analysis tool.
- Residential properties: Fannie Mae/Freddie Mac Instructions for Lenders – page 1 (please review and initial).
- State of California Fair Lending Notice – page 12 (please complete and sign).
- [PG&E](#) and/or [Healdsburg](#) Utility Authorization Form (please complete and sign).
- Commercial properties: Report from PG&E onsite energy evaluation.
- Commercial properties: Signed [Lender Acknowledgement](#) form from lender.

ADDITIONAL DOCUMENTATION

SCEIP staff may request additional information and documentation they believe is necessary to prudently administer SCEIP. Such information and documentation could include without limitation additional comparison bids and information related to the market value of the Property.

SECTION 5: Costs and Finances

- All projects require permits. Fees are set and collected by the local building department.
- Onsite work may begin after **ALL** of the following acts have occurred: 1. Application approval; 2. Signing contract documents; and 3. Property owner receives a "Notice to Proceed."
- There is a \$12 cost for property valuation provided by Prime Valuation, LLC.
- There is a title search cost. Details are listed on page 6 of this application.
- There is a recording fee for the recordation of your contract and assessment lien. Recording fees are set by legislation and are listed on page 6 of this application.
- For residential properties only, there is a one-time administrative fee for participation in CAEATFA's PACE Loss Reserve. This fee is set by legislation and details are listed on page 6 of this application
- Assessment collection and processing costs will be added to the annual assessment on property tax bills. These costs were \$40 for fiscal year 2009/2010, and will be adjusted in subsequent years for cost of living increases using the U.S. Department of Labor, Bureau of Labor Statistics, and Consumer Price Index for all urban consumers for the Northern California counties.
- Residential disbursement occurs each week. Requests for Disbursements received by 4:00 p.m. on the Wednesday before the disbursement day will be processed for payment the first County business day of the following week. Certain restrictions apply around holidays. Please contact SCEIP staff for further information.
- Commercial disbursement occurs on the first business day of the month. Request for disbursements must be received six business days prior to the first business day of the month. Certain restrictions apply around holidays. Please contact SCEIP staff for further information.
- Interest begins accruing upon bonding following disbursement, which is usually the first business day of the following month.

SECTION 6: Declarations

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

1. I(we) am(are) current owner(s) of record of the property described herein (the "Property").
2. The Property is not currently involved in a bankruptcy proceeding.
3. I(we) am current on any mortgage or other loan secured by the Property.
4. I(we) and the Property meet the eligibility requirements listed in Section 1.
5. That (i) the information provided in this Application is true and correct as of the date set forth opposite my/our signature(s) on this Application and (ii) that I/we 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, fine or imprisonment or both and liability for monetary damages to the County of Sonoma, its agents, successors and assigns, insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made in this Application.

6. I(we) am(are) applying to participate in the Sonoma County Energy Independence Program. I(we) understand that I/we must execute an Assessment Contract and Implementation Agreement with the County of Sonoma in order to receive financing for the Improvements and I(we) have the authority, without the consent of any third party which has not been previously obtained, to execute and deliver the Assessment Contract and Implementation Agreement, this Application, and the various documents and instruments referenced herein.
7. I(we) understand that the financing provided pursuant to the Assessment Contract will be repayable through an assessment levied against this Property. The Assessment Contract will specify the amount of the assessment and the assessment installments and the interest on the assessment to be collected on the tax bill for the Property each year. The assessment and the interest and any penalties thereon will constitute a lien against the Property until they are paid, even if I(we) sell the Property to another person. I(we) understand that assessment installments together with the interest on the assessment will be collected on my/our property tax bill in the same manner and at the same time as property taxes and will be subject to the same penalties, remedies, and lien priorities as for property taxes in the event of delinquency.
8. I(we) understand that if I(we) pay property taxes through an escrow account, it is my(our) responsibility to notify my(our) lender to adjust my/our monthly payments.
9. I(we) have reviewed any existing loan agreements and security instruments applicable to the Property, and verified that executing the Assessment Contract, receiving the financing for the Improvements, and consenting to the assessment levied against the Property will not constitute a default under any other agreement or security instrument which affects the Property or to which I(we) am(are) a party.
10. I(we) agree that the selection of any product(s), equipment, and measures referenced in this Application (the "Improvements"), the selection of any manufacturer(s), dealer(s), supplier(s), contractor(s) and installer(s), and the decision regarding the purchase, installation and ownership/maintenance of the Improvements is(are) my(our) sole responsibility and that I(we) have not relied upon any representations or recommendations of the County of Sonoma, its agents, representatives, assignees, or employees, in making such selection or decision, and that my manufacturer, dealer, supplier, contractor or installer of the Improvements is not an agent, employee, assignee or representative of the County of Sonoma.
11. I(we) understand that the County of Sonoma makes no warranty, whether express or implied, with respect to the choice, use or application of the Improvements, including without limitation, the implied warranties of merchantability and fitness for any particular purpose, use or application of the Improvements.
12. I(we) agree that the County of Sonoma has no liability whatsoever concerning (i) the quality or safety of any Improvements, including their fitness for any purpose, (ii) the estimated energy savings produced by or performance of the Improvements, (iii) the workmanship of any third parties, (iv) the installation or use of the Improvements including, but not limited to, any effect on indoor pollutants, or (iv) any other matter with respect to the Sonoma County Energy Independence Program.
13. I(we) agree that any carbon credits attributable to the Improvements, if any, shall be held jointly by the County of Sonoma (on behalf of the Sonoma County Energy Independence Program), by the Sonoma County Water Agency and by the Sonoma County Transportation Authority.
14. I(we) understand that I(we) is(are) responsible for meeting all Sonoma County Energy Independence Program requirements and complying with all applicable Federal/State/County/City laws and the requirements of any agreement which affects the Property or the use of the Property (such as homeowner's association requirements, if any).

