



NOTICE TO BUYER AND SELLER OF BUYER'S RIGHTS AND SELLER'S OBLIGATIONS UNDER MARYLAND'S SINGLE FAMILY RESIDENTIAL PROPERTY CONDITION DISCLOSURE LAW

ADDENDUM # N dated _____ to the Contract of
Sale between Buyer _____
and Seller Aaron Michael Beaulé
for the Property known as 405 Great Falls Road Rockville MD 20850.

NOTE: This notice does not apply to: (1) the initial sale of single family residential property which has never been occupied, or for which a certificate of occupancy has been issued within one year prior to the date of the Contract; (2) a transfer that is exempt from the transfer tax under Subsection 13-207 of the Tax-Property Article, except land installments contracts of sale under Subsection 13-207(a)(11) of the Tax-Property Article and options to purchase real property under Subsection 13-207(a)(12) of the Tax-Property Article; (3) a sale by a lender or an affiliate or subsidiary of a lender that acquired the real property by foreclosure or deed in lieu of foreclosure; (4) a sheriff's sale, tax sale, or sale by foreclosure, partition or by court appointed trustee; (5) a transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust; (6) a transfer of single family residential real property to be converted by the buyer into a use other than residential use or to be demolished; or (7) a sale of unimproved real property.

Section 10-702 of the Real Property Article of the Annotated Code of Maryland ("Section 10-702") requires that a seller of a single family residential property ("the property") deliver to each buyer, on or before entering into a contract of sale, on a form published and prepared by the Maryland Real Estate Commission, **EITHER:**

- (A) A written property condition disclosure statement listing all defects including latent defects, or information of which the seller has actual knowledge in relation to the following:
- (i) Water and sewer systems, including the source of household water, water treatment systems, and sprinkler systems;
 - (ii) Insulation;
 - (iii) Structural systems, including the roof, walls, floors, foundation and any basement;
 - (iv) Plumbing, electrical, heating, and air conditioning systems;
 - (v) Infestation of wood-destroying insects;
 - (vi) Land use matters;
 - (vii) Hazardous or regulated materials, including asbestos, lead-based paint, radon, underground storage tanks, and licensed landfills;
 - (viii) Any other material defects, including latent defects, of which the seller has actual knowledge;
 - (ix) Whether the smoke alarms:
 - 1. will provide an alarm in the event of a power outage;
 - 2. are over 10 years old; and
 - 3. if battery operated, are sealed, tamper resistant units incorporating a silence/hush button and use long-life batteries as required in all Maryland homes by 2018; and
 - (x) If the property relies on the combustion of a fossil fuel for heat, ventilation, hot water, or clothes dryer operation, whether a carbon monoxide alarm is installed on the property.

"Latent defects" under Section 10-702 means material defects in real property or an improvement to real property that:

- (i) A buyer would not reasonably be expected to ascertain or observe by a careful visual inspection, and
- (ii) Would pose a threat to the health or safety of the buyer or an occupant of the property, including a tenant or invitee of the buyer;

OR

- (B) A written disclaimer statement providing that:
- (i) Except for latent defects of which the seller has actual knowledge, the seller makes no representations or warranties as to the condition of the real property or any improvements on the real property; and
 - (ii) The buyer will be receiving the real property "as is," with all defects, including latent defects, that may exist, except as otherwise provided in the contract of sale of the property.

At the time the disclosure or disclaimer statement is delivered to you ("the buyer"), you are required to date and sign a written acknowledgement of receipt on the disclosure or disclaimer statement which shall be included in or attached to the contract of sale.

Section 10-702 further provides that a buyer who receives the disclosure or disclaimer statement on or before entering into a contract of sale does not have the right to rescind the contract based upon the information contained in the disclosure or disclaimer statement.

You are hereby notified that, in certain circumstances, you have the right to rescind your contract with the seller if the seller fails to deliver to you the written property condition disclosure or disclaimer statement. Section 10 702 provides that a buyer who does not receive the disclosure or disclaimer statement on or before entering into the contract has the unconditional right, upon written notice to the seller or seller's agent:

- (i) To rescind the contract at any time before the receipt of the disclosure or disclaimer statement or within 5 days following receipt of the disclosure or disclaimer statement; and
- (ii) To the immediate return of any deposits made on account of the contract.

Your right to rescind the contract under Section 10-702 terminates if not exercised before making a written application to a lender for a mortgage loan, if the lender discloses in writing at or before the time application is made that the right to rescind terminates on submission of the application or within 5 days following receipt of a written disclosure from a lender who has received your application for a mortgage loan, if the lender's disclosure states that your right to rescind terminates at the end of that 5 day period.

Your rights as a buyer under Section 10-702 may not be waived in the contract and any attempted waiver is void.

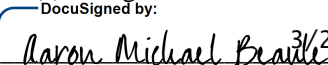
Your rights as the buyer to terminate the contract under Section 10-702 are waived conclusively if not exercised before:

- (i) Closing or occupancy by you, whichever occurs first, in the event of a sale; or
- (ii) Occupancy, in the event of a lease with option to purchase.


The information contained in the property condition disclosure statement is the representation of the seller and not the representation of the real estate broker or sales person, if any. A disclosure by the seller is not a substitute for an inspection by an independent professional home inspection company. You should consider obtaining such an inspection. The information contained in a disclosure statement by the seller is not a warranty by the seller as to the condition of the property of which condition the seller has no actual knowledge or other condition, including latent defects, of which the seller has no actual knowledge. The seller is not required to undertake or provide an independent investigation or inspection of the property in order to make the disclosures required by Section 10-702. The seller is not liable for an error, inaccuracy or omission in the disclosure statement if the error, inaccuracy or omission was based upon information that was not within the actual knowledge of the seller or was provided to the seller by a third party as specified in Section 10-702(i) or (j).

You may wish to obtain professional advice about the property or obtain an inspection of the property.

The undersigned buyer(s) and seller(s) acknowledge receipt of this notice on the date indicated below and acknowledge that the real estate licensee(s) named below have informed the buyer(s) and the seller(s) of the buyer(s)' rights and the seller(s)' obligations under Section 10-702.

DocuSigned by:

 Seller's Signature _____ Date 3/2/2023 | 3:43 PM EST

 Buyer's Signature _____ Date

Seller's Signature _____ Date
 DocuSigned by:

 Agent's Signature _____ Date 1/19/2023 | 6:31 PM EST

 Buyer's Signature _____ Date

 Agent's Signature _____ Date



MARYLAND RESIDENTIAL PROPERTY DISCLOSURE AND DISCLAIMER STATEMENT

Property Address: 405 Great Falls Road Rockville MD 20850

Legal Description: _____

NOTICE TO SELLER AND PURCHASER

Section 10-702 of the Real Property Article, *Annotated Code of Maryland*, requires the seller of certain residential real property to furnish to the purchaser either (a) a RESIDENTIAL PROPERTY DISCLAIMER STATEMENT stating that the seller is selling the property "as is" and makes no representations or warranties as to the condition of the property or any improvements on the real property, except as otherwise provided in the contract of sale, or in a listing of latent defects; or (b) a RESIDENTIAL PROPERTY DISCLOSURE STATEMENT disclosing defects or other information about the condition of the real property actually known by the seller. Certain transfers of residential property are excluded from this requirement (see the exemptions listed below).

10-702. EXEMPTIONS. The following are specifically excluded from the provisions of §10-702:

1. The initial sale of single family residential real property:
 - A. that has never been occupied; or
 - B. for which a certificate of occupancy has been issued within 1 year before the seller and buyer enter into a contract of sale;
2. A transfer that is exempt from the transfer tax under §13-207 of the Tax-Property Article, except land installment contracts of sales under §13-207(a) (11) of the Tax-Property Article and options to purchase real property under §13-207(a)(12) of the Tax-Property Article;
3. A sale by a lender or an affiliate or subsidiary of a lender that acquired the real property by foreclosure or deed in lieu of foreclosure;
4. A sheriff's sale, tax sale, or sale by foreclosure, partition, or by court appointed trustee;
5. A transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6. A transfer of single family residential real property to be converted by the buyer into use other than residential use or to be demolished; or
7. A sale of unimproved real property.

Section 10-702 also requires the seller to disclose information about latent defects in the property that the seller has actual knowledge of. The seller must provide this information even if selling the property "as is." "Latent defects" are defined as: Material defects in real property or an improvement to real property that:

- (1) A purchaser would not reasonably be expected to ascertain or observe by a careful visual inspection of the real property; and
- (2) Would pose a direct threat to the health or safety of:
 - (i) the purchaser; or
 - (ii) an occupant of the real property, including a tenant or invitee of the purchaser.

MARYLAND RESIDENTIAL PROPERTY DISCLOSURE STATEMENT

NOTICE TO SELLERS: Complete and sign this statement only if you elect to disclose defects, including latent defects, or other information about the condition of the property actually known by you; otherwise, sign the Residential Property Disclaimer Statement. You may wish to obtain professional advice or inspections of the property; however, you are not required to undertake or provide any independent investigation or inspection of the property in order to make the disclosure set forth below. The disclosure is based on your personal knowledge of the condition of the property at the time of the signing of this statement.

NOTICE TO PURCHASERS: The information provided is the representation of the Sellers and is based upon the actual knowledge of Sellers as of the date noted. Disclosure by the Sellers is not a substitute for an inspection by an independent home inspection company, and you may wish to obtain such an inspection. The information contained in this statement is not a warranty by the Sellers as to the condition of the property of which the Sellers have no knowledge or other conditions of which the Sellers have no actual knowledge.

How long have you owned the property? Since 8/07/20

Property System: Water, Sewage, Heating & Air Conditioning (Answer all that apply)

Water Supply ☒ Public ☐ Well ☐ Other _____
 Sewage Disposal ☒ Public ☐ Septic System approved for _____ (# bedrooms) **Other Type**

Garbage Disposal ☒ Yes ☐ No
 Dishwasher ☒ Yes ☐ No
 Heating ☐ Oil ☒ Natural Gas ☐ Electric ☐ Heat Pump Age _____ ☐ Other _____
 Air Conditioning ☐ Oil ☐ Natural Gas ☒ Electric ☐ Heat Pump Age _____ ☐ Other _____
 Hot Water ☐ Oil ☒ Natural Gas ☐ Electric Capacity _____ Age _____ ☐ Other _____

Please indicate your actual knowledge with respect to the following:

1. Foundation: Any settlement or other problems? ☐ Yes ☒ No ☐ Unknown
 Comments: _____

2. Basement: Any leaks or evidence of moisture? ☐ Yes ☒ No ☐ Unknown ☐ Does Not Apply
 Comments: _____

3. Roof: Any leaks or evidence of moisture? ☐ Yes ☒ No ☐ Unknown
 Type of Roof: _____ Age 1 Yr
 Comments: New Roof in 2022

Is there any existing fire retardant treated plywood? ☒ Yes ☐ No ☐ Unknown
 Comments: _____

4. Other Structural Systems, including exterior walls and floors:
 Comments: _____

Any defects (structural or otherwise)? ☐ Yes ☒ No ☐ Unknown
 Comments: _____

5. Plumbing system: Is the system in operating condition? ☒ Yes ☐ No ☐ Unknown
 Comments: _____

6. Heating Systems: Is heat supplied to all finished rooms? ☒ Yes ☐ No ☐ Unknown
 Comments: _____

Is the system in operating condition? ☒ Yes ☐ No ☐ Unknown
 Comments: _____

7. Air Conditioning System: Is cooling supplied to all finished rooms? ☒ Yes ☐ No ☐ Unknown ☐ Does Not Apply
 Comments: _____

Is the system in operating condition? ☒ Yes ☐ No ☐ Unknown ☐ Does Not Apply
 Comments: _____

8. Electric Systems: Are there any problems with electrical fuses, circuit breakers, outlets or wiring?
☐ Yes ☒ No. ☐ Unknown
 Comments: _____

8A. Will the smoke alarms provide an alarm in the event of a power outage? * Yes o No

Are the smoke alarms over 10 years old? o Yes * No

If the smoke alarms are battery operated, are they sealed, tamper resistant units incorporating a silence/hush button, which use long-life batteries as required in all Maryland Homes by 2018? * Yes o No

Comments: _____

9. Septic Systems: Is the septic system functioning properly? ☐ Yes ☐ No ☐ Unknown ☒ Does Not Apply

When was the system last pumped? Date _____ ☐ Unknown
 Comments: _____

10. Water Supply: Any problem with water supply? ☐ Yes ☒ No ☐ Unknown

Comments: _____

Home water treatment system: ☐ Yes ☒ No ☐ Unknown

Comments: _____

Fire sprinkler system: ☐ Yes ☒ No ☐ Unknown ☐ Does Not Apply

Comments: _____

Are the systems in operating condition? ☒ Yes ☐ No ☐ Unknown

Comments: _____

11. Insulation:

In exterior walls? ☒ Yes ☐ No ☐ Unknown

In ceiling/attic? ☒ Yes ☐ No ☐ Unknown

In any other areas? ☐ Yes ☒ No Where? _____

Comments: _____

12. Exterior Drainage: Does water stand on the property for more than 24 hours after a heavy rain?

☐ Yes ☒ No ☐ Unknown

Comments: _____

Are gutters and downspouts in good repair? ☒ Yes ☐ No ☐ Unknown

Comments: New in 2022

13. Wood-destroying insects: Any infestation and/or prior damage? ☐ Yes ☒ No ☐ Unknown

Comments: _____

Any treatments or repairs? ☐ Yes ☒ No ☐ Unknown

Any warranties? ☐ Yes ☒ No ☐ Unknown

Comments: _____

14. Are there any hazardous or regulated materials (including, but not limited to, licensed landfills, asbestos, radon gas, lead-based paint, underground storage tanks, or other contamination) on the property?

