

PRELIMINARY DRAFT-FOR DISCUSSION PURPOSES ONLY

NJCEP SOLAR LEASING DISCLOSURE STATEMENT

This statement is designed to help you understand the terms and cost of your solar lease.

YOU ARE ENTERING INTO AN AGREEMENT TO LEASE A SOLAR SYSTEM. YOU WILL NOT OWN THE SOLAR SYSTEM INSTALLED ON YOUR PROPERTY. YOU CANNOT CLAIM THE FEDERAL INVESTMENT TAX CREDIT OR ANY OTHER SIMILAR GOVERNMENTAL INCENTIVES.

LESSOR: Company: Address: Tel.: License # (if applicable): Email:	INSTALLER: Company: Address: Tel.: License #: Email:	WARRANTY/MAINTENANCE PROVIDER: Company: Address: Tel.: License # (if applicable): Email:
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LESSEE / CUSTOMER ("You"):
 Customer ID:
 System Installation Address:
 Lessee Mailing Address:
 Email:

Amount & Term (A)	Amount Due Up-Front (B)	Total Estimated Lease Payments (C)	Other Possible Charges (D)
Your monthly payment during the first year of the lease: \$ _____ The length of your solar lease: <input type="checkbox"/> ___ Years <input type="checkbox"/> ___ Months *NOTE: See Box G: "Lease Payment Escalator" for factors that may affect the amount of future monthly payments.	1. Amount you owe Lessor at lease signing: \$ _____ 2. Amount you owe Lessor at completion of installation: \$ _____ 3. Amount of any incentives Lessor owes you at completion of installation: \$ _____ The total net up-front payments <input type="checkbox"/> You owe Lessor (#1 + #2 - #3): \$ _____ <input type="checkbox"/> Lessor owes you (#3 - (#2 + #1)): \$ _____	Total of all your monthly payments and estimated taxes over the course of the lease: 1. Your estimated total lease payments excluding taxes are \$ _____ 2. Your estimated total tax payments are \$ _____ based on estimated average monthly tax payment of \$ _____ 3. The total of the monthly payments you will make over the course of the lease (#1 + #2) are \$ _____	Other charges you may have to pay under the lease: Late Charge: If a payment is more than ___ days late, you will be charged \$ _____ System Removal (for Roof Repairs) Fee: \$ _____ UCC Notice Removal and Re-Filing Fee: If you refinance your mortgage, you may have to pay \$ _____ Non-Connection to Internet: If you do not maintain a high-speed internet connection, you will be charged a monthly fee of \$ _____ Automatic Bank Withdrawals (ACH): <input type="checkbox"/> \$ _____ per month fee for not paying your lease using automatic bank withdrawals <input type="checkbox"/> \$ _____ per month discount if you pay your lease using automatic bank withdrawals

Number of Lease Payments (E)	When Payments Are Due (F)	Lease Payment Escalator (G)
You will make ___ lease payments	<p>The first payment on your solar lease is due on the ___ day of the first calendar month after your leased solar system is connected.</p> <p>Lessor will provide you with:</p> <p><input type="checkbox"/> Electronic Invoices (sent to your email address above)</p> <p><input type="checkbox"/> Paper Invoices (sent to your U.S. mail address above)</p>	<p>The amount of your solar lease payment will increase:</p> <p><input type="checkbox"/> Never</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Other _____</p> <p><input type="checkbox"/> Your solar lease payment amount will increase by the following amount each time it increases ___%</p> <p>The first increase will occur in _____, 20__.</p>

Site & Design Assumptions for your Leased System (H)

- Estimated leased system size, in kilowatts (kW): _____
- Estimated gross annual electricity production in kilowatt-hours (kWh) from your leased system: _____
- Estimated annual system production decrease due to aging of system: _____%
- System location: _____
- Connectivity: Your leased solar system WILL WILL NOT be connected to the electric grid.
- Net metering: At the time of installation, your system WILL WILL NOT be net metered. Net metering rules are set by the jurisdiction you live in. Any benefits of net metering accrue to you unless specified here: _____

Security Filings (I)

Lessor WILL WILL NOT take a security interest in your real property by terms of the lease (i.e., a lien or mortgage on your home)

Lessor WILL WILL NOT file a fixture filing or a UCC-1 on the system (a public filing informing others that Lessor owns the system but not placing a lien or mortgage on your home)

Repair & Maintenance (J)

System maintenance IS IS NOT included for the term of the lease from lessor or a third party (such as an installer or equipment manufacturer).

System repairs ARE ARE NOT included for the term of the lease from lessor or a third party (such as an installer or equipment manufacturer).

