

Residential Energy Efficiency Loan (REEL) Program *for Contractors*



Program Overview

The REEL program is designed to facilitate greater deal flow by helping you reach new customers, sign more contracts and increase the overall scope and value of the projects you complete.

The California Hub for Energy Efficiency Financing (CHEEF) was established by the state of California to create attractive financing options for your customers so that more projects with deeper energy savings can be completed. By participating in REEL, you make these financing products available to your customers and share in the benefits, including a statewide multimillion dollar marketing, education and outreach campaign promoting the availability of special financing for energy projects – like yours.

Contractor Eligibility

- ▶ Valid Contractors State License Board (CSLB) license
- ▶ No outstanding liens or judgments; no disciplinary actions in past 12 months
- ▶ Provide evidence of commercial general liability insurance coverage (at least \$1,000,000 per occurrence)
- ▶ Provide evidence of workers' compensation insurance

About REEL Participating Lenders

- ▶ Access to \$20 million in loan loss reserve funds, which helps lenders offer financing with better rates, lower fees and more inclusive underwriting criteria.
- ▶ REEL has multiple Participating Lenders, listed at theCHEEF.com/reel/lenders and is actively recruiting additional lenders.

Why Should I Participate?

Alternative to PACE

- ▶ No liens or tax assessments on property
- ▶ No home equity needed
- ▶ 100% financing with more attractive rates and terms

Flexible Financing

- ▶ 70% of the loan for energy efficiency measures
- ▶ 30% can fund other measures (e.g. water-efficient landscaping)

Quick Loan Funding

- ▶ 24-hour funding after closing docs signed



Measures that May be Financed

- ▶ HVAC and duct sealing
- ▶ Water heaters
- ▶ Insulation and air sealing
- ▶ Window replacements
- ▶ Pool pumps with VFD motors
- ▶ Home upgrades (whole house) projects
- ▶ Cool roofs

... and much more

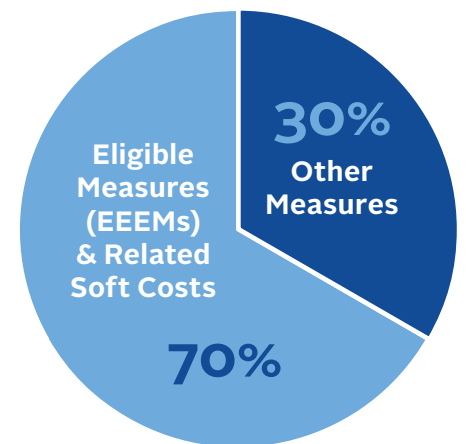
Property Eligibility*

- ▶ Borrowers may upgrade residential properties of 1 to 4 units.
- ▶ Utility meter must have an account for gas or electric service from an investor-owned utility (IOU): Southern California Gas Company, San Diego Gas & Electric, Pacific Gas and Electric or Southern California Edison.

Project Eligibility*

- ▶ 70% of the enrolled loan portion must be for Eligible Energy Efficiency Measures (EEEMs). An up-to-date list can be found at theCHEEF.com/residential-measures. Soft costs necessary to complete the EEEMs installation may be included in the 70%, such as the cost for installation, patching, painting, permits and equipment delivery.
- ▶ The remaining 30% of the enrolled loan amount may finance other home improvements, including general remodeling and water efficiency projects.
- ▶ Solar may not be financed as part of the REEL enrolled loan amount, however, some REEL Participating Lenders may offer a loan option that allows borrowers to finance solar and other renewable energy projects.

The 70/30 Split



We're Here to Help!

Visit theCHEEF.com for all your REEL program needs, latest program forms, most up-to-date information and FAQs.

For additional questions, contact the REEL contractor manager, Frontier Energy, at (800) 484-0109 or email REEL@frontierenergy.com.

Benefits to Your Clients

- ▶ Unsecured loan (not using property as collateral)
- ▶ Finance 100% of the project cost
- ▶ Loans from \$2,500 up to \$50,000 and 15-year terms
- ▶ \$0 closing costs and fees
- ▶ Flexible scopes of work
- ▶ Broad range of energy efficiency measures to choose from

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* For complete property and project eligibility requirements, please visit theCHEEF.com.