



July 16, 2010

Dear Sonoma County Energy Independence Program Participants:

Thank you for your participation in the Sonoma County Energy Independence program (SCEIP). You are receiving this letter in order to have the most recent pertinent information regarding federal actions that have impacted the SCEIP.

The Sonoma County Board of Supervisors strongly re-affirmed the County's commitment to our innovative program at the July 13th, Board meeting and directed staff to keep the SCEIP open for business while Congress grapples with recent regulatory hurdles.

WHAT THIS MEANS TO YOU

IF YOU HAVE ALREADY EXECUTED A CONTRACT AND HAVE RECEIVED YOUR FUNDS:

According to the FHFA letter, **you are protected from adverse action by your lender.**

IF YOU HAVE EXECUTED AN ASSESSMENT CONTRACT PRIOR TO JULY 6, 2010 AND HAVE NOT YET APPLIED FOR DISBURSEMENT:

According to the FHFA letter, all SCEIP participants with contracts signed as of July 6, 2010, are protected from adverse action by their lender. Because of the confusion created by these letters, however, we want to give you the option to terminate your contract if you wish to do so. You may either cancel your agreement with SCEIP with no penalty *OR*, you may complete your project and request your funds from SCEIP. **If you wish to complete your project, you need to initial and date this letter in the space provided below AND sign and date the enclosed disclosure form. The originals need to be returned to the SCEIP Program office. Once we have received these executed documents, you may proceed.**

IF YOU HAVE RECEIVED A "NOTICE OF APPROVAL" BUT HAVE NOT YET SIGNED YOUR ASSESSMENT CONTRACT:

You may either withdraw your application *OR* continue the process to complete your project. If you wish to complete your project, you need to initial and date this letter in the space provided below AND sign and date the enclosed disclosure form. **Contact our office to schedule your appointment to sign your assessment contract. Bring the originals to your scheduled appointment.**

PROPERTY OWNERS WITH PENDING APPLICATIONS:

You may either withdraw your application *OR* continue the process to complete your project. If you wish to complete your project, you need to initial and date this letter in the space provided below AND sign and date the enclosed disclosure form. **The originals need to be returned to the SCEIP Program office in order for you to proceed.**

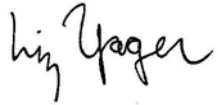
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Please visit our website at www.sonomacountyenergy.org and sign up for our newsletter to receive up-to-date information. Add "energyinfo@sonomacountyenergy.org" to your safe email list to ensure delivery of SCEIP News. Feel free to contact our office at (707) 521-6200 should you have any questions.

Regards,



Liz Yager
Program Manager

Enclosure

If you still wish to participate in the SCEIP program, please sign and date this Notice:

Initials

Initials

Print Name

Date

Print Name

Date

Initials

Initials

Print Name

Date

Print Name

Date



**SONOMA COUNTY ENERGY INDEPENDENCE PROGRAM
DISCLOSURE STATEMENT**

Pursuant to the Sonoma County Board of Supervisors direction on Tuesday, July 13, 2010, the suspension of the Sonoma County Energy Independence Program (SCEIP) has been lifted and the Program is open and accepting applications for water and energy efficiency and the reduction of green house gases.

SCEIP wishes to inform you of action taken by Fannie Mae and Freddie Mac on May 5, 2010 and by the Federal Home Finance Agency (FHFA) on July 6, 2010 which state that participation in assessment financing programs such as SCEIP may be in violation of your mortgage documents. Copies of these statements are available on our website at www.sonomacountyenergy.org or may be requested from our office at (707) 521-6200. **FHFA has indicated that contracts signed before July 6, 2010, are exempt from this provision.**

Some SCEIP participants have recently encountered difficulty in refinancing or selling properties with SCEIP assessments as a result of the Fannie Mae and Freddie Mac and FHFA actions.

If you still wish to participate in the SCEIP program, please sign and date this Disclosure Statement

Signature

Signature

Print Name

Date

Print Name

Date

Signature

Signature

Print Name

Date

Print Name

Date