☐ Yes ☒ No ☐ Unknown

If yes, specify below

Comments: _____

15. If the property relies on the combustion of a fossil fuel for heat, ventilation, hot water, or clothes dryer operation, is a carbon monoxide alarm installed in the property?

☒ Yes ☐ No ☐ Unknown

Comments: _____

16. Are there any zoning violations, nonconforming uses, violation of building restrictions or setback requirements or any recorded or unrecorded easement, except for utilities, on or affecting the property?

☐ Yes ☒ No ☐ Unknown

If yes, specify below

Comments: _____

16A. If you or a contractor have made improvements to the property, were the required permits pulled from the county or local permitting office? ☒ Yes ☐ No ☐ Does Not Apply ☐ Unknown

Comments: _____

17. Is the property located in a flood zone, conservation area, wetland area, Chesapeake Baycritical area or Designated Historic District?

☐ Yes ☒ No ☐ Unknown If yes, specify below

Comments: _____

18. Is the property subject to any restriction imposed by a Home Owners Association or any other type of community association?

☒ Yes ☐ No ☐ Unknown If yes, specify below

Comments: _____

19. Are there any other material defects, including latent defects, affecting the physical condition of the property?

☐ Yes ☒ No ☐ Unknown

Comments: _____

NOTE: Seller(s) may wish to disclose the condition of other buildings on the property on a separate RESIDENTIAL PROPERTY DISCLOSURE STATEMENT.

The seller(s) acknowledge having carefully examined this statement, including any comments, and verify that it is complete and accurate as of the date signed. The seller(s) further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Seller(s) *Harmon Michael Brault* Date 3/2/2023 | 3:43 PM EST

43A7BA1C89844F9...

Seller(s) _____ Date _____

The purchaser(s) acknowledge receipt of a copy of this disclosure statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Purchaser _____ Date _____

Purchaser _____ Date _____

MARYLAND RESIDENTIAL PROPERTY DISCLAIMER STATEMENT

NOTICE TO SELLER(S): Sign this statement only if you elect to sell the property without representations and warranties as to its condition, except as otherwise provided in the contract of sale and in the listing of latent defects set forth below; otherwise, complete and sign the RESIDENTIAL PROPERTY DISCLOSURE STATEMENT.

Except for the latent defects listed below, the undersigned seller(s) of the real property make no representations or warranties as to the condition of the real property or any improvements thereon, and the purchaser will be receiving the real property "as is" with all defects, including latent defects, which may exist, except as otherwise provided in the real estate contract of sale. The seller(s) acknowledge having carefully examined this statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Section 10-702 also requires the seller to disclose information about latent defects in the property that the seller has actual knowledge of. The seller must provide this information even if selling the property "as is." "Latent defects" are defined as: Material defects in real property or an improvement to real property that:

- (1) A purchaser would not reasonably be expected to ascertain or observe by a careful visual inspection of the real property; and
- (2) Would pose a direct threat to the health or safety of:
 - (i) the purchaser; or
 - (ii) an occupant of the real property, including a tenant or invitee of the purchaser.

Does the seller(s) have actual knowledge of any latent defects? ☐ Yes ☐ No If yes, specify:

Seller_____

Date_____

Seller_____

Date_____

The purchaser(s) acknowledge receipt of a copy of this disclaimer statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Purchaser_____

Date_____

Purchaser_____

Date_____



Inclusions/Exclusions Disclosure and/or Addendum

(Required for use with GCAAR Listing Agreement & Sales Contract)

PROPERTY ADDRESS: 405 Great Falls Road

Rockville

MD 20850

PERSONAL PROPERTY AND FIXTURES: The Property includes the following personal property and fixtures, if existing: built-in heating and central air conditioning equipment; plumbing and lighting fixtures; sump pump; attic and exhaust fans; storm windows; storm doors; screens; installed wall-to-wall carpeting; central vacuum system (with all hoses and attachments); shutters; window shades; blinds; window treatment hardware; mounting brackets for electronics components; smoke, carbon monoxide, and heat detectors; TV antennas; exterior trees and shrubs; and awnings. Unless otherwise agreed to herein, all surface or wall mounted electronic components/devices **DO NOT CONVEY. The items checked below convey.** If more than one of an item conveys, the number of items shall be noted in the blank.

KITCHEN APPLIANCES

- ☐ Stove/Range
☒ Cooktop
☒ Wall Oven
☒ Microwave
☒ Refrigerator
☒ w/ Ice Maker
☐ Wine Refrigerator
☒ Dishwasher
☒ Disposer
☐ Separate Ice Maker
☐ Separate Freezer
☐ Trash Compactor

LAUNDRY

- ☒ Washer
☒ Dryer

ELECTRONICS

- ☐ Security Cameras
☐ Alarm System
☐ Intercom
☐ Satellite Dishes
☒ Video Doorbell

LIVING AREAS

- ☒ Fireplace Screen/Doors
☒ Gas Logs
☐ Ceiling Fans
☐ Window Fans
☒ Window Treatments

WATER/HVAC

- ☐ Water Softener/Conditioner
☐ Electronic Air Filter
☐ Furnace Humidifier
☐ Window AC Units

RECREATION

- ☐ Hot Tub/Spa, Equipment & Cover
☐ Pool Equipment & Cover
☐ Sauna
☐ Playground Equipment

OTHER

- ☐ Storage Shed
☒ Garage Door Opener
☐ Garage Door Remote/Fob
☐ Back-up Generator
☐ Radon Remediation System
☒ Solar Panels (*must include Solar Panel Seller Disclosure/Resale Addendum*)
☒ Cushions side door bench
☐ _____

THE FOLLOWING ITEMS WILL BE REMOVED AND NOT REPLACED: 2 Storage Sheds

LEASED ITEMS, LEASED SYSTEMS & SERVICE CONTRACTS: Leased items/systems or service contracts, including but not limited to: appliances, fuel tanks, water treatment systems, lawn contracts, pest control contracts, security system and/or monitoring, and satellite contracts **DO NOT CONVEY** unless disclosed here: _____

CERTIFICATION: Seller certifies that Seller has completed this checklist disclosing what conveys with the Property.

DocuSigned by:
 Aaron Michael Beaulé 3/2/2023 | 3:43 PM EST
 Seller _____ Date _____ Seller _____ Date _____

ACKNOWLEDGEMENT AND INCORPORATION INTO CONTRACT: (Completed only after presentation to the Buyer)
 The Contract of Sale dated _____ between Seller Aaron Michael Beaulé and Buyer _____
 _____ for the Property referenced above is hereby amended by the incorporation of this Addendum.

Seller (sign only after Buyer) _____ Date _____ Buyer _____ Date _____

Seller (sign only after Buyer) _____ Date _____ Buyer _____ Date _____



Homeowners Association Seller Disclosure/Resale Addendum for Maryland

(Recommended for the Listing Agreement and required for the GCAAR Contract)

Address 405 Great Falls Road
 City Rockville, State MD Zip 20850
 Parking Space(s) # _____ Storage Unit(s) # _____ Subdivision/Project: ROSE HILL

PART I – SELLER DISCLOSURE:

1. **SELLER'S ACKNOWLEDGMENT:** ALL INFORMATION HEREIN WAS COMPLETED BY THE SELLER.
 The information contained in this Disclosure issued pursuant to Section 11B-106(b) of the Maryland Homeowners Association Act is based on Seller's actual knowledge and belief and is current as of the date hereof.

2. **NAME OF HOMEOWNERS ASSOCIATION:** The Property, which is the subject of this Contract, is located within a Development and is subject to the _____ Homeowners Association.

3. **CURRENT FEES AND ASSESSMENTS:** Fees and assessments as of the date hereof amount respectively to:

A. **HOA Fee:** Potential Buyers are hereby advised that the present fee for the subject Property and parking space(s) and/or storage unit(s), if applicable, is:

Regular Fee:	\$ <u>65.00</u>
Parking:	\$ _____
Storage:	\$ _____
Special Assessment:	\$ _____ (complete B below)
TOTAL:	\$ _____ per _____

Fee Includes: The following are included in the HOA Fee: ☒ **Trash** ☐ **Lawn Care** ☐ **Other** _____

B. **Special Assessment:** Potential Buyers are hereby advised that there ☐ **is** OR ☒ **is not** a special assessment either included in the HOA Fee or separately levied. If applicable, complete 1-4 below.

- 1) Reason for Assessment: _____
- 2) Payment Schedule: \$ _____ per _____
- 3) Number of payments remaining _____ as of _____ (Date)
- 4) **Total Special Assessment balance remaining:** \$ _____

C. **Delinquency:** Are there any delinquent Fees and/or Special Assessments? ☐ **YES** ☒ **NO**

Unless otherwise agreed in Part II herein below, Seller agrees to pay at Settlement any existing or levied but not yet collected Special Assessments.

4. **FEES DURING PRIOR FISCAL YEAR:** The total amount of fees, special assessments and other charges imposed by the HOA upon the Property during the prior fiscal year of the HOA is as follows:

Fees:	\$ _____
Special Assessments:	\$ _____
Other Charges:	\$ _____
Total:	\$ _____

5. **PARKING AND STORAGE:** Parking Space(s) and Storage Unit(s) may be designated by the HOA instruments as: general common elements for general use (possibly subject to a lease or license agreement); limited common elements assigned for the exclusive use of a particular unit; or separately taxed and conveyed by Deed. The following Parking Space(s) and/or Storage Unit(s) convey with this Property:

☐ Parking Space #(s) _____ ☐ **is** ☐ **is not** separately taxed. If separately taxed:
 Tax ID #(s) _____

☐ Storage Unit #(s) _____ ☐ **is** ☐ **is not** separately taxed. If separately taxed:
 Tax ID #(s) _____

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6. **MANAGEMENT COMPANY OR AUTHORIZED AGENT:** The management company or agent authorized by the HOA to provide information to the public regarding the HOA is as follows:

Name: See Disclosures Phone: _____
 Email Address: _____
 Address: _____

[OR] No agent or officer is presently authorized by the HOA to provide to the public information regarding the HOA. If none, please initial here _____ / _____

7. **SELLER'S KNOWLEDGE OF UNSATISFIED JUDGMENTS OR LAWSUITS:** The Seller has no actual knowledge of any unsatisfied judgments, or pending lawsuits against the HOA, except as noted:

8. **SELLER'S KNOWLEDGE OF PENDING CLAIMS, COVENANT VIOLATIONS OR DEFAULT:** The Seller has no actual knowledge of any pending claims, covenant violations, actions or notices of default against the HOA, except as noted:

9. **NOTICE TO SELLER REGARDING OBLIGATIONS TO NOTIFY THE HOA:** WITHIN THIRTY (30) CALENDAR DAYS OF ANY RESALE TRANSFER OF A LOT WITHIN A DEVELOPMENT, THE TRANSFEROR [SELLER] SHALL NOTIFY THE HOMEOWNERS ASSOCIATION FOR THE PRIMARY DEVELOPMENT OF THE TRANSFER. THE NOTIFICATION SHALL INCLUDE, TO THE EXTENT REASONABLY AVAILABLE, THE NAME AND ADDRESS OF THE TRANSFEROR [SELLER], THE DATE OF TRANSFER, THE NAME AND ADDRESS OF ANY MORTGAGEE, AND THE PROPORTIONATE AMOUNT OF ANY OUTSTANDING HOMEOWNERS ASSOCIATION FEE OR ASSESSMENT ASSUMED BY EACH OF THE PARTIES TO THE TRANSACTION.