You at your own cost are required to perform the following maintenance and/or repairs on the System:

If the system has to be removed to allow for roof repairs or home remodeling, which is probable if your roof warranty will expire before this Lease expires, the cost and other terms and conditions of such removal are set forth at _____ of the Lease.

Roof Warranty & Repair (K)

Your roof IS IS NOT warranted against leaks from the system installation for _____ years.

Your roof IS IS NOT warranted against leaks caused by Lessor's removal of the system for a period of ___ years following system removal. Any portions of your roof impacted by the system WILL WILL NOT be substantially returned to their original condition following the removal of the system (ordinary wear and tear excepted).

Many roofs may need to be repaired or replaced during the term of a solar lease in a manner that requires the solar system be removed. If the system must be removed, there WILL WILL NOT a fee. If there WILL be a fee it will be \$ _____ as set forth in Section D above. The terms and conditions governing such removal are set forth at _____ of the Lease.

Transferring Your Lease, Selling Your Home, Moving Your System (L)

If you sell your home, you MAY MAY NOT transfer this solar lease to the purchaser(s) of your home.

IF you MAY transfer the lease, the transfer will be subject to the following conditions:

- Credit check on the purchaser(s)
- Minimum FICO score requirement: _____
- Transfer, audit, or similar fee in the amount of \$ ____
- Assumption of lease by purchaser(s) of your home
- Other _____

If this box is checked you also have the right to purchase the system or to terminate the lease by paying some or all of the remaining payments due on the lease, all as described in more detail in Section(s) _____ of the lease.

You MAY MAY NOT move your system to a new home.

IF you MAY move your system, the conditions under which you may do so are described in detail in Section(s) _____ of the lease.

Transfer of Obligations by Lessor (M)

Without your consent, the lease may be assigned, sold or transferred by Lessor to a third-party that will be bound to all the terms of the lease.

Performance or Production Guarantee (N)

Lessor is providing you with a:

- Performance guarantee
- System production guarantee
- No guarantee of performance or system production

Underproduction or underperformance on the guarantee will be remedied as follows: _____

Taxes (O)

Solar energy systems currently are not subject to property tax in New Jersey. Consult a tax professional if you have any questions or concerns about the effect of this lease on your taxes.

Utility and Electricity Usage/Savings Assumptions (P)

You HAVE HAVE NOT been provided by the Lessor with a savings estimate based on your solar lease.

If provided, the savings estimate was calculated based on:

- Your estimated prior electricity use
- Your actual prior electricity use
- Your estimated future electricity use

The savings estimate assumes the following:

- Years of electricity production from your leased solar system: _____
- A current estimated **utility electricity rate** of _____ [cost per kilowatt-hour] during the first lease year with estimated increases of _____ percent annually. Lessor based this estimate on the following source(s): First lease year: _____; Subsequent lease years: _____
- An estimated **solar electricity rate** from your leased solar system of _____ [cost per kilowatt-hour] during the first lease year with estimated increases of _____ percent annually.

You may find it useful to know that for the 15-year period ending in 2015 residential electricity prices in New Jersey increased by an annual average of 2.62% and that for the 5-year period also ending in 2015 they decreased by an annual average of 1.29%. It is important to understand that projected or estimated electricity rates are estimates only and that your actual current and future utility rates and utility rate increases may vary from the above or any other estimate.

Lessor IS IS NOT guaranteeing these savings. If Lessor is guaranteeing savings, underperformance will be compensated as follows:

Solar Renewable Energy Certificates (SRECs) (Q)

Any solar renewable energy certificates or credits (SRECs) from producing renewable solar energy with the leased system WILL WILL NOT be owned by the Lessor. If you will not own the SRECs, Lessor may sell the SRECs to a third party who may claim clean, green or renewable energy based on its purchase of SRECs from the leased system.

Cooling Off Period/ Right to Cancel (R)

In addition to any rights you have under state or local law, you WILL HAVE WILL NOT HAVE the right to terminate the solar lease without penalty within _____ business days of your execution of it by notifying Lessor in writing at the above address.

Signatures (S)

I certify that on behalf of Lessor I provided this Statement to the Lessee / Customer on the date set forth below my signature.

Name:

Date Provided: _____

I the Lessee / Customer hereby acknowledge receipt of this Statement on the date set forth below my signature.

Name:

Date Provided: _____

INSTRUCTIONS

1. The Statement must be signed by the Lessor's representative who delivered the Statement and by the Lessee / Customer.
2. The signatures must be original, "wet," hard copy signatures.
3. The Lessor may not ask or allow the Lessee / Customer to sign the related lease until at least five (5) business days after the last of the signatures on the Statement.
4. Copies of the fully signed Statement must be left with the Lessee / Customer and filed with the initial SREC Registration.
5. All items in the Statement must be completed, with "n/a" as necessary and appropriate.

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