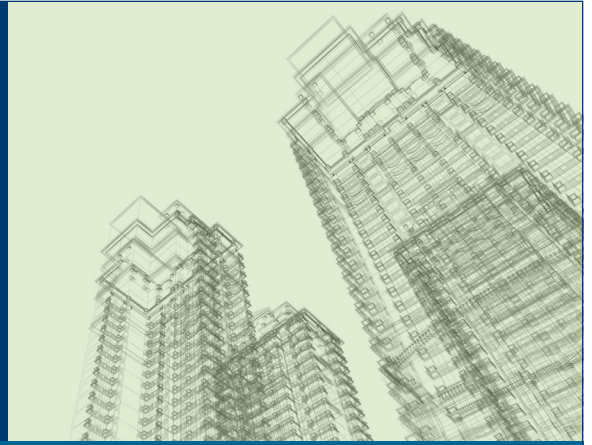


California**FIRST**

Commercial Financing for Clean Energy and Water Conservation



IMPROVEMENTS FOR COMMERCIAL PROPERTIES

PROGRAM DESCRIPTION

CaliforniaFIRST is a financing program that uses an innovative framework called Property Assessed Clean Energy (PACE) to connect property owners to low cost capital. Property owners often enjoy the following program benefits:

- ▶ Lower interest rate
- ▶ Longer payback period (up to 20 years)
- ▶ Property qualified financing; not credit-based
- ▶ Repayment obligation stays with property if property is sold or transferred
- ▶ Flexible and negotiated financing transaction

CaliforniaFIRST financing is available to commercial and multifamily properties in participating communities. The Program is offered by the California Statewide Communities Development Authority (CSCDA), a statewide joint powers authority sponsored by the California State Association of Counties and League of California Cities.

HOW THE ASSESSMENT/FINANCING WORKS

Under CaliforniaFIRST, property owners enter into an assessment contract with CSCDA to finance the installation of eligible clean energy projects. In the assessment contract, the property owner agrees to repay the cost of the improvements through a line item on their property tax bill. The line item obligation (called a “contractual assessment”) receives seniority over private liens and, consequently, secures the low cost financing.

CHOOSE YOUR OWN CONTRACTOR AND FINANCING PARTNER

CaliforniaFIRST allows property owners to form their own project installation team. Property owners may work with any properly licensed contractor and any qualified financing partner. If you do not have a financing partner, the program can help you find one from our list of capital providers.

The program encourages property owners to evaluate financing terms from multiple finance providers. Key elements such as interest rates and payback term may vary from one provider to another.

FOUR SIMPLE STEPS TO COMPLETION

1. CHOOSE YOUR PROJECT.

Work with energy auditor and/or licensed contractor to identify project(s) that are eligible for financing and that result in energy and/or water savings.

2. APPLY FOR FINANCING.

The application is simple and will allow program customer service professionals to help you, including securing a financing partner. The application doesn't obligate you to complete the work; it also doesn't affect your credit rating.

3. INSTALL PROJECTS AND GET FUNDING.

Once your application is approved, you will execute financing documents that will result in a lien placed on your property for the amount to be financed. At this point, you may begin installation and draw upon the funding.

4. MAKE PAYMENTS.

You will repay the financed amount as a line item on your property taxes over the course of up to 20 years. If you sell the property, the new owner will assume the property tax payments.

For additional information, please visit www.californiaFIRST.org or call 510.692.9995.

ELIGIBLE PROPERTIES

Only commercial properties located within participating communities are eligible to participate. There are currently 14 counties and more than 120 cities participating in the program. Visit www.californiaFIRST.org to see if your community is in CaliforniaFIRST.

Commercial properties include all non-residential properties, including multifamily buildings with 5 or more units, industrial, retail, agricultural and office space properties.

Other property eligibility criteria include:

- Consent of all property owners of title
- Mortgage lender affirmative acknowledgement of property's CaliforniaFIRST participation

The combined lien-to-property value (CLTV) cannot exceed 100%, meaning a property owner may not finance more than their equity in the property.

Because the property secures the financing, no credit evaluation of the property owners is needed. However, the property must be current with its property tax obligations, free of any title disputes, and clear of any involuntary liens or judgments.

ELIGIBLE PROJECTS

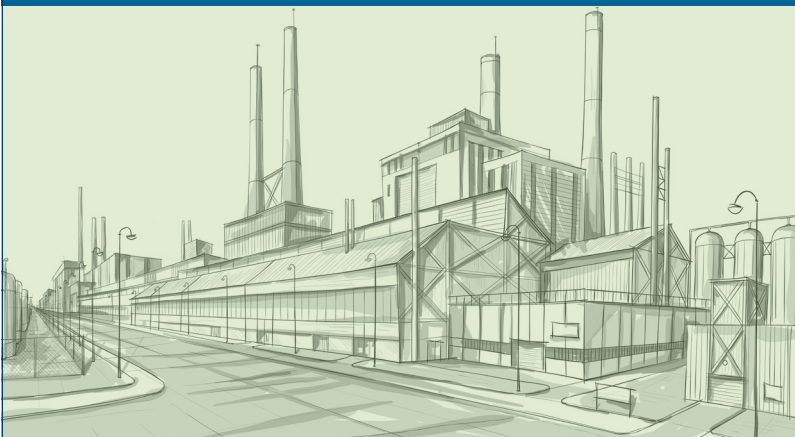
Most clean energy retrofit installations are eligible for CaliforniaFIRST financing. Common energy efficiency, renewable energy or water conservation projects include:

- Windows and doors
- Electric vehicle charging stations
- Lighting
- Refrigeration
- Bathrooms
- Solar photovoltaic (PV)
- Solar water
- Insulation
- HVAC
- Cool roofs

Property owners will also be permitted to install custom measures that can demonstrate an energy or water savings benefit.

HOW TO APPLY

The application process begins with an Initial Application, which is an easy-to-complete form that provides a broad sketch of the property and proposed projects. The Initial Application has two purposes: (1) to provide property owners feedback on the eligibility of their project prior to the investment of a lot of time and resources in project development and (2) bring the property owner into the program's robust customer service platform. No obligation arises from the submittal of the Initial Application. The Program strongly encourages property owners to review the Program Handbook prior to beginning the application process. The Program Handbook can be downloaded at www.californiaFIRST.org.



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