10. **NOTICE OF BUYER'S RIGHT TO RECEIVE DOCUMENTS PURSUANT TO THE MARYLAND HOMEOWNERS ASSOCIATION ACT (HOA Docs):**

THIS SALE IS SUBJECT TO THE REQUIREMENTS OF THE MARYLAND HOMEOWNERS ASSOCIATION ACT (THE "ACT"). THE ACT REQUIRES THAT THE SELLER DISCLOSE TO YOU [BUYER] AT OR BEFORE THE TIME THE CONTRACT IS ENTERED INTO, OR WITHIN 20 CALENDAR DAYS OF ENTERING INTO THE CONTRACT, CERTAIN INFORMATION CONCERNING THE DEVELOPMENT IN WHICH THE LOT YOU [BUYERS] ARE PURCHASING IS LOCATED. THE CONTENT OF THE INFORMATION TO BE DISCLOSED IS SET FORTH IN § 11B-106(B) OF THE ACT (THE "MHAA INFORMATION") AS FOLLOWS:

§11B-106(B) THE VENDOR SHALL PROVIDE THE PURCHASER THE FOLLOWING INFORMATION IN WRITING:

(1) A STATEMENT AS TO WHETHER THE LOT IS LOCATED WITHIN A DEVELOPMENT;

(2) (I) THE CURRENT MONTHLY FEES OR ASSESSMENTS IMPOSED BY THE HOMEOWNERS ASSOCIATION UPON THE LOT;

(II) THE TOTAL AMOUNT OF FEES, ASSESSMENTS, AND OTHER CHARGES IMPOSED BY THE HOMEOWNERS ASSOCIATION UPON THE LOT DURING THE PRIOR FISCAL YEAR OF THE HOMEOWNERS ASSOCIATION; AND

(III) A STATEMENT OF WHETHER ANY OF THE FEES, ASSESSMENTS, OR OTHER CHARGES AGAINST THE LOT ARE DELINQUENT;

(3) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE MANAGEMENT AGENT OF THE HOMEOWNERS ASSOCIATION, OR OTHER OFFICER OR AGENT AUTHORIZED BY THE HOMEOWNERS ASSOCIATION TO PROVIDE TO MEMBERS OF THE PUBLIC, INFORMATION REGARDING THE HOMEOWNERS ASSOCIATION AND THE DEVELOPMENT, OR A STATEMENT THAT NO AGENT OR OFFICER IS PRESENTLY SO AUTHORIZED BY THE HOMEOWNERS ASSOCIATION;

(4) A STATEMENT AS TO WHETHER THE OWNER HAS ACTUAL KNOWLEDGE OF:
(I) THE EXISTENCE OF ANY UNSATISFIED JUDGMENTS OR PENDING LAWSUITS AGAINST
THE HOMEOWNERS ASSOCIATION; AND
(II) ANY PENDING CLAIMS, COVENANT VIOLATIONS, ACTIONS, OR NOTICES OF DEFAULT
AGAINST THE LOT; AND

(5) A COPY OF:
(I) THE ARTICLES OF INCORPORATION, THE DECLARATION, AND ALL RECORDED
COVENANTS AND RESTRICTIONS OF THE PRIMARY DEVELOPMENT, AND OF OTHER RELATED
DEVELOPMENTS TO THE EXTENT REASONABLY AVAILABLE, TO WHICH THE PURCHASER
SHALL BECOME OBLIGATED ON BECOMING AN OWNER OF THE LOT, INCLUDING A
STATEMENT THAT THESE OBLIGATIONS ARE ENFORCEABLE AGAINST AN OWNER'S
TENANTS, IF APPLICABLE; AND
(II) THE BYLAWS AND RULES OF THE PRIMARY DEVELOPMENT, AND OF OTHER RELATED
DEVELOPMENTS TO THE EXTENT REASONABLY AVAILABLE, TO WHICH THE PURCHASER
SHALL BECOME OBLIGATED ON BECOMING AN OWNER OF THE LOT, INCLUDING A
STATEMENT THAT THESE OBLIGATIONS ARE ENFORCEABLE AGAINST AN OWNER AND THE
OWNER'S TENANTS, IF APPLICABLE.

IF YOU [BUYERS] HAVE NOT RECEIVED ALL OF THE MHAA INFORMATION FIVE (5)
CALENDAR DAYS OR MORE BEFORE ENTERING INTO THE CONTRACT, YOU [BUYERS]
HAVE FIVE (5) CALENDAR DAYS TO CANCEL THIS CONTRACT AFTER RECEIVING ALL OF
THE MHAA INFORMATION. YOU [BUYER] MUST CANCEL THE CONTRACT IN WRITING, BUT
YOU [BUYERS] DO NOT HAVE TO STATE A REASON.

THE SELLER MUST ALSO PROVIDE YOU [BUYER] WITH NOTICE OF ANY CHANGES IN
MANDATORY FEES EXCEEDING 10% OF THE AMOUNT PREVIOUSLY STATED TO EXIST AND
COPIES OF ANY OTHER SUBSTANTIAL AND MATERIAL AMENDMENT TO THE INFORMATION
PROVIDED TO YOU [BUYER]. YOU [BUYERS] HAVE THREE (3) CALENDAR DAYS TO CANCEL THIS
CONTRACT AFTER RECEIVING NOTICE OF ANY CHANGES IN MANDATORY FEES, OR COPIES OF
ANY OTHER SUBSTANTIAL AND MATERIAL AMENDMENT TO THE MHAA INFORMATION WHICH
ADVERSELY AFFECTS YOU [THEM].

IF YOU [BUYERS] DO CANCEL THE CONTRACT [THEY] WILL BE ENTITLED TO A REFUND OF ANY
DEPOSIT YOU [BUYERS] MADE ON ACCOUNT OF THE CONTRACT. HOWEVER, UNLESS YOU
[BUYERS] RETURN THE MHAA INFORMATION TO THE SELLER WHEN YOU [BUYERS] CANCEL
THE CONTRACT, THE SELLER MAY KEEP OUT OF YOUR [BUYER'S] DEPOSIT THE COST OF
REPRODUCING THE MHAA INFORMATION, OR \$100, WHICHEVER AMOUNT IS LESS.

BY PURCHASING A LOT WITHIN THIS DEVELOPMENT, YOU [BUYER] WILL AUTOMATICALLY BE
SUBJECT TO VARIOUS RIGHTS, RESPONSIBILITIES, AND OBLIGATIONS, INCLUDING THE
OBLIGATION TO PAY CERTAIN ASSESSMENTS TO THE HOMEOWNERS ASSOCIATION WITHIN
THE DEVELOPMENT. THE LOT YOU [BUYERS] ARE PURCHASING MAY HAVE RESTRICTIONS ON:

- (1) ARCHITECTURAL CHANGES, DESIGN, COLOR, LANDSCAPING, OR APPEARANCE;
- (2) OCCUPANCY DENSITY;
- (3) KIND, NUMBER, OR USE OF VEHICLES;
- (4) RENTING, LEASING, MORTGAGING, OR CONVEYING PROPERTY;
- (5) COMMERCIAL ACTIVITY; OR
- (6) OTHER MATTERS.

YOU [BUYERS] SHOULD REVIEW THE MHAA INFORMATION CAREFULLY TO ASCERTAIN YOUR
[THEIR] RIGHTS, RESPONSIBILITIES, AND OBLIGATIONS WITHIN THE DEVELOPMENT.

DocuSigned by:

Baron Michael Brault
 Seller

3/2/2023 | 3:43 PM EST

Date

Seller

Date

PART II - RESALE ADDENDUM:

The Contract of Sale dated _____, between Seller Aaron Michael Beaulé _____ and Buyer _____ is hereby amended by the incorporation of Parts I and II herein, which shall supersede any provisions to the contrary in the Contract.

1. **TITLE/DEED AND TITLE:** The Title or Deed and Title paragraph of the Contract is amended to include the agreement of the Buyer to take title subject to easements, covenants, conditions and restrictions of record contained in the HOA instruments, and the right of other owners in the common elements and the operation of the HOA.
2. **PAYMENT OF FEES AND ASSESSMENTS:** Buyer agrees to pay such HOA Fees and/or other Special Assessments as the HOA may from time to time assess against the Property and Parking Space(s) and/or Storage Unit(s), as applicable, for the payment of operating and maintenance or other proper charges. Seller agrees to pay any delinquent Fees and/or Special Assessments on or before Settlement Date. All violations of requirements noted by the HOA against Seller shall be complied with by Seller and the Property conveyed free thereof. **Regarding any existing or levied but not yet collected Special Assessments, Seller agrees to pay, at the time of Settlement, any Special Assessments unless otherwise agreed herein:**

_____. Costs of obtaining any statements of account from the HOA and/or its related management company will be paid by Seller. Lender's HOA questionnaire fee and any transfer and/or set-up fees for the HOA and/or its related management company will be paid by Buyer.
3. **ASSUMPTION OF HOA OBLIGATIONS:** Buyer hereby agrees to assume each and every obligation of and to be bound by and comply with the covenants and conditions contained in the HOA instruments, including the rules and regulations and covenants and restrictions of the HOA, from and after the Settlement Date hereunder.
4. **RIGHT TO CANCEL:** Buyer shall have the right for a period of five (5) Days following Buyer's receipt of the HOA instruments referred to in the HOA Docs paragraph to cancel this Contract by giving Notice thereof to Seller. In the event that such HOA Docs are delivered to Buyer on or prior to the ratification of this Contract by Buyer, such five (5) Day period shall commence upon the Date of Ratification. If the HOA Docs are not delivered to Buyer within the 20 Day time period referred to in the HOA Docs paragraph, Buyer shall have the option to cancel this Contract by giving Notice thereof to Seller prior to Buyer's receipt of such HOA Docs. Pursuant to the provisions of this paragraph, in no event may Buyer have the right to cancel this Contract after Settlement.

Seller (sign only after Buyer) Date

Buyer Date

Seller (sign only after Buyer) Date

Buyer Date



Solar Panel Seller Disclosure/Resale Addendum

(For use with GCAAR Sales Contract and MR Residential Contract of Sale)

Address 405 Great Falls Road
 City Rockville, State MD Zip 20850

NOTICE TO BUYER: The Property contains a solar panel system for the purpose of generating electricity. It is the Buyer's sole responsibility to seek out and gather all pertinent information about the System installed on the Property. There are many variables from one solar panel system to another. Sources of information include but are not limited to, the Seller, the Solar Energy Company that installed the System, any solar leasing or supply company, the broker of any renewable energy certificates, and the local utility company to which the Property is connected.

PART I – SELLER DISCLOSURE

1. **SELLER NOTICE OF SOLAR PANEL INFORMATION:** Seller discloses that Property contains a solar panel system (the "System") installed by the following Solar Energy Company:
 Company Name: TESLA Phone: _____
 Address: _____

 A. The System is currently:
☐ 1) Owned by Seller free and clear (not subject to an existing lease, power purchase agreement/supply agreement, or loan) and shall be included in the sale of the Property and conveyed to Buyer at Settlement;
☒ 2) Subject to an existing ☒ lease agreement **OR** ☐ power purchase/supply agreement ("Supply Agreement") **OR** ☐ financed by an unpaid loan ("Solar System Financing") **OR** ☐ Other: _____
 from the following company (the "Solar Company"):
 Solar Company Name: TESLA Phone: _____
 Address: _____

 B. Potential Buyers are hereby advised that the present fee, or loan or lease payment, if applicable, for any obligation under an agreement with the Solar Company is \$ 143 per Month.

 C. Seller ☐ receives **OR** ☒ does not receive benefits from solar renewable energy certificates (SRECs), in a solar-energy marketplace. If applicable, SRECs are distributed from the following aggregator or broker:

Unless otherwise agreed in Part II herein, SRECs, if any, will convey with the System.

2. **SOLAR PANEL SYSTEM DOCUMENTS:** Copies of any documentation pertaining to the System, the Solar Company, Solar System Financing, and/or the SRECs, including but not limited to statements from the prior 12 months of usage or production of electricity from the System, are attached: ☒ YES ☐ NO. If no, Seller shall Deliver to Buyer such documentation within 3 Business Days of the Date of Ratification. **Seller grants permission for the Solar Company to disclose to Buyer any documentation or information pertaining to the System.**

DocuSigned by:
Aaron Michael Brault 3/2/2023 | 3:43 PM EST
 Seller _____ Date _____ Seller _____ Date _____

PART II – RESALE ADDENDUM

The Contract of Sale dated _____, between Seller Aaron Michael Beaulé and Buyer _____ is hereby amended by the incorporation of Parts I and II herein, which shall supersede any provisions to the contrary in the Contract.

1. **BUYER DUE DILIGENCE:** Buyer is advised that if the cost, insurability, operation, or value of the System is a material matter to Buyer, it must be investigated within the allotted timeframe as set forth below. This may include, but is not limited to, lease terms, maintenance, utility and lessor fees, and warranties.
2. **SOLAR PANEL CONTINGENCY:** Unless there are no obligations to assume, this Contract is contingent (“*Solar Panel Contingency*”) on Buyer’s ability to assume all obligations pertaining to the System with the Solar Company.
 - A. **SELLER’S OPTION TO VOID CONTRACT:** Buyer shall Deliver by 6:00pm 14 Days after Date of Ratification (“*Solar Panel Deadline*”) evidence of approval by Solar Company of Buyer’s assumption of obligations pertaining to the System (“*System Approval*”).

Following the Solar Panel Deadline, but until Buyer Delivers the System Approval to Seller, the Solar Panel Contingency will continue and **Seller may Deliver Notice to Buyer declaring the Contract Void.**

Upon Delivery of the System Approval, Seller may no longer Deliver Notice declaring the Contract Void under the Solar Panel Contingency until the Settlement Date has passed.
 - B. **REMOVAL OF CONTINGENCY:** At any time prior to Seller Delivering Notice declaring the Contract Void, Buyer may remove this contingency by delivering to Seller evidence of Buyer’s ability to assume all obligations pertaining to the System without System Approval by Solar Company.
 - C. **SYSTEM REJECTION:** Buyer may Deliver Notice declaring the Contract Void if Buyer receives rejection for System Approval from Solar Company and Delivers evidence of the rejection to Seller.
3. **ASSUMPTION OF SOLAR PANEL SYSTEM OBLIGATIONS:** Buyer hereby agrees to assume all obligations of the System from and after the Settlement Date hereunder. SRECs, if any, will convey with the System unless otherwise agreed to herein. Buyer shall not be responsible for any arrearages due from Seller to Solar Company. Proratable charges for Solar Company fees and/or payments are to be adjusted to the Settlement Date. In no event shall Seller be obligated to proceed to Settlement should Solar Company refuse to relieve Seller of Seller’s existing contractual obligation to Solar Company.
4. **BUYER LENDER:** If applicable, Buyer must disclose to Lender that Property contains a solar panel system.
5. **RIGHT TO CANCEL:** Notwithstanding the Solar Panel Contingency herein, Buyer shall have the right for a period of seven (7) Days from the Date of Ratification to declare this Contract Void by Delivering Notice thereof to Seller.

