What is PACE?
Property Assessed Clean Energy
Property Assessed Clean Energy (PACE) Financing

HERO is Property Assessed Clean Energy (PACE) financing, which is designed to make payments affordable by offering a fixed interest rate that is payable over an extended period of time along with property taxes.

PACE Overview:
- New way to pay for home energy products
- Created in partnership with industry leaders
- Property owners pay for improvement through property tax bill
- Operation legislation AB811 passed July 2008
The Fastest Growing PACE Program in the U.S.

HERO is the largest and most successful residential PACE based financing program in the nation, and the only program that has successfully securitized PACE based loans. All funding, support services and technology are provided at no cost to the municipality.

Our Proven Model Provides:

- Ongoing Lending Capital
- Dependable Support Services
- Comprehensive Technology Infrastructure
- Unrivaled Consumer Protections

95% of all PACE projects are HERO projects
Awards & Recognition

- **Environmental & Economic Partnership**
  Governor of California

- **Best Residential Partnership**
  U.S. Green Building Council

- **Best of the Best**
  Urban Land Institute

- **Business Achievement Award**
  Climate Change Business Journal

- **Presidents Award for Excellence**
  Southern CA Association of Governments

- **Norton Younglove Award**
  Western Riverside Council of Governments
The HERO Program:
Helping Homeowners and Strengthening Communities
HERO Helps Communities

When property owners invest in energy efficient upgrades, they do more than save energy. HERO also helps communities create new jobs, save water and increase property values.

**Economic Stimulus**
- Lower Utility Bills
- New Job Creation
- Increased Property Values

**Consumer Protection**
- Price / Value Confirmation
- Pay Upon Job Completion
- Dispute Resolution

**Environmental Impact**
- Reduced CO2 Emissions
- Decreased Energy Consumption
- Water Savings
HERO Makes it Affordable

Affordable Payment Options

0% Down Payment Requirement

Easy to Qualify

No Payment Up to 18 Months

Transfers with Property

Tax Deductible Benefits
Technology Platform
Integrated Technology

HERO provides communities an extensive technology platform designed to deliver accurate and timely information during every step of the process.

HERO Maps:
- Project Types
- Active Contractors
- New Job Creation
- CO² Reduction
- Economic Impact
HERO Gov

Your community will have access to the HERO Gov Portal, which provides real-time program reporting on a number of key project metrics.

Real-time Program Reporting:
- Applications
- Projects by Industry
- Contractors by Industry
- Identification of Local Contractors
- Jobs Created
- Energy Reductions
- GHG Reductions
- Economic Stimulus
HERO Pro

HERO Registered Contractors have access to HERO Pro, an integrated, secure platform designed to make the estimating, approval, documentation and funding process as easy as possible form homeowners and contractors.

Features:

• Interactive Sales Tools
• Estimating Calculators
• Energy Savings Calculators
• Financing Document Generation
• Electronic Signature Capabilities
• Information and Updates
• Web-based Training Curriculum
• Marketing Resource Center
• Company-specific webpage at heroprogram.com/companyname
Community Support:
Consumer Protection & Contractor Training
HERO Protects Consumers

When you approve HERO in your community you’re protecting consumers before, during and upon completion of every project. Contractors must be in good standing with the Program and are only paid after the job is completed to the consumer’s satisfaction.

#1 Consumer Protection Policy in the Industry:
- Contractor ID Verification
- Pricing Controls
- Permit Verification
- Payment Protection

<table>
<thead>
<tr>
<th>Consumer Protection</th>
<th>Before HERO</th>
<th>After HERO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>Eligibility Requirements, Proposal Automation, Estimating Calculators, Application Verification</td>
<td>✗</td>
</tr>
<tr>
<td>Compliance</td>
<td>Marketing, Product Eligibility, Fair Pricing, CSLB Confirmation, Permit Verification</td>
<td>✗</td>
</tr>
<tr>
<td>Protection</td>
<td>Pay Upon Completion, ID Verification, Terms Confirmation, In Good Standing, Dispute Resolution</td>
<td>✗</td>
</tr>
</tbody>
</table>
HERO Trains & Registers Local Contractors

HERO provides a comprehensive training and registration program, designed to familiarize Contractors with the financing terms and the Property Owner approval process.

Training Covers:

- Sales
- Software
- Product Eligibility
- Document Processing
- Completion Certification
- Payment Options
- Co-Marketing Program
- Brand Usage Guidelines
Community Support

**HERO Hotline (855-HERO-411)**
Our full service Call Center is available to homeowners and contractors from project start to completion.

**Contractor Training**
Our representatives in the field provide training and ongoing support for application processing and Program implementation.

**Dedicated Account Representatives**
We provide continuing support for all sales, marketing and customer service concerns.

**Dispute Resolution**
Every Property Owner or Contractor complaint receives a full investigation to find an acceptable resolution to any disputes.
HERO in Action:
### HERO Stats

**192 CA Communities Joined**

### HERO Economic Impact

<table>
<thead>
<tr>
<th>Category</th>
<th>Annual</th>
<th>Life Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered Local Contractors</td>
<td>4,035</td>
<td></td>
</tr>
<tr>
<td>Applications Submitted</td>
<td>55,650</td>
<td></td>
</tr>
<tr>
<td>Applications Approved</td>
<td>36,102</td>
<td>$1,513,472,840</td>
</tr>
<tr>
<td>Approved Projects</td>
<td>25,090</td>
<td>$505,302,040</td>
</tr>
<tr>
<td>Total Funded Projects</td>
<td>17,016</td>
<td>$327,594,332</td>
</tr>
<tr>
<td>Energy Saved (GwH)</td>
<td>110</td>
<td>1,913</td>
</tr>
<tr>
<td>Reduction in Emission (tons)</td>
<td>28,982</td>
<td>513,311</td>
</tr>
<tr>
<td>Savings</td>
<td>$13,823,056</td>
<td>$508,253,573</td>
</tr>
<tr>
<td>Jobs Created</td>
<td>2,349</td>
<td></td>
</tr>
<tr>
<td>Annual Economic Impact</td>
<td>$483,455,484</td>
<td></td>
</tr>
</tbody>
</table>
Municipal Leaders Provide the Opportunity

“Why HERO? It’s made our community better by lowering unemployment, increasing environmental efforts, and boosting our economy!”