Signed on this _____ day of _____, _____
Date *Month* *Year*

in the City of _____, State of California.
City

Property Owner Signature

Printed Name

Property Owner Signature

Printed Name

Property Owner Signature

Printed Name

Property Owner Signature

Printed Name

THE FEDERAL EQUAL CREDIT OPPORTUNITY ACT, WHICH MAY APPLY TO THIS TRANSACTION, PROHIBITS CREDITORS FROM DISCRIMINATING AGAINST CREDIT APPLICANTS ON THE BASIS OF RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, MARITAL STATUS, AGE (PROVIDED THE APPLICANT HAS THE CAPACITY TO ENTER INTO A BINDING CONTRACT); BECAUSE ALL OR PART OF THE APPLICANT'S INCOME DERIVES FROM ANY PUBLIC ASSISTANCE PROGRAM; OR BECAUSE THE 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, DC 20580.

DISCLOSURE REGARDING ASSESSMENT FINANCING

The Sonoma County Energy Independence Program establishes the manner by which the County of Sonoma ("County") 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 distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to a property owner's real property ("Improvements"). Improvements will be financed pursuant to an assessment contract between the County and the property owner.

The financing of Improvements will be secured by and repayable through an assessment levied by the County against the owner's property (the "Property"). Each year until the assessment is paid off, assessment installments (including principal and interest) will be collected on the property tax bill for the Property in the same manner and at the same time as property taxes. Assessment installments will be subject to the same penalties, remedies (including foreclosure and sale of the property), and lien priorities as for property taxes in the event of delinquency.

The assessment and each installment thereof, and any interest and penalties thereon, will constitute a lien against the Property until paid even though prior to full payment the Property is conveyed to another person. An assessment lien will be recorded against the Property in the office of the County Recorder of the County of Sonoma upon execution of the assessment contract. Such lien will be paramount to all existing and future private liens against the Property, including mortgages, deeds of trust and other security instruments.

Before completing a Sonoma County Energy Independence Program Application, a property owner should carefully review any mortgage agreement(s) or other security instrument(s) which affect the Property or to which the property owner is a party. **ENTERING INTO A SONOMA COUNTY ENERGY INDEPENDENCE PROGRAM ASSESSMENT CONTRACT WITHOUT THE CONSENT OF THE OWNER'S EXISTING LENDER(S) COULD CONSTITUTE AN EVENT OF DEFAULT UNDER SUCH AGREEMENTS OR SECURITY INSTRUMENTS. DEFAULTING UNDER AN EXISTING AGREEMENT OR SECURITY INSTRUMENT COULD HAVE SERIOUS CONSEQUENCES TO THE PROPERTY OWNER, WHICH COULD INCLUDE THE ACCELERATION OF THE REPAYMENT OBLIGATIONS DUE UNDER SUCH AGREEMENT OR SECURITY INSTRUMENT. IN ADDITION, UPON RESALE OR REFINANCING OF THE PROPERTY, A LENDER MAY REQUIRE THAT THE ASSESSMENT LIEN BE PAID OFF PRIOR TO FUNDING ANY REFINANCING OR PURCHASE MONEY MORTGAGE.**

I(we) declare that (i) the owner has the authority, without the consent of any third party which has not been previously obtained, to execute and deliver the assessment contract, the Application, and the various documents and instruments referenced therein; and (ii) that executing the assessment contract, receiving financing for Improvements, and consenting to the assessment levied against the Property will not constitute a default under any other agreement or security instrument which affects the Property or to which the property owner is a party. **If you have any questions about any agreements or security instruments which affect the Property or to which you are a party or about your authority to execute the Sonoma County Energy Independence Program Application or enter into an assessment contract with the County without the prior consent of your existing lender(s), the County strongly encourages you to consult with your own legal counsel and your lender(s).** Sonoma County Energy Independence Program staff will not provide property owners with advice about existing agreements or security instruments.

ACKNOWLEDGEMENT OF RECEIPT

I HAVE RECEIVED A COPY OF THE DISCLOSURE REGARDING ASSESSMENT FINANCING.

Property Owner Signature

Printed Name

Property Owner Signature

Printed Name

Property Owner Signature

Printed Name

Property Owner Signature

Printed Name

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 the Department of Real Estate at one of the following locations:

*2550 Mariposa Mall, Suite 3070
Fresno, CA 93721-2273*

*2201 Broadway
P.O. Box 187000 (mailing address)
Sacramento, CA 95818-7000*

*320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105*

*1350 Front Street, Suite 3064
San Diego, CA 92101-3687*

*1515 Clay Street, Suite 702
Oakland, CA 94612-1462*

ACKNOWLEDGEMENT OF RECEIPT

I (we) received a copy of this notice.

Property Owner Signature

Printed Name

Property Owner Signature

Printed Name

Property Owner Signature

Printed Name

Property Owner Signature

Printed Name