DocuSigned by:

<u>Aaron Michael Beaulé</u>		3/2/2023 3:43 PM EST	
Seller		Date	Buyer
			Date
_____ Seller		_____ Date	_____ Buyer
			Date



Utility Cost and Usage History Form

For use in Montgomery County, Maryland

Address: 405 Great Falls Road

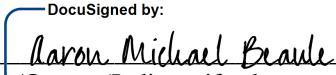
Rockville

MD 20850

Month	Year		Electric	Gas	Heating Oil
March	2022	Total Cost:	8.50	313.50	
		Total Usage			
April	2022	Total Cost:	8.64	212	
		Total Usage			
May	2022	Total Cost:	8.66	193.03	
		Total Usage			
June	2022	Total Cost:	8.66	105.41	
		Total Usage			
July	2022	Total Cost:	8.66	53.42	
		Total Usage			
August	2022	Total Cost:	8.66	38.81	
		Total Usage			
September	2022	Total Cost:	8.66	40.79	
		Total Usage			
October	2022	Total Cost:	7.41	41.46	
		Total Usage			
November	2022	Total Cost:	7.41	67.93	
		Total Usage			
December	2022	Total Cost:	222.23	106.13	
		Total Usage			
January	2023	Total Cost:	131.19	247.53	
		Total Usage			
February		Total Cost:	65.56	382.30	
		Total Usage			

DocuSigned by:

3/2/2023 | 4:04 PM E


 Seller/Owner (Indicate if sole owner)

Date

Seller/Owner (Indicate if sole owner)

Date

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Regulations, Easements and Assessments (REA) Disclosure and Addendum

(Required for all Listing Agreements and Sales Contracts in Montgomery County)

The Contract of Sale dated _____, Address 405 Great Falls Road
 City Rockville, State MD Zip 20850 between
 Seller Aaron Michael Beaulé and
 Buyer _____ is hereby
 amended by the incorporation of this Addendum, which shall supersede any provisions to the contrary in this Contract.

Notice to Seller and Buyer: This Disclosure/Addendum to be completed by the Seller shall be available to prospective buyers prior to making a purchase offer and will become a part of the sales contract for the sale of the Property. The information contained herein is the representation of the Seller. The content in this form is not all-inclusive, and the Paragraph headings of this Agreement are for convenience and reference only, and in no way define or limit the intent, rights or obligations of the parties. Please be advised that web site addresses, personnel and telephone numbers do change and GCAAR cannot confirm the accuracy of the information contained in this form. When in doubt regarding the provisions or applicability of a regulation, easement or assessment, information should be verified with the appropriate government agency. Further information may be obtained by contacting staff and web sites of appropriate authorities:

- Montgomery County Government, 101 Monroe Street, Rockville, MD, 20850.
Main Telephone Number: 311 or 240-777-0311 (TTY 240-251-4850). Web site: www.MC311.com
- Maryland-National Capital Area Park and Planning Commission (M-NCPPC),
2425 Reedie Drive, 14th Floor, Wheaton, MD 20902. Main number: 301-495-4600. Web site:
<https://montgomeryplanningboard.org>
- City of Rockville, City Hall, 111 Maryland Ave, Rockville, MD 20850.
Main telephone number: 240-314-5000. Web site: www.rockvillemd.gov
- State Department of Assessments & Taxation (SDAT), 301 W Preston Street, Baltimore, MD, 21201
Main Telephone Number: 410-767-1184. Website: sdatt.dat.maryland.gov

1. **DISCLOSURE/DISCLAIMER STATEMENT:** A property owner may be exempt from Maryland Residential Property Disclosure Act as defined in the Maryland Residential Property Disclosure and Disclaimer Statement. Is Seller exempt from the Maryland Residential Property Disclosure Act? ☐ Yes ☒ No. If no, see attached Maryland Residential Disclosure and Disclaimer Statement. If yes, reason for exemption: _____.
2. **SMOKE DETECTORS:** Maryland law requires that ALL smoke alarms be less than 10 years from date of manufacture. Also, BATTERY-ONLY operated smoke alarms must be sealed units incorporating a silence/hush button and long-life batteries. Pursuant to Montgomery County Code, the Seller is required to have working smoke alarms. Requirements for the location of the alarms vary according to the year the Property was constructed. For a matrix of the requirements see: www.montgomerycountymd.gov/mcfrs-info/resources/files/laws/smokealarmmatrix_2013.pdf. In addition, Maryland law requires the following disclosure: This residential dwelling unit contains alternating current (AC) electric service. In the event of a power outage, an alternating current (AC) powered smoke detector will NOT provide an alarm. Therefore, the Buyer should obtain a dual-powered smoke detector or a battery-powered smoke detector.
3. **MODERATELY-PRICED DWELLING UNIT:** Is the Property part of the Moderately-Priced Dwelling Unit Program in Montgomery County, the City of Rockville, or the City of Gaithersburg? ☐ Yes ☒ No. If yes, Seller shall indicate month and year of initial offering: _____. If initial offering is after March 20, 1989, the prospective Buyer and Seller should contact the appropriate jurisdictional agency to ascertain the legal buying and selling restrictions on the Property.
4. **RADON DISCLOSURE:** A radon test must be performed on or before the Settlement Date of a "Single Family Home" in accordance with Montgomery County Code Section 40-13C (see <https://www.montgomerycountymd.gov/green/air/radon.html> for details) **A Single Family Home means a single family detached or attached residential building. Single Family home does not include a residential unit that is part of a condominium regime or a cooperative housing corporation.** The Seller of a Single Family Home (unless otherwise exempt below) is required to provide the Buyer, on or before Settlement Date, a copy of radon test results performed less than one year before Settlement Date, or to permit the Buyer to perform a radon test, but regardless, a radon test MUST be performed and both Seller and Buyer MUST receive a copy of the radon test results. **If Buyer elects not to or fails to perform a radon test, the Seller is mandated to perform the test and provide the results to the Buyer on or before Settlement Date.**

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Is Seller exempt from the Radon Test disclosure? ☐ Yes ☒ No. If yes, reason for exemption:_____.

Exemptions:

- A. Property is NOT a "Single Family Home"
- B. Transfer is an intra-family transfer under MD Tax Property Code Section 13-207
- C. Sale is by a lender or an affiliate or subsidiary of a lender that acquired the home by foreclosure or deed in lieu of foreclosure
- D. Sale is a sheriff's sale, tax sale or sale by foreclosure, partition or by a court appointed trustee
- E. A transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship or trust.
- F. A transfer of a home to be converted by the buyer into a use other than residential or to be demolished.
- G. Property is located in the Town of Barnesville, Town of Kensington, Town of Poolesville, or City of Rockville.

If not exempt above, a copy of the radon test result is attached ☒ Yes ☐ No. If no, Seller will provide the results of a radon test in accordance with Montgomery County Code Section 40-13C unless the Contract includes a radon contingency.

NOTE: In order to request Seller to remediate, a radon contingency must be included as part of the Contract.

5. AVAILABILITY OF WATER AND SEWER SERVICE:

- A. **Existing Water and Sewer Service:** Refer to the Seller's Water Bills or contact WSSC at 301-206-4001 or City of Rockville at 240-314-8420.
- B. **Well and Septic Locations:** Contact the **Department of Permitting Services "DPS", Well and Septic**, or visit <http://permittingervices.montgomerycountymd.gov/DPS/general/Home.aspx>. For well and/or septic field locations, visit <http://permittingervices.montgomerycountymd.gov/DPS/online/eInformationRequest.aspx>, or for homes built before 1978, request an "as built" drawing in person using DPS's "Septic System Location Application" form. Homes built prior to 1960 may be filed on microfiche, and, if outside a subdivision, the name of the original owner may be required. An original owner's name can be found among the Land Records at the County Courthouse. Allow two weeks for the "as built" drawing.
- C. **Categories:** To confirm service area category, contact the **Montgomery County Department of Environmental Protection ("DEP") Watershed Management Division** or visit waterworks@montgomerycountymd.gov.

- A. **Water: Is the Property connected to public water?** ☒ Yes ☐ No.
If no, has it been approved for connection to public water? ☐ Yes ☐ No ☐ Do not know
If not connected, the source of potable water, if any, for the Property is: _____
- B. **Sewer: Is the Property connected to public sewer system?** ☒ Yes ☐ No
If no, answer the following questions:
1. Has it been approved for connection to public sewer? ☐ Yes ☐ No ☐ Do not know
2. Has an individual sewage disposal system been constructed on Property? ☐ Yes ☐ No
Has one been approved for construction? ☐ Yes ☐ No
Has one been disapproved for construction? ☐ Yes ☐ No ☐ Do not know
If no, explain: _____
- C. **Categories: The water and sewer service area category or categories that currently apply to the Property is/are (if known) _____.** This category affects the availability of water and sewer service as follows (if known) _____.
- D. **Recommendations and Pending Amendments (if known):**
1. The applicable master plan contains the following recommendations regarding water and sewer service to the Property: _____
2. The status of any pending water and sewer comprehensive plan amendments or service area category changes that would apply to the Property: _____
- E. **Well and Individual Sewage System: When a Buyer of real property that is located in a subdivision on which an individual sewage disposal system has been or will be installed receives the copy of the recorded subdivision plat, the Buyer must confirm in writing by signing said Plat that the Buyer has received and reviewed the Plat, including any restrictions on the location of initial and reserve wells, individual sewage disposal systems, and the buildings to be served by any individual sewage disposal system.**

By signing below, the Buyer acknowledges that, prior to signing the Contract, the Seller has provided the information referenced above, or has informed the Buyer that the Seller does not know the information referenced above; the Buyer further understands that, to stay informed of future changes in County and municipal water and sewer plans, the Buyer should consult the County Planning Board or any appropriate municipal planning or water and sewer agency.

Buyer

Date

Buyer

Date

6. **CITY OF TAKOMA PARK:** If this Property is located in Takoma Park, the Takoma Park Sales Disclosure must be attached. See **GCAAR Takoma Park Sales Disclosure - Notice of Tree Preservation Requirements and Rental Housing Laws.**
7. **HOMEOWNER'S, CONDOMINIUM OR COOPERATIVE ASSOCIATION ASSESSMENTS:** The Property is located in a ☒ **Homeowners Association** with mandatory fees (HOA) (refer to **GCAAR HOA Seller Disclosure / Resale Addendum for MD**, attached), and/or ☐ **Condominium Association** (refer to **GCAAR Condominium Seller Disclosure / Resale Addendum for MD**, attached) and/or ☐ **Cooperative** (refer to **GCAAR Co-operative Seller Disclosure / Resale Addendum for MD & DC**, attached) and/or ☐ **Other** (ie: Homeowners Association/Civic Association WITHOUT dues): _____.
8. **UNDERGROUND STORAGE TANK:** For information regarding Underground Storage Tanks and the procedures for their removal or abandonment, contact the Maryland Department of the Environment or visit www.mde.state.md.us. **Does the Property contain an UNUSED underground storage tank?** ☐ Yes ☒ No ☐ Unknown. If yes, explain when, where and how it was abandoned: _____.
9. **DEFERRED WATER AND SEWER ASSESSMENT:**
- A. **Washington Suburban Sanitary Commission (WSSC) or Local Jurisdiction:**
Are there any potential Front Foot Benefit Charges (FFBC) or deferred water and sewer charges for which the Buyer may become liable which do not appear on the attached property tax bills?
☐ Yes ☒ No
If yes, **EITHER** ☐ the Buyer agrees to assume the future obligations and pay future annual assessments in the amount of \$ _____, **OR** ☐ Buyer is hereby advised that a schedule of charges has not yet been established by the water and sewer authority, **OR** ☐ a local jurisdiction has adopted a plan to benefit the Property in the future.
- B. **Private Utility Company:**
Are there any deferred water and sewer charges paid to a Private Utility Company which do NOT appear on the attached property tax bills? ☐ Yes ☒ No. If yes, complete the following:

EFFECTIVE OCTOBER 1, 2016: NOTICE REQUIRED BY MARYLAND LAW REGARDING DEFERRED WATER AND SEWER CHARGES

This Property is subject to a fee or assessment that purports to cover or defray the cost of installing or maintaining during construction all or part of the public water or wastewater facilities constructed by the developer. This fee or assessment is \$ _____ payable annually in _____ (month) until _____ (date) to _____ (name and address) (hereafter called "lienholder"). There may be a right of prepayment or a discount for early prepayment, which may be ascertained by contacting the lienholder. This fee or assessment is a contractual obligation between the lienholder and each owner of this Property, and is not in any way a fee or assessment imposed by the county in which the Property is located.

If a Seller subject to this disclosure fails to comply with the provisions of this section:

(1) Prior to Settlement, the Buyer shall have the right to rescind the Contract and to receive a full refund of all deposits paid on account of the Contract, but the right of rescission shall terminate 5 days after the Seller provides the Buyer with the notice in compliance with this section.

(2) Following Settlement, the Seller shall be liable to the Buyer for the full amount of any open lien or assessment.

10. SPECIAL PROTECTION AREAS (SPA):

Refer to montgomeryplanning.org/planning/environment/water-and-wetlands/special-protection-areas/ or montgomerycountymd.gov/water/streams/spa.html for explanations of the "SPA" legislation and a map detailing protected areas. To determine if a particular property (which is located close to protected areas as designated on this map) is located within the boundaries of a "SPA," contact: MaryJo.Kishter@montgomeryplanning.org, or call 301-495-4701.

Is this Property located in an area designated as a Special Protection Area? ☐ Yes ☒ No

If yes, special water quality measures and certain restrictions on land uses and impervious surfaces may apply.

Under Montgomery County law, Special Protection Area (SPA) means a geographic area where:

- A. Existing water resources, or other environmental features directly relating to those water resources, are of high quality or are unusually sensitive;
- B. Proposed land uses would threaten the quality or preservation of those resources or features in the absence of special water quality protection measures which are closely coordinated with appropriate land use controls. An SPA may be designated in:
 - (1) a land use plan;
 - (2) the Comprehensive Water Supply and Sewer System Plan;
 - (3) a watershed plan; or
 - (4) a resolution adopted after at least fifteen (15) days' notice and a public hearing.