– RUSTY BAILEY, MAYOR OF RIVERSIDE, CA
Contractors Create New Jobs

“With HERO funding 50% of our sales, we’ve been able to hire 22 people this year! You should absolutely bring HERO to your community.”

– WC HEATING & AIR CONDITIONING INC., MURRIETA, CA
Homeowners Increase Property Value & Save Money

“Our electric bill said ‘you owe 96 cents, do not pay this bill.’

We couldn’t believe it. Why doesn’t everyone get HERO?

– BRUCE AND KIMBERLY STAGGER,
LAKE ELSINORE, CA
Bringing HERO to your Community

Our turnkey solution was designed to integrate seamlessly into your community. After you pass the resolution to adopt HERO, you should expect the Program to be available in just a few short months. We’ll be here all along the way – from Validation to Launch – to guide you through the process.

1. Community Adopts HERO
2. Judicial Validation is Passed
3. Staff Are Trained
4. Contractors are Trained & Registered

HERO Launches in Your Community
Contact Us

Eve Perez
831-419-6741
eperez@heroprogram.com

John Law
209-602-8990
jlaw@heroprogram.com

www.heroprogram.com
### HERO Communities

<table>
<thead>
<tr>
<th>County</th>
<th>Cities in County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alameda County</td>
<td>Albany, Berkeley</td>
</tr>
<tr>
<td>Contra Costa County</td>
<td>Concord, Walnut Creek</td>
</tr>
<tr>
<td>Fresno County</td>
<td>Clovis, Fresno, Kingsburg, Reedley, Sanger</td>
</tr>
<tr>
<td>Imperial County</td>
<td>Brawley, Calipatria, El Centro</td>
</tr>
<tr>
<td>Kern County</td>
<td>Arvin, Bakersfield, California City, Delano, McFarland, Ridgecrest, Taft, Wasco, Unincorporated Area</td>
</tr>
<tr>
<td>Kings County</td>
<td>Lemoore</td>
</tr>
<tr>
<td>Los Angeles County</td>
<td>Alhambra, Arcadia, Azusa, Baldwin Park, Bellflower, Bradbury, Carson, City of Industry, Claremont, Covina, Commerce, Diamond Bar, El Monte, El Segundo, Gardenia, Glendora, Hawthorne, Hermosa Beach, Inglewood, Irwindale, La Cañada Flintridge, La Verne, Lancaster, Lawndale, Lomita, Monrovia, Montebello, Monterey Park, Palmdale, Pomona, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Rosemead, San Dimas, San Gabriel, San Marino, Santa Monica, Sierra Madre, South El Monte, South Pasadena, Temple City, Torrance, Walnut, West Covina</td>
</tr>
<tr>
<td>Madera County</td>
<td>Unincorporated Area</td>
</tr>
<tr>
<td>Merced County</td>
<td>Atwater, Merced, Unincorporated Area</td>
</tr>
<tr>
<td>Mono County</td>
<td>Mammoth Lakes, Unincorporated Area</td>
</tr>
<tr>
<td>Monterey County</td>
<td>Monterey, Unincorporated Area</td>
</tr>
<tr>
<td>Napa County</td>
<td>American Canyon, Calistoga, Napa, St. Helena, Yountville, Unincorporated Area</td>
</tr>
<tr>
<td>Orange County</td>
<td>Aliso Viejo, Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Garden Grove, Huntington Beach, La Palma, Laguna Hills, Lake Forest, Newport Beach, Placentia, Rancho, Santa Margarita, Santa Ana, Stanton, Tustin, Westminster</td>
</tr>
<tr>
<td>San Bernardino County</td>
<td>Adelanto, Apple Valley, Barstow, Big Bear Lake, Chino, Chino Hills, Colton, Fontana, Grand Terrace, Hesperia, Highland, Loma Linda, Montclair, Needles, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Twentynine Palms, Upland, Victorville, Yucaipa, Yucca Valley, Unincorporated Area</td>
</tr>
<tr>
<td>San Diego County</td>
<td>Carlsbad, Coronado, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, Vista, Unincorporated Area</td>
</tr>
<tr>
<td>San Joaquin County</td>
<td>Stockton, Tracy</td>
</tr>
<tr>
<td>Santa Barbara County</td>
<td>Lompoc, San Jose</td>
</tr>
<tr>
<td>Santa Clara County</td>
<td>Unincorporated Area</td>
</tr>
<tr>
<td>Santa Cruz County</td>
<td>Scotts Valley, Unincorporated Area</td>
</tr>
<tr>
<td>Solano County</td>
<td>Benicia, Dixon, Vacaville, Vallejo, Unincorporated Area</td>
</tr>
<tr>
<td>Stanislaus County</td>
<td>Modesto, Newman, Oakdale, Riverbank, Turlock, Waterford</td>
</tr>
<tr>
<td>Tulare County</td>
<td>Visalia, Fillmore, Ojai, Santa Paula</td>
</tr>
</tbody>
</table>

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