



Phone: (877) 747-4889
Fax: (858) 385-0379
Email: wrcog@herofinancing.com

Address: 4080 Lemon Street, 3rd Floor, MS1032
Riverside, CA 92501

The Western Riverside Council of Governments ("WRCOG") Energy Efficiency and Water Conservation Program for Western Riverside County (the "Program") finances installation of renewable energy, or energy or water efficiency products that are permanently fixed to a property owner's real property ("Eligible Products").

Property Owner Acknowledgments

In order to participate in the Program, I understand that I need to meet the qualifications listed below. By signing this Application, I acknowledge and represent that to the best of my knowledge that I and any other owner(s) of the property which is the subject of this application (the "Property") meet these qualifications and I authorize the Program Administrator to obtain a credit report for each of the property owner(s) and/or trustees whose social security number is provided on this application.

- I am current on all property taxes for the Property.
I certify that I have not had a late payment on the property taxes levied on the Property more than once during the prior three (3) years (or since the purchase of the Property if owned less than three (3) years).
I am and have been current on property debt for the past twelve (12) months on the Property.
I am not aware of any involuntary liens, defaults or judgments on the Property.
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.
I have not declared bankruptcy in the last seven (7) years.
I understand that to qualify for the Program the Property must meet the following requirements:
a. The amount to be financed under the Program may not exceed 10% of the value of the Property.
b. All existing debt recorded against the Property may not exceed 90% of the value of the Property.
c. I understand that, following approval, my contractor or I must call the Program to identify the Eligible Products I would like to purchase and must receive Notification to Proceed from the Program before beginning the installation of any Eligible Products.
d. I understand that interest rates may change from this approval date to receiving Notification to Proceed.

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

- That the information provided in this Application is true and correct as of the date set forth opposite my signature on the Application 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 or both and liability for monetary damages to WRCOG, 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.
I have received, read and understood all documents comprising the Program, which, in addition to information on the Program website, include the following:
a. This Application;
b. Privacy Policy Notice;
c. Assessment Contract (sample); and
d. Program Handbook.

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, as a pre-condition to the closing of the financing.

- 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.
I understand that the financing provided pursuant to the Assessment Contract will be repayable through an assessment levied against the Property. I understand that an assessment lien will be recorded by WRCOG against the Property in the office of the County Recorder of the County of Riverside upon execution of the Assessment Contract. The property tax bill (which includes my assessments) for the Property will increase by the amount of these assessment installment payments. The Assessment Contract will specify the amount of the assessment, the assessment installments and the interest on the assessment to be collected on the tax bill for the Property each year during the term specified in the Assessment Contract. The assessment and the interest and any penalties thereon 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.



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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. A full understanding of any item listed below can be gained only by reviewing the relevant laws, policy statements, and/or the contractual documents related to the Program.

1. Program Disclosures and Disclaimers.

- a. Existing Mortgage. The Program establishes the manner by which WRCOG 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 WRCOG.

BEFORE COMPLETING A PROGRAM APPLICATION, YOU SHOULD CAREFULLY REVIEW ANY MORTGAGE AGREEMENT(S) OR OTHER SECURITY INSTRUMENT(S) WHICH AFFECT THE PROPERTY OR TO WHICH YOU AS THE PROPERTY OWNER ARE A PARTY. ENTERING INTO A PROGRAM 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, ON AUGUST 31, 2010, FANNIE MAE AND FREDDIE MAC STATED THAT THEY WOULD NOT PURCHASE HOME LOANS WITH ASSESSMENTS SUCH AS THOSE OFFERED BY WRCOG. THIS MAY MEAN THAT PROPERTY OWNERS WHO SELL OR REFINANCE THEIR PROPERTY MAY BE REQUIRED TO PREPAY SUCH ASSESSMENTS AT THE TIME THEY CLOSE THEIR SALE OR REFINANCING.

If your lender requires an impound for your property taxes, please consider notifying them of the annual assessment payment amount so they can adjust your impound amount.