The Buyer acknowledges by signing this disclosure that the Seller has disclosed to the Buyer the information contained in Sections A and B before Buyer executed a contract for the above-referenced Property. Further information is available from the staff and website of Maryland-National Capital Area Park and Planning Commission (M-NCPPC).

Buyer

Buyer

- 11. PROPERTY TAXES:** Each property in Montgomery County, MD is assessed for annual real property taxes based on several different components. A copy of the tax bill will reflect which categories and components are applicable to this Property, including, whether the Property is located in a municipality, a special taxing district, a development district, a proposed development district, and/or whether this Property is subject to a special area tax or any WSSC front foot benefit charges. Definitions and explanations of each of these categories can be obtained at the Montgomery County Department of Finance website in the "**Frequently Asked Questions**" section located at <https://www.montgomerycountymd.gov/finance/taxes/faqs.html> and select "FAQ". Additional information relating to taxes and the assessment and appeal process can be located at <https://dat.maryland.gov/realproperty/Pages/Assessment-Appeal-Process.aspx> - this provides tax information from the State of Maryland.

- A. **Current Tax Bill; IN ACCORDANCE WITH MONTGOMERY COUNTY CODE SECTION 40-12C, THE SELLER(S) MUST ATTACH HERETO A COPY OF THE CURRENT REAL PROPERTY TAX BILL FOR THIS PROPERTY.** A copy of the tax bill for this Property can be obtained at <https://apps.montgomerycountymd.gov/realpropertytax/>.
- B. **Estimated Property Tax & Non-Tax Charges; IN ADDITION, SELLER(S) ARE REQUIRED TO PROVIDE POTENTIAL BUYERS WITH THE ESTIMATED PROPERTY TAX AND NON-TAX CHARGES FOR THE FIRST FULL FISCAL YEAR OF OWNERSHIP.** Information relative to this estimate, including how it was calculated and its significance to Buyers can be obtained at www.montgomerycountymd.gov/estimatedtax.

Buyer's Initials

Buyer acknowledges receipt of both tax disclosures.

12. DEVELOPMENT DISTRICT DISCLOSURE - NOTICE OF SPECIAL TAX OR ASSESSMENT:

A Development District is a special taxing district in which owners of properties pay an additional tax or assessment in order to pay for public improvements within the District. Typically, the Development District Special Tax will increase approximately 2% each July 1. For more information, please contact the Montgomery County Department of Finance. FAQs regarding Development Districts can be viewed at <https://www2.montgomerycountymd.gov/estimatedtax/FAQ.aspx#3607>. Seller shall choose one of the following:

☐ **The Property is located in an EXISTING Development District:** Each year the Buyer of this Property must pay a special assessment or special tax imposed under Chapter 14 of the Montgomery County Code, in addition to all other taxes and assessments that are due. As of the date of execution of this disclosure, the special assessment or special tax on this Property is \$_____ each year. A map reflecting Existing Development Districts can be obtained at https://www2.montgomerycountymd.gov/estimatedtax/map/Existing_DevDistricts.pdf/.

OR

☐ **The Property is located in a PROPOSED Development District:** Each year the Buyer of this Property must pay a special assessment or special tax imposed under Chapter 14 of the Montgomery County Code, in addition to all other taxes and assessments that are due. The estimated maximum special assessment or special tax is \$_____ each year. A map reflecting Proposed Development Districts can be obtained at https://www2.montgomerycountymd.gov/estimatedtax/map/dev_districts.pdf.

OR

☒ **The Property is not located in an existing or proposed Development District.**

13. TAX BENEFIT PROGRAMS:

The Property may currently be under a tax benefit program that has deferred taxes due on transfer or may require a legally binding commitment from Buyer to remain in the program, such as, but not limited to:

- A. **Forest Conservation and Management Program (FC&MP):** Buyer is hereby notified that a property under a Maryland Forest Conservation Management Agreement (FCMA) could be subject to recapture/deferred taxes upon transfer. Is the Property under FCMA? ☐ Yes ☒ No. If yes, taxes assessed shall be paid by ☐ the Buyer OR ☐ the Seller.
- B. **Agricultural Program:** Is the Property subject to agricultural transfer taxes? ☐ Yes ☒ No. If yes, taxes assessed as a result of the transfer shall be paid by ☐ the Buyer OR ☐ the Seller. Confirm if applicable to this Property at <https://sdat.dat.maryland.gov/RealProperty/Pages/default.aspx>.
- C. **Other Tax Benefit Programs:** Does the Seller have reduced property taxes from any government program? ☐ Yes ☒ No. If yes, explain: _____.

D.

14. RECORDED SUBDIVISION PLAT:

Plats are available at the [MNCPPC](#) or at the Judicial Center, Room 218, 50 Maryland Avenue, Rockville, MD or at 240-777-9477. In order to obtain a plat you will be required to supply the Lot, Block, Section and Subdivision, as applicable, for the Property. Plats are also available online at http://www.montgomeryplanning.org/info/plat_maps.shtml or at www.plats.net. Buyers shall check **ONE** of the following:

- A. ☐ **Unimproved Lot and New Construction:** If the Property is an unimproved lot or a newly constructed house being sold for the first time, the Buyer shall be provided a copy of the recorded subdivision plat prior to entering into a contract. **Buyer hereby acknowledges receipt of a copy of the recorded subdivision plat.**

OR

- B. ☐ **Resale/Acknowledged Receipt:** If the Property is not an unimproved lot or a newly constructed house (i.e. resale), the Buyer may, in writing, waive receipt of a copy of such plat at the time of execution of the Contract, but shall, prior to or at the time of Settlement, be provided with a copy of the subdivision plat. The subdivision plat is not intended as a substitute for examination of title and does not show every restriction and easement. **Buyer hereby acknowledges receipt of a copy of the recorded subdivision plat.**

OR

- C. ☒ **Resale/Waived Receipt:** For Resale properties only, Buyer hereby waives receipt of a copy of such plat at time of execution of the Contract, but shall, prior to or at the time of Settlement, be provided a copy of the subdivision plat.

Buyer's Initials

15. AGRICULTURAL RESERVE DISCLOSURE NOTICE:

This Property ☐ is ☒ is not subject to the Agricultural RESERVE Disclosure Notice requirements. These disclosure requirements are contained in GCAAR Agricultural Zone Disclosure Notice, which must be provided to potential buyers prior to entering into a contract for the purchase and sale of a property that is subject to this Agricultural Reserve Disclosure requirement. Additional information can be obtained at SDAT and Montgomery County Zoning Layer (MC Atlas).

16. NOTICE CONCERNING CONSERVATION EASEMENTS:

This Property ☐ is ☒ is not subject to a Conservation Easement. If applicable, GCAAR Conservation Easements Addendum is hereby provided. See <https://mcatlas.org/FCE/> for easement locator map.

17. GROUND RENT:

This Property ☐ is ☒ is not subject to Ground Rent. See Property Subject to Ground Rent Addendum.

18. HISTORIC PRESERVATION:

Check questionable properties' status with the **Montgomery County Historic Preservation Commission** (301-563-3400) or go to <http://www.montgomeryplanning.org/historic/index.shtml>, to check applicability. Buyers of property located in the City of Rockville should be advised that structures that are 50 years old or older, or which may be otherwise significant according to criteria established by the Rockville Historic District Commission, should be notified prior to purchase that demolition and building permit applications for substantial alteration will trigger an evaluation and approval process. This process may result in the property being designated a historic site, and if so, any exterior alterations must be reviewed and approved.

- A. **City of Rockville:** Montgomery County Code §40-12A has been adopted by the City of Rockville.
- B. **City of Gaithersburg:** Montgomery County Code §40-12A has been adopted by the City of Gaithersburg at City Code §2-6.
- C. **Other:** Contact the local municipality to verify whether the Property is subject to any additional local ordinance.

Has the Property been designated as an historic site in the master plan for historic preservation? ☐ Yes ☒ No.
 Is the Property located in an area designated as an historic district in that plan? ☐ Yes ☒ No.
 Is the Property listed as an historic resource on the County location atlas of historic sites? ☐ Yes ☒ No.
 Seller has provided the information required of Sec 40-12A as stated above, and the Buyer understands that special restrictions on land uses and physical changes may apply to this Property. To confirm the applicability of this County Code (Sec 40-12A) and the restrictions on land uses and physical changes that may apply, contact the staff of the County Historic Preservation Commission, 301-563-3400. If the Property is located within a local municipality, contact the local government to verify whether the Property is subject to any additional local ordinances.

 Buyer

 Buyer

19. MARYLAND FOREST CONSERVATION LAWS:

- A. **Forest Conservation Law:** The Buyer is notified that the cutting, clearing, and grading of more than 5,000 square feet of forest or any champion tree on the Property is subject to the requirements of the **Forest Conservation Law**. The Buyer is required to comply with the Forest Conservation Law, Chapter 22A of the Montgomery County Code. In order to assure compliance with the law, the Buyer is notified of the need to contact the **Countywide Environmental Planning Division** of the Maryland-National Capital Park and Planning Commission (M-NCPPC), whether it means obtaining a written exemption from the Forest Conservation Laws from M-NCPPC or obtaining approval of a Natural Resource Inventory/Forest Stand Delineation Plan, Forest Conservation Plan, or Tree Save Plan prior to cutting, clearing, and grading of more than 5,000 square feet of forest, obtaining a grading or sediment control permit, or developing the Property. Further, Seller represents and warrants that no activities have been undertaken on the Property in violation of the Forest Conservation Law and that if such activities have occurred in violation of the applicable law, that Seller has paid all of the penalties imposed and taken all of the corrective measures requested by M-NCPPC.
- B. **Forest Conservation Easements:** Seller represents and warrants that the Property ☐ is ☒ is not currently subject to a recorded Category I or Category II Forest Conservation Easement, Management Agreement or an approved Forest Conservation Plan, Tree Save Plan, or any other plan requiring the protection of natural areas, or any other pending obligation binding the owner of the Property under Forest Conservation Law requirements. If the Property is encumbered by any such easement or plan, attach a copy of the plat or recorded document (if available).

- 20. AIRPORTS AND HELIPORTS:** The following list of airports and heliports includes those in Montgomery County and the surrounding area that may be within a five-mile radius of the Property. This list was compiled from data provided by the Washington Airports District Office of the Federal Aviation Administration and was current as of 8/1/2018. Buyer should be aware of the fact that most properties in Montgomery County are within five (5) miles of an airport or heliport installation. Refer to the FAA website for a current list:
http://www.faa.gov/airports/airport_safety/airportdata_5010.



MONTGOMERY COUNTY

1. **Walter Reed National Medical Center Heliport**, 8901 Rockville Pike, Bethesda, MD 20889
2. **Davis Airport**, 7200 Hawkins Creamery Road, Laytonsville, MD 20879
3. **Dow Jones & Company, Inc.**, 11501 Columbia Pike, Silver Spring, MD 20904
4. **Federal Support Center Heliport**, 5321 Riggs Road, Gaithersburg, MD 20882
5. **Flying M Farms**, 24701 Old Hundred Road, Comus, MD 20842
6. **IBM Corporation Heliport**, 18100 Frederick Avenue, Gaithersburg, MD 20879
7. **Maryland State Police Heliport**, 7915 Montrose Road, Rockville, MD 20854
8. **Montgomery County Airpark**, 7940 Airpark Road, Gaithersburg, MD 20879
9. **Shady Grove Adventist Hospital**, 9901 Medical Center Drive, Rockville, MD 20850

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10. **Suburban Hospital**, 8600 Old Georgetown Road, Bethesda, MD 20814
11. **Washington Adventist Hospital**, 7600 Carroll Avenue, Takoma Park, MD 20912
12. **Holy Cross Hospital**, 1500 Forest Glen Road, Silver Spring, MD, 20910
13. **Holy Cross Germantown**, 19801 Observation Drive, Germantown, MD 20876

PRINCE GEORGE'S COUNTY

14. **Citizens Bank Helipad**, 14401 Sweitzer Lane, Laurel, MD 20707
15. **College Park**, 1909 Cpl Frank Scott Drive, College Park, MD 20740
16. **The Greater Laurel Beltsville Hospital**, 7100 Contee Road, Laurel, MD 20707

FREDERICK COUNTY

17. **Faux-Burhams Airport**, 9401 Ball Road, Ijamsville, MD 21754
18. **Ijamsville Airport**, 9701 C. Reichs Ford Road, Ijamsville, MD 21754
19. **Stol-Crest Airfield**, 3851 Price's Distillery Road, Urbana, MD 21754

CARROLL COUNTY

20. **Walters Airport**, 7017 Watersville Road, Mt. Airy, MD 21771

DISTRICT OF COLUMBIA

21. **Bolling Air Force Base**, 238 Brookley Avenue, SW, 20032

22. **Children's National Medical Center**, 111 Michigan Avenue, NW, 20010
23. **Washington Hospital Center**, 110 Irving Street, NW, 20010
24. **Georgetown University Hospital**, 3800 Reservoir Road, NW, 20007
25. **Metropolitan Police**, Dist. 2, 3320 Idaho Avenue, NW, 20007
26. **Metropolitan Police**, Dist. 3, 1620 V Street, NW, 20007
27. **Metropolitan Police**, Dist. 5, 1805 Bladensburg Road, NE, 20002
28. **National Presbyterian Church**, 4101 Nebraska Avenue, NW, 20016
29. **Sibley Memorial Hospital**, 5255 Loughboro Road, NW, 20016
30. **Police Harbor Patrol Branch**, Water St, SW, 20024
31. **Steuart Office Pad**, Steuart Petroleum Co., 4640 40th Street, NW, 20016
32. **Former Washington Post Building**, 1150 15th Street, NW, 20017

VIRGINIA

33. **Ronald Reagan Washington National Airport**, Arlington County 20001
34. **Leesburg Executive**, 1001 Sycolin Road, Leesburg, 22075
35. **Loudoun Hospital Center**, 224 Cornwall, NW, Leesburg, 22075
36. **Dulles International Airport**, 1 Saarinen Cir, Dulles, VA 20166

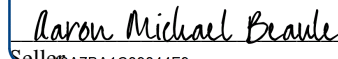
21. **ENERGY EFFICIENCY DISCLOSURE NOTICE:** Before signing a contract for the sale of a single-family home (single-family attached, including condominiums or detached residential building), Sellers of Montgomery County properties must provide Buyers with the following:

- A. **Information Disclosure:** Information about home energy efficiency improvements, including the benefit of conducting a home energy audit. Buyers should visit the following websites for this information:
<https://www.montgomerycountymd.gov/green/Resources/Files/energy/Home-Sales-Disclosure.pdf>
- B. **Usage History:** Has the home been owner-occupied for the immediate prior 12 months? ☒ Yes ☐ No
 If the Property has been **owner-occupied for any part of the past 12 months**, Seller must provide copies of electric, gas and home heating oil bills **OR** cost and usage history for the single-family home for that time. **Sellers may use GCAAR Utility Cost and Usage History Form** to disclose the utility costs and usage history.

22. **SCHOOL BOUNDARY NOTICE:** The Montgomery County Board of Education periodically reviews and amends school boundaries for each school within the Montgomery County Public Schools (MCPS) system. School boundaries designated for this Property are subject to change and Buyer is advised to verify current school assignments with MCPS.

_____/_____
 Buyer's initials.

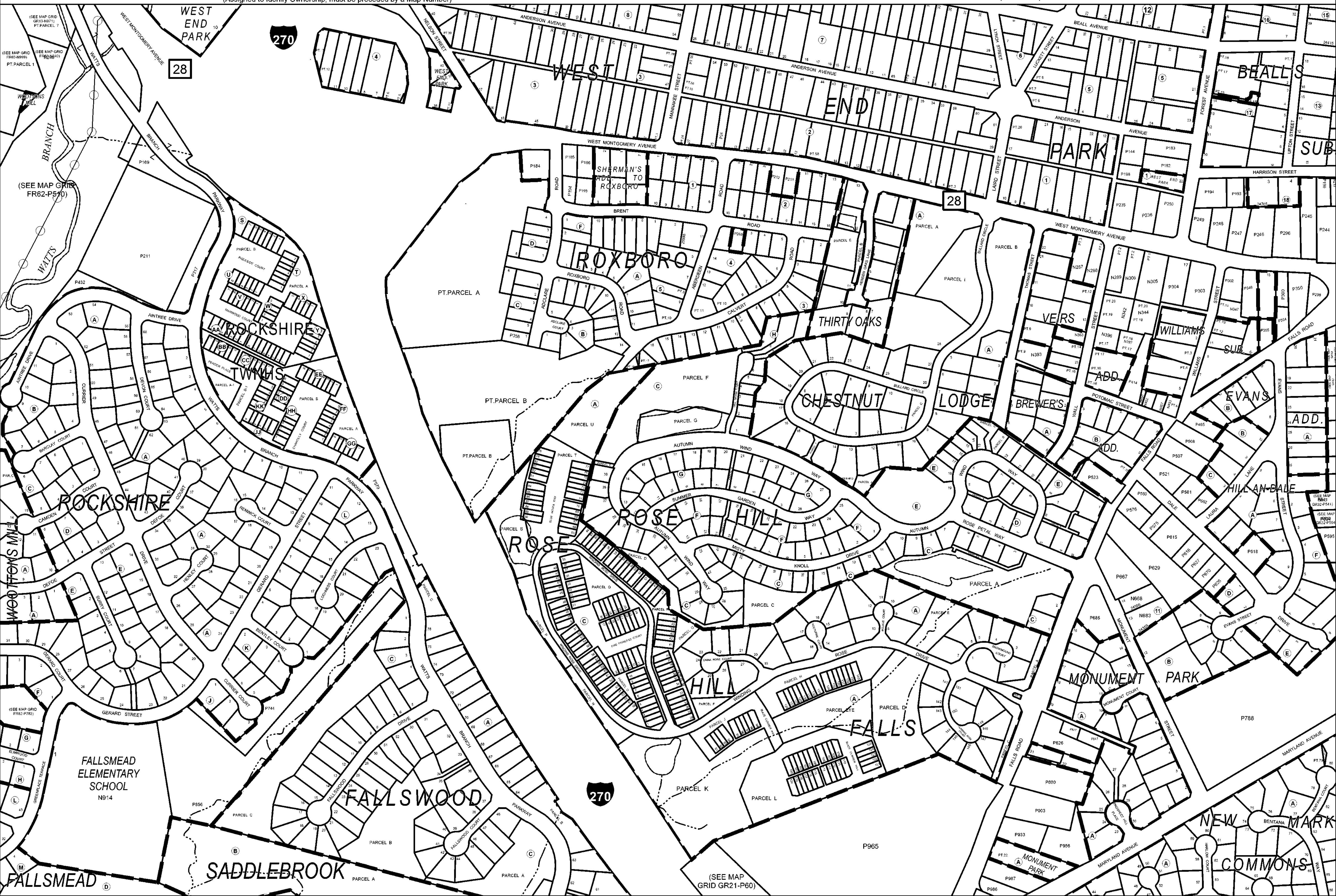
By signing below, Seller acknowledges he has carefully examined this form, and that the information is complete, accurate, and current to the best of his knowledge at the time of entering into a contract. Buyer agrees he has read this Addendum carefully and understands the information that has been disclosed.

DocuSigned by:
 3/2/2023 | 3:43 PM EST

Seller	Date	Buyer	Date
_____ SA7BA1C89844F9...	_____	_____	_____
Seller	Date	Buyer	Date
_____	_____	_____	_____

IGOMERY, MD

Map ID: **GR 122**



**Agent 360****405 Great Falls Rd, Rockville, MD 20850-2883****City Of Rockville****Tax ID 160403257918****Summary Information**

Owner:	Aaron Michael Beaulé	Property Class:	Residential
Owner Address:	405 Great Falls Rd	Annual Tax:	\$14,124
Owner City State:	Rockville MD	Record Date:	10/28/20
Owner Zip+4:	20850-2883	Sale Amount:	\$872,000
Owner Occupied:	Yes	Book:	112
Owner Carrier Rt:	C026	Page:	925
		Tax Record Updated:	01/16/23

Geographic Information

County:	Montgomery, MD	Lot:	1
Municipality:	City Of Rockville	Qual Code:	Average
High Sch Dist:	Montgomery County Public Schools	Sub District:	12
Tax ID:	160403257918	Legal Subdivision:	ROSE HILL
Tax Map:	GR22		
Tax ID Alt:	0403257918		
Block:	E		
Tax Act Num:	03257918		
City Council Dist:	04		

Assessment & Tax Information

Tax Year:	2023	Annual Tax (Est):	\$14,124	Taxable Total Asmt:	\$1,052,733
County Tax (Est):	\$10,418	Taxable Land Asmt:	\$500,300	Special Tax:	\$138
Municipal Tax (Est):	\$3,049	Taxable Bldg Asmt:	\$560,900	Refuse Fee:	\$497
Asmt As Of:	2023	State/County Tax:	\$10,418		
				Class Code:	50

Lot Characteristics

SQFT:	11,182	Zoning:	RS
Acres:	0.2570	Zoning Desc:	Rural Service

Building Characteristics

Total SQFT:	5,662	Full Baths:	4	Basement Type:	Yes (Type Unknown)
Residential Type:	Standard Unit	Total Baths:	4.5	Garage Type:	Yes (Type Unknown)
Residential Design:	2 Story	Exterior:	Siding - Alum/Viny	Sewer:	Public
Stories:	2.00	Stories Desc:	2	Year Built:	2001
Total Units:	1	Basement Desc:	Finished Shingle - Composite	Total Below Grade SQFT:	1,876
Abv Grd Fin SQFT:	3,786	Roof:	Yes	Other Amenities:	Lavatory
Below Grade Fin SQFT:	1,400	Fireplace:	1 Story Frame		
Below Grade Unfin SQFT:	476	Fireplace Type:	192		
Model:	Standard Unit	Heat Delivery:	Hot/Warm Air		
Part Baths:	1	Property Class:	R		
Fireplace Total:	1	Code:			

Porch/Deck: Porch
 Porch Type: 1 Story Open
 Garage Const: Frame
 Cooling: Combined System
 Bldg Condition: Average
 Sec 1 Construction: Sec 1 Area: 80
 Sec 1 Description: 2 Story with Basement Sec 1 Dimensions: Sec 1 Story Type: 2B
 Sec 1 Type:
 Sec 2 Construction: Sec 2 Area: 22
 Sec 2 Description: 2 Story with Basement Sec 2 Dimensions: Sec 2 Story Type: 2B
 Sec 2 Type:
 Sec 3 Construction: Sec 3 Area: 17
 Sec 3 Description: 2 Story No Basement Sec 3 Dimensions: Sec 3 Story Type: 2
 Sec 3 Type:
 Sec 4 Construction: Sec 4 Area: 1710
 Sec 4 Description: 2 Story with Basement Sec 4 Dimensions: Sec 4 Story Type: 2B
 Sec 4 Type:
 Sec 5 Construction: Sec 5 Area: 64
 Sec 5 Description: 2 Story with Basement Sec 5 Dimensions: Sec 5 Story Type: 2B
 Sec 5 Type:

Codes & Descriptions

Land Use: R Residential
 County Legal Desc: ROSE HILL
 Use Type: 2 Story With Basement

MLS History

MLS Number	Category	Status	Status Date	Price
MDMC694992	RES	Closed	08/07/20	\$872,000
1008276010	RES	Canceled	01/10/17	\$800,000
MDMC532532	RES	Canceled	02/20/05	\$1,200,000

Annual Tax Amounts

Year	County	Municipal	School	Annual
2023	\$10,418	\$3,049		\$14,124
2022	\$10,418	\$3,049		\$14,124
2021	\$10,393	\$3,024		\$14,047
2020	\$9,688	\$2,921		\$13,104
2019	\$9,688	\$2,818		\$13,104
2018	\$9,400	\$2,715		\$12,719
2017		\$2,715		\$13,085

Annual Assessment

Year	Land	Building	Ttl Taxable	Total Land	Total Bldg	Total Asmt
2023	\$500,300	\$560,900	\$1,052,733			
2022	\$500,300	\$560,900	\$1,044,267			
2021	\$476,400	\$559,400	\$1,035,800			
2020	\$433,200	\$496,900	\$1,000,567			
2019	\$433,200	\$496,900	\$930,100			
2018	\$433,200	\$496,900	\$930,100			
2017	\$393,800	\$559,100	\$930,100			
2016	\$393,800	\$559,100	\$930,100			
2015	\$393,800	\$559,100	\$952,900			

Record Date: 10/28/2020 Book: 112
 Settle Date: Page: 925
 Sales Amt: \$872,000 Doc Num:
 Sale Remarks:
 Owner Names: Aaron Michael Beaulé

Mort Rec Date: 10/29/2020 Lender Name: MOVEMENT MTG LLC MOVEMENT
 MTG LLC
 Mort Date: 08/07/2020 Term: 30
 Mort Amt: \$450,000 Due Date: 09/01/2050
 Remarks: Conv

Mort Rec Date: 10/29/2020 Lender Name: TOWER FCU TOWER FCU

DocuSign Envelope ID: D1DE7840-FF59-423A-B589-2531863214C3
Mort Date: 08/07/2020
Mort Amt: \$100,000
Remarks: Conv, Home Equity Loan

Term: 30
Due Date: 09/25/2050

Record Date: 01/21/2020 Book: 58900
Settle Date: Page: 33
Sales Amt: \$841,852 Doc Num:
Sale Remarks:
Owner Names: Cabana Properties Iii Llc

Record Date: 11/04/2005 Book: 31166
Settle Date: Page: 600
Sales Amt: Doc Num:
Sale Remarks:
Owner Names: Xiaolan Zhang

Record Date: 06/15/2001 Book: 0
Settle Date: Page: 0
Sales Amt: \$587,748 Doc Num:
Sale Remarks:
Owner Names: Shelley X Zhang

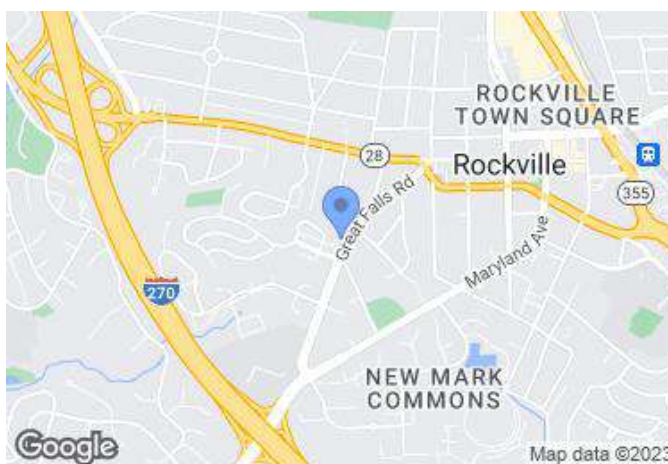
Record Date: 05/06/1999 Book: 0
Settle Date: Page: 0
Sales Amt: Doc Num:
Sale Remarks:
Owner Names: Penrose-CI Associates Llc