- b. Interest Rate. You will be charged a fixed interest rate on your total financed amount. Your interest rate will be set at the time your Financing Documents are issued.
c. Program Administration Fee. At the time of closing, WRCOG will charge you a one-time administration fee of 6.35% of the principal amount of the assessment on the Property to cover the costs of administering the Program. This fee will be added to the assessment amount.
d. Recording Fee. At the time of closing, WRCOG will pass-through the assessment recording fee of approximately \$87 to you to cover the costs of recording the assessment. This fee will be added to the assessment amount.
e. Assessment Administration Fee. Each year, an annual assessment administrative fee will be added to the assessment lien amount on your property tax bill. These costs will be \$25 at the time the WRCOG HERO Program is launched, will not exceed \$95, and will be adjusted in subsequent years for cost of living increases.
f. Interest Before First Payment: Based on the date an assessment is recorded on your property, payments may not begin until the following year's tax statement. This is the amount of interest that is added to the assessment amount for the period between your closing date and the date of your first assessment payment. The maximum amount of interest will be listed on your Assessment Cost and Payment Summary, which will be provided with your Financing Documents.
g. Automated Valuation Model Disclosure. You have the right and obligation to a copy of the automated valuation model (AVM) report used in connection with your application for credit. If you want to obtain a copy, please write to us at the mailing address we have provided. We must hear from you no later than 90 days after we provide you with a notice of the action taken on your application or a notice of incompleteness, or in the case of a withdrawn application, 90 days after the withdrawal. An AVM is not an appraisal. It is a computerized property valuation system that is used to derive a real property value.
h. Foreclosure. Not later than October 1 each year, WRCOG shall determine whether any annual assessment is not paid when due and shall have the right and obligation to order that any such delinquent payment and its associated costs be collected by an action brought in Superior Court to foreclose the lien of the delinquent assessment installment in the manner provided and to the extent permitted by applicable law.
i. Mandatory Prepayment Redemption. You have the option to pay o_ your assessment lien amount in full, or in increments of \$5,000, at any time. However, if you do so, you will have to pay (i) the principal amount of the assessment to be prepaid (the "Assessment Prepayment Amount"), (ii) a prepayment premium computed as set forth below, (iii) interest on the Assessment Prepayment Amount to the earlier of March 2 or September 2 occurring at least 90 days following the date the prepayment is made, and (iv) a processing fee (not to exceed \$500).

The prepayment premium is determined as follows:

Table with 2 columns: Year, Prepayment Premium. Year 1: 5% of Prepaid Assessment Amount; Year 2: 4% of Prepaid Assessment Amount; Year 3: 3% of Prepaid Assessment Amount; Year 4: 3% of Prepaid Assessment Amount; Year 5: 3% of Prepaid Assessment Amount; Years 6-20: No penalty.



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Disclosures Continued

- j. No Endorsement, Warranty or Liability. WRCOG, Renovate America, Inc. and the Program do not endorse any manufacturer, contractor, product, or system...
k. Validation. The Program 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...

2. Legal Disclosures

- a. Equal Credit Opportunity Act (ECOA). The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against Credit Applicant(s) on the basis of race, color, religion, national origin, sex, marital status, age...
b. Fair Credit Reporting Act. As part of assembling your Program application, WRCOG has requested a consumer report bearing your credit worthiness, credit standing and credit capacity...
c. The Housing Financial Discrimination Act Of 1977. It is illegal to discriminate in the provision of or in the availability of financial assistance because of the consideration of:
i. trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation...
ii. race, color, religion, sex, marital status, domestic partnership, national origin or ancestry.
d. Patriot Act Disclosure. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account...
e. Communications with Legal Advisers. 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 Program Application or enter into an Assessment Contract with WRCOG without the prior consent of your existing lender(s), the Program strongly encourages you to consult with your own legal counsel and your lender(s).

Property Owner Signature(s)

I declare that (i) I have received, read and understand the risks and characteristics of the Program described in the Property Owner Acknowledgments and Disclosures set forth in this Application and (ii) 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 (specifically the terms of any mortgage on the Property) which affects the Property or to which I am a party.

Property Owner 1 Signature Date Property Owner 2 Signature Date





WRCOG HERO Financing™ Application

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FOR CONTRACTOR CALL IN ONLY	Contractor ID#	HERO ID#
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Property Address

Property Type: Single Family Home Condo/Townhome Manufactured/Mobile Home Multi Family Home (1-4 units)

Property Address

City State Zip Code

Property Owner

Ownership Type: Individual Joint Trust Corporation/LLC/etc. Other: _____

First Name M. Initial Last Name

Social Security Number - - - - - DOB Month / Day / Year Phone Number

Email Address

Mailing Address (if different from Property Address)

City State Zip Code

Property Owner 2

First Name M. Initial Last Name

Social Security Number - - - - - DOB Month / Day / Year

Property Owner Signature(s)

I declare that I have the authority, without the consent of any third party which has not been previously obtained, to execute and deliver the Application, Assessment Contract, and the various documents and instruments referenced therein.

Property Owner 1 Signature Date Property Owner 2 Signature Date

If you do NOT wish to receive email communications from the Program and would prefer all communications to occur through the U.S. mail instead, please contact us.

Please check this box if you do NOT want to receive newsletters or other marketing materials from the Program or Renovate America, Inc.