405 Great Falls Rd, Rockville, MD 20850

Closed | 08/07/20

Residential

\$872,000



MLS #: MDMC694992
Tax ID #: 160403257918
Ownership Interest: Fee Simple
Association: HOA
Structure Type: Detached
Levels/Stories: 3
Waterfront: No
Garage: Yes

Beds: 4
Baths: 4 / 1
Above Grade Fin SQFT: 3,752 / Assessor
Assessor AbvGrd Fin SQFT: 3,786
Price / Sq Ft: 232.41
Year Built: 2001
Style: Colonial
Central Air: Yes
Basement: Yes

Location

County: Montgomery, MD
In City Limits: Yes
Municipality: Rockville
Legal Subdivision: ROSE HILL
Subdiv / Neigh: ROSE HILL
Transportation: Bus Stop less than 1 mile,
Metro/Subway Station less than 1 mile

School District: [Montgomery County Public Schools](#)
Election District: 4

Association / Community Info

HOA: Yes
HOA Fee: \$55 / Monthly
Association Recreation Fee: No

Taxes and Assessment

Tax Annual Amt / Year: \$13,104 / 2020
 County Tax: \$9,688 / Annually
 City/Town Tax: \$2,818 / Annually
 Clean Green Assess: No
 Refuse Fee: \$21
 Agricultural Tax Due: No
 Zoning: RS

Tax Assessed Value: \$1,000,567 / 2020
 Imprv. Assessed Value: \$559,400
 Land Assessed Value: \$476,400
 Special Assmt: \$132.00
 Historic: No
 Land Use Code: 011
 Block/Lot: E / 1

Rooms

	Bed	Bath
Main		1 Half
Upper 1	4	3 Full
Lower 1		1 Full

Building Info

Above Grade Fin SQFT: 3,752 / Assessor
 Below Grade Fin SQFT: 1,400 / Assessor
 Total Below Grade SQFT: 1,876 / Assessor
 Total Fin SQFT: 5,152 / Assessor
 Tax Total Fin SQFT: 5,152
 Total SQFT: 5,628 / Assessor
 Wall & Ceiling Types: 2 Story Ceilings, 9Ft+ Ceilings, Dry Wall, Tray Ceilings
 Basement Type: Fully Finished, Walkout Level

Construction Materials: Brick Front
 Below Grade Unfin SQFT: 476 / Assessor
 Flooring Type: Hardwood
 Roof: Composite

Lot

Lot Acres / SQFT: 0.26a / 11182sf / Assessor
 Fencing: Rear

Ground Rent

Ground Rent Exists: No

Parking

Detached Garage - # of Spaces 2 Features: Detached Garage, Garage - Rear Entry
Total Parking Spaces 2

Interior Features

Interior Features: Breakfast Area, Butlers Pantry, Carpet, Family Room Off Kitchen, Floor Plan - Open, Formal/Separate Dining Room, Kitchen - Country, Kitchen - Eat-In, Kitchen - Gourmet, Kitchen - Island, Kitchen - Table Space, Pantry, Recessed Lighting, Walk-in Closet(s), Wood Floors; Fireplace(s): 1; Dishwasher, Disposal, Oven/Range - Gas, Range Hood, Refrigerator; Accessibility Features: None

Exterior Features

Exterior Features: Patio(s), Porch(es); Pool: Yes - Community

Utilities

Utilities: Central A/C, Zoned; Cooling Fuel: Electric; Heating: Forced Air; Heating Fuel: Natural Gas; Hot Water: Natural Gas; Water Source: Public; Sewer: Public Sewer

Remarks

Agent: Please use showing times for appointments. Please park on Monument Street. Call LA with questions. Commission on net sales price. This is a reo asset. Buyer to research if private front feet company is present. Freshly painted and new stainless steel appliances.

Public: Spacious and stunning brick front colonial located in the sought after Rose Hill Estates. Gleaming wood floors throughout this great home. Huge kitchen and new stainless steel appliances with large island and butlers pantry adjacent to over sized family room. Stunning two story foyer with curved stair case. Separate dining and living room. Large library overlooking the yard. The stunning owner suite features a huge sitting room, spacious walk in closet and a breathtaking owners bathroom with soaking tub, double sinks and enormous shower with European glass surround . Three other spacious bedrooms on upper level and two full baths, one a Jack and Jill. The huge finished walk out basement offers a recreation room, two offices and a possible fifth bedroom. To help visualize this homes floor plan and to highlight its potential, virtual furnishings may have been added to photos found in this listing.

Listing Office

Listing Agent: [Klaus Breitsameter](#) (1480) (Lic# 321289) (301) 921-2681
 Listing Agent Email: reo.homes1234@gmail.com
 Broker of Record: Ken Crowley (1965) [Click for License](#)
 Listing Office: [RE/MAX Realty Group](#) (RMX1) (Lic# Unknown)
 6 Montgomery Village Ave Ste 200, Gaithersburg, MD 20879-3546
 Office Manager: Ken Crowley (1965)
 Office Phone: (301) 258-7757 Office Fax: (301) 921-2653

Directions

270 to Great Falls Road. Please park on Monument Street

Compensation

Buyer Agency Comp: 2.5% Of Gross Sub Agency Comp: 2.5% Of Gross
 Compensation Rmks: Call LA for commission information. Dual/Var Comm: No

Listing Details

Original Price: \$895,850 Previous List Price: \$879,650
 Vacation Rental: No Owner Name: Owner of record

Listing Agrmnt Type: Exclusive Right
 Prospects Excluded: No
 Listing Service Type: Full Service
 Dual Agency: No
 Sale Type: Standard
 Listing Term Begins: 02/10/2020
 Listing Entry Date: 02/10/2020
 Possession: Settlement
 Federal Flood Zone: No
 Disclosures: Exempt - Disclosure/Disclaimer

DOM / CDOM: 101 / 101
 Listing Terms: As is Condition
 Original MLS Name: BRIGHT
 Off Market Date: 08/08/20
 Lease Considered: No
 Home Warranty: No

Sale/Lease Contract

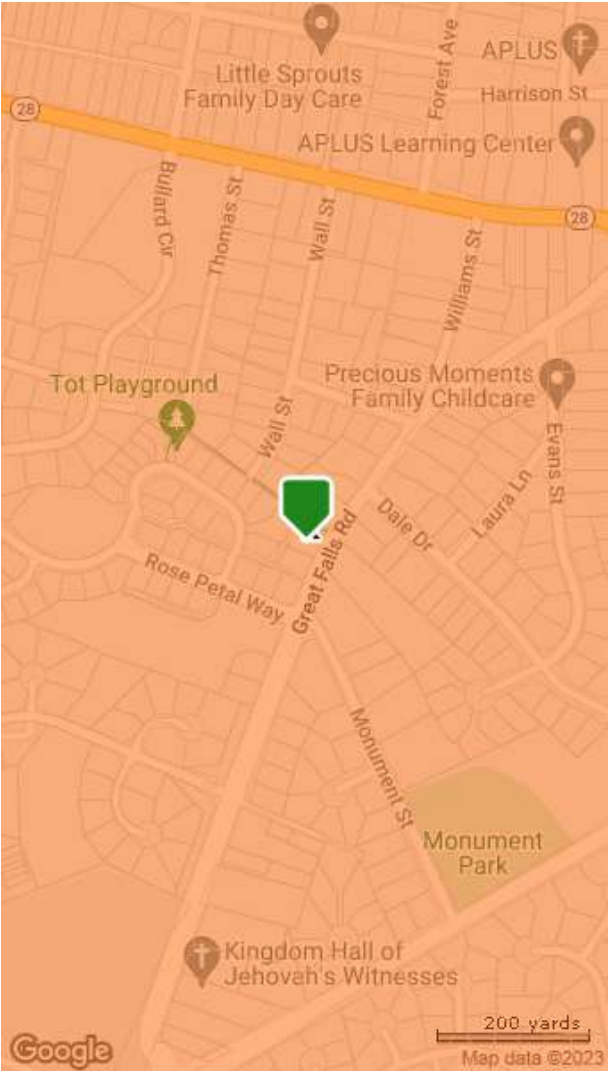
Selling Agent: [Alex Saenger](#) (97541) (Lic# 588365) (301) 200-1232
 Selling Agent Email: alex@aleksaenger.com
 Selling Office: [Keller Williams Capital Properties](#) (KWCP4) (Lic# Unknown)
 Broker of Record: Virginia Gergoff (3008003)
 1 Church St 101, Rockville, MD 20850-1165
 Office Phone: (301) 251-1221 Office Fax: (240) 386-8745
 Concessions: No
 Agreement of Sale Dt: 06/24/20
 Close Sale Type: REO (Real Estate Owned) Close Date: 08/07/20
 Buyer Financing: Conventional Close Price: \$872,000.00
 Last List Price: \$864,950.00

405 Great Falls Rd, Rockville, MD 20850**Property History**

Source	Category	Status	Date	Price	Owner
Public Records		Record Date	10/28/2020	\$872,000	Aaron Michael Beaulé
Public Records		Record Date	01/21/2020	\$841,852	Cabana Properties Iii Llc
Public Records		Record Date	11/04/2005	\$	Xiaolan Zhang
Public Records		Record Date	06/15/2001	\$587,748	Shelley X Zhang
Public Records		Record Date	05/06/1999	\$	Penrose-CI Associates Llc

MLS History Details

Listing Info		Change Type	Change Date	Price
MLS#:	MDMC694992	Final Closed Price	08/08/20	\$872,000
Prop. Type:	Residential	Closed	08/08/20	
DOM / CDOM:	101 / 101	Pending	06/24/20	
Listing Office:	RE/MAX Realty Group	Price Decrease	06/22/20	\$864,950
		Price Decrease	05/29/20	\$879,650
		Price Increase	04/23/20	\$894,650
		Back to Active	04/23/20	
		Temporary Off Market	03/18/20	
		Price Decrease	03/09/20	\$884,950
		New Active	02/10/20	\$895,850
		Coming Soon	02/06/20	
		New Listing	02/06/20	
MLS#:	1008276010	Canceled	01/10/17	
Prop. Type:	Residential	New Listing	01/09/17	\$800,000
DOM / CDOM:	2 / 2			
Listing Office:	Fairfax Realty of Tysons			
MLS#:	MDMC532532	Canceled	02/20/05	
Prop. Type:	Residential	New Listing	02/08/05	\$1,200,000
DOM / CDOM:	13 / 13			
Listing Office:	United Realty, Inc.			



- Coastal 100-Year Floodway
- Coastal 100-year Floodplain
- 100-year Floodway 100-year Floodplain
- Undetermined
- 500-year Floodplain incl. levee protected area
- Out of Special Flood Hazard Area

The data on this report is compiled by BRIGHT from various public and private sources. The data on this is not a legal flood determination. Errors may exist in any field on this report, including owner's name, tax amounts, mortgage history, and property characteristics. Verify the accuracy of all data with the county or municipality.

© BRIGHT MLS - Information, although reliable, is not guaranteed and should be independently verified. Measurements may not be exact and should not be relied upon. School service boundaries are intended to be used as a reference only, to verify school information contact the school and/or school district directly. Copyright 2023. Created: 01/19/2023

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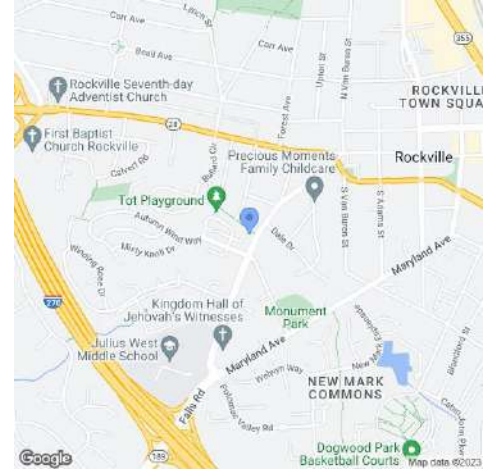


Public Records/Appraiser One Page**405 Great Falls Rd, Rockville, MD 20850****City of Rockville -
Montgomery MD****Tax ID 160403257918**

Municipality: City Of Rockville
 High Sch Dist: Montgomery County Public Schools
 Prop Class: Residential
 Legal Subdivision: ROSE HILL
 Land Use: Residential
 Tax Map: GR22
 Lot: 1
 Tax ID Alt: 0403257918
 Block: E
 City Council Dist: 04
 Tax Record Updated: 01/16/2023

Owner: Aaron Michael Beale
 Owner Addr: 405 Great Falls Rd
 Owner City St: Rockville Md
 Owner Zip+4: 20850-2883

Owner Occupied: Yes
 Legal Desc: ROSE HILL

**Annual Tax Amounts**

Year	County	Municipal	School	Annual
2023	\$10,418	\$3,049		\$14,124
2022	\$10,418	\$3,049		\$14,124
2021	\$10,393	\$3,024		\$14,047

Annual Assessment

Year	Land	Building	Ttl Taxable	Total Land	Total Bldg	Total Asmt
2023	\$500,300	\$560,900	\$1,052,733			
2022	\$500,300	\$560,900	\$1,044,267			
2021	\$476,400	\$559,400	\$1,035,800			

Record Date: 10/28/2020
 Owner Names: Aaron Michael Beale
 Record Date: 01/21/2020
 Owner Names: Cabana Properties Iii Llc
 Record Date: 11/04/2005
 Owner Names: Xiaolan Zhang

Sale Date:
 Sale Remarks:
 Sales Amt: \$872,000
 Book/Page: 112 / 925
 Sale Date:
 Sale Remarks:
 Sales Amt: \$841,852
 Book/Page: 58900 / 33
 Sale Date:
 Sale Remarks:
 Sales Amt:
 Book/Page: 31166 / 600

Lot Characteristics

Pavement Desc: SQFT: 11,182 Zoning: RS
 Acres: 0.2570 Zoning Desc: Rural Service

Building Characteristics

Total SQFT: 5,662	Full Baths: 4	Basement Type: Yes (Type Unknown)
Residential Type: Standard Unit	Total Baths: 4.5	Garage Type: Yes (Type Unknown)
Residential Design: 2 Story	Exterior: Siding - Alum/Viny	Sewer: Public
Stories: 2.00	Stories Desc: 2	Year Built: 2001
Total Units: 1	Basement Desc: Finished	Total Below Grade: 1,876
Abv Grd Fin SQFT: 3,786	Roof: Shingle - Composite	SQFT:
Below Grade Fin: 1,400	Fireplace: Yes	Total Garage SQFT: 440
SQFT:	Fireplace Type: 1 Story Frame	Other Amenities: Lavatory
Below Grade Unfin: 476	Porch/Deck SQFT: 192	
SQFT:	Heat Delivery: Hot/Warm Air	
Model: Standard Unit	Property Class Code: R	
Part Baths: 1		
Fireplace Total: 1		
Porch/Deck: Porch		
Porch Type: 1 Story Open		
Garage Const: Frame		
Cooling: Combined System		
Bldg Condition: Average		

Sec 1 Construction:	Sec 1 Area:	80	Sec 1 Story Type:	2B
Sec 1 Description: 2 Story with Basement	Sec 1 Dimensions:		Sec 1 Type:	
Sec 2 Construction:	Sec 2 Area:	22	Sec 2 Story Type:	2B
Sec 2 Description: 2 Story with Basement	Sec 2 Dimensions:		Sec 2 Type:	
Sec 3 Construction:	Sec 3 Area:	17	Sec 3 Story Type:	2
Sec 3 Description: 2 Story No Basement	Sec 3 Dimensions:		Sec 3 Type:	
Sec 4 Construction:	Sec 4 Area:	1710	Sec 4 Story Type:	2B
Sec 4 Description: 2 Story with Basement	Sec 4 Dimensions:		Sec 4 Type:	
Sec 5 Construction:	Sec 5 Area:	64	Sec 5 Story Type:	2B

Sec 5 Description: 2 Story with
Basement

Sec 5 Dimensions:

Sec 5 Type:

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Alex Saenger | Keller Williams Capital Properties | alex@aleksaenger.com | Ph: (301) 200-1232



Home Improvements for 405 Great Falls Road, Rockville, MD 20850

IMPROVEMENTS/ADDITIONS TO THE HOUSE	Amount
Humongous Landscaping / Patio / Firepits / Paths / Stairs (Total 360 degree landscape project)	\$ 115,000
Roof replacement (main home and garage)	\$ 30,000
Kitchen + Mudroom + Island Total Renovation	\$ 27,500
Fence (White Vinyl) with 4 gates + driveway gate)	\$ 12,500
Driveway Demolition/Recreation/Extension	\$ 10,000
Basement Bathroom Total Renovation	\$ 9,500
Flooring (basement)	\$ 9,000
Flooring (upstaris)	\$ 9,000
A/C (Upstairs unit)	\$ 8,250
Flooring (1st floor -- refinishing/staining + adding kitchen/bathroom hardwood)	\$ 8,000
House Painting - Exterior (used to be brick)	\$ 6,500
Gutter replacement (main home only)	\$ 4,500
Railing (front porch)	\$ 3,200
Foyer Railing (new/replaced) + Stair Stain & Refinishing	\$ 3,000
Basement Exterior Double Doors	\$ 2,800
Metallic Roof Painting	\$ 2,500
Flooring (upstairs landing hardwood + luxury vinyl for laundry + 1 br)	\$ 2,500
First floor two wall Removal/Moulding Install/Paint	\$ 2,000
Basement Wall Addition (to create a bedroom) + Barn Doors	\$ 2,000
First floor bathroom Total Renovation	\$ 1,500
Office Wall Modification + Barn Doors	\$ 1,500
Exterior Staircase Restoration/Painting	\$ 1,250
New items for doors (hinges, door knobs, sinks, etc.)	\$ 1,250
Grand Room Wall Refinishing (covering up windows and odd "cubby holes")	\$ 1,000
New Kitchen Entry Door plus install	\$ 750
Pantry Shelving (custom)	\$ 750
Basement Stair Carpeting	\$ 750
Electrical work to provide ceiling outlets in every bedroom, office and dining room)	\$ 750
Clothes Dryer	\$ 550
Ceiling Fans (3 - grand room, master bedroom, guest bedroom)	\$ 500
Light Fixtures (3 - Office, and 2 of the 3 non-master bedrooms)	\$ 500
MBR bath - new toilet (toilet + install)	\$ 450
TOTAL	\$ 279,250

D. Amendment.

Tesla and Assuming Party agree to amend the Lease as follows:

- (a) The Guaranteed Energy Price per kWh or table of Guaranteed Annual kWh is replaced with the following:

Year	Total kWh	Guaranteed Price/kWh
2	25,689	\$0.12099
4	51,121	\$0.12940
6	76,300	\$0.13071
8	101,227	\$0.13202
10	125,906	\$0.13335
12	150,339	\$0.13470
14	174,527	\$0.13605
16	198,475	\$0.13742
18	222,184	\$0.13881
20	245,656	\$0.14021

E. Effect.

Except as expressly provided in this Assumption Agreement, all other terms and conditions of the Lease, and any subsequent amendments or modifications thereto, remain in full force and effect.

F. Original Lease.

A true and correct copy of the Lease is attached hereto as Exhibit 1.

G. Privacy.

By entering into this Lease Assumption Agreement you agree to our Privacy Statement which can be found at <https://www.tesla.com/about/legal#privacy-statement>.

[Signature page follows]

This Assumption Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Assumption Agreement.

IN WITNESS, WHEREOF, Assuming Party hereby agree to this Lease Assumption Agreement.

ASSUMING PARTY: Aaron Beale

By: *Aaron m beale*
Aaron m beale (Jul 28, 2020 23:45 EDT)

Date: 07/29/2020

Lessor's Acceptance and Consent:
Louis Solar III, LLC

By:

Tesla, Inc.



Name: RJ Johnson
Title: Senior Director, Energy

Date: 7/24/2020

EXHIBIT 1
Lease

COVER PAGE

SolarCity | Add Signer Amendment

Customer Name and Address

Peter Yan

405 Great Falls Road
Rockville, MD 20850

Installation Location

405 Great Falls Road
Rockville, MD 20850

Date

8/23/2016

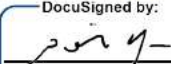
1. The SolarLease Agreement between SolarCity and You, (the "Agreement") including the Exhibits to that Agreement, are hereby amended as follows:
 - a. The following Co-Owner shall be added to the Agreement and acknowledges receiving a copy of the Agreement and hereby agrees to be bound by and perform all the obligations under the Agreement, jointly and severally:

Xiaolan Zhang

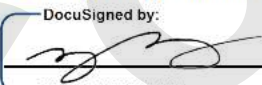
If you don't sign this Add Signer Amendment and return it to us on or prior to 30 days after 8/4/2016, SolarCity reserves the right to reject this Add Signer Amendment.

I have read this Amendment in its entirety and I acknowledge that I have received a complete copy of this Amendment. This amendment supersedes any prior amendments that are inconsistent with the subject matter contained herein.

Owner's Name: Peter Yan

DocuSigned by:
Signature: 
9E89B50D08EA4D2...
Date: 8/23/2016

Co-Owner's Name (if any): Xiaolan Zhang

DocuSigned by:
Signature: 
9E89B50D08EA4D2...
Date: 8/4/2016

SolarLease Agreement

**SolarCity
approved**



Lyndon Rive, CEO

Date: 8/4/2016





Customer Name and Address
Peter Yan
405 Great Falls Road
Rockville, MD 20850

Installation Location
405 Great Falls Road
Rockville, MD 20850

Date
4/27/2016

1. The SolarLease Agreement between SolarCity and You, (the “Agreement”) including the Summary and Exhibits to that Agreement, are hereby amended as follows:

- a. The rate you pay us will never increase by more than 2.90% per year.
- b. We estimate that your System’s first year production will be 13,554 kWh.
- c. Section 3 of the Agreement, “System Description” is replaced in its entirety with the following:

Lease and installation of a 11.7 kW DC photovoltaic system consisting of PV modules, corresponding inverter(s) and a mounting system designed for installation and operation at your Home.

- d. Section 4 of the Agreement, “Lease Payments; Amounts” is replaced in its entirety with the following:

3055 Clearview Way, San Mateo, CA 94402 | 888.765.2489 | solarcity.com



A. Amounts Due at Lease Signing, Installation and Building Inspection:Payments Due at Signing:

Amount Due at Lease Signing: \$0.00

Delivery/Installation Fee: \$0.00**Total Due at Lease Signing \$0.00**Payments Due at Installation: \$0.00Payments Due after Building Inspection: \$0.00**B. Monthly Payments:**

Your first monthly payment is \$132.15, followed by 11 monthly payments of \$132.15 each, followed by 12 monthly payments of \$135.98 each, followed by 12 monthly payments of \$139.92 each, followed by 12 monthly payments of \$143.98 each, followed by 12 monthly payments of \$148.16 each, followed by 12 monthly payments of \$152.46 each, followed by 12 monthly payments of \$156.88 each, followed by 12 monthly payments of \$161.43 each, followed by 12 monthly payments of \$166.11 each, followed by 12 monthly payments of \$170.93 each, followed by 12 monthly payments of \$175.89 each, followed by 12 monthly payments of \$180.99 each, followed by 12 monthly payments of \$186.24 each, followed by 12 monthly payments of \$191.64 each, followed by 12 monthly payments of \$197.20 each, followed by 12 monthly payments of \$202.92 each, followed by 12 monthly payments of \$208.80 each, followed by 12 monthly payments of \$214.86 each, followed by 12 monthly payments of \$221.09 each, followed by 12 monthly payments of \$227.50 each.

Your total lease payments, excluding tax, are **\$42,181.56**.
Your estimated average monthly tax payments are \$0.00.

Your first Monthly Payment is due on the first day of the first full calendar month following the Interconnection Date. After your first Monthly Payment, future Monthly Payments (and any applicable taxes) are due on the first day of the calendar month.

C. Other Charges:

If you make your Monthly Payments by allowing us to automatically debit your checking or savings account, then you will receive a discount of \$7.50 on your Monthly Payments. The Monthly Payments listed above reflect this discount. If you do not allow the automatic debit, this discount will not be applied to your Monthly Payments and each Monthly Payment will be \$7.50 greater.

D. Total of Payments (A+B+C):\$42,181.56

This is the total amount you will have paid by the end of this Lease. It includes the Monthly Payments stated above and estimated taxes of \$0.



E. Purchase Option At End of Lease Term:

You do not have an option to purchase the System at the end of the Lease Term.

F. Other Important Terms:

See Section 2 above for additional information on the Lease Term and also see below for additional information on termination, purchase options, renewal options, maintenance responsibilities, warranties, late and default charges and prohibition on assignment without SolarCity's consent. Payments due upon installation are due immediately prior to commencement of installation.

- e. The last sentence of Section 5(f) is replaced in its entirety with the following:
The total estimated amount you will pay for taxes over the Lease Term is **\$0**.



- f. The last sentence of Section 5(h) is replaced in its entirety with the following:

You agree that the System is not a fixture, but SolarCity has the right to file any UCC-1 financing statement or fixture filing that confirms its interest in the System.

- g. Section 5 of the Agreement, "Lease Obligations" is amended to include the following:

(k) You authorize SolarCity, or its designee, to obtain your credit report now and in the future, check your credit and employment history, answer questions others may ask regarding your credit and share your credit information with SolarCity's financing partners. You certify that all information you provide to us in connection with checking your credit will be true and understand that this information must be updated upon request if your financial condition changes

- h. Section 12(a) of the Agreement is hereby replaced in its entirety with the following:

(i) Transfer this Lease and the Monthly Payments.

The person buying your Home (the "Home Buyer") can sign a transfer agreement assuming all of your rights and obligations under this Agreement by qualifying in one of three ways:

- 1) The Home Buyer has a FICO score of 650 or greater;
- 2) The Home Buyer is paying cash for your Home; or
- 3) If the Home Buyer does not qualify under (1) or (2), the Home Buyer qualifies for a mortgage to purchase your Home and either you or the Home Buyer pays us a \$250 credit exception fee.

(ii) Move the System to Your New Home.

If you are moving to a new home in the same utility district, then where permitted by the local utility, the System can be moved to your new home pursuant to the Limited Warranty. You will need to pay all costs associated with relocating the System, execute and provide the same access and ownership rights as provided for in this Lease and provide any third party consents or releases required by SolarCity in connection with the substitute premises.

(iii) Prepay this Lease and Transfer only the Use of the System.

At any time during the Lease Term, if the person buying your home does not meet SolarCity's credit requirements, but still wants the System, then you can (A) prepay the payments remaining on the Lease (See Section 16(i)(i) and (ii)), (B) add the cost of the Lease to the price of your home; and (C) have the person buying your Home sign a transfer agreement to assume your rights and non-Monthly Payment obligations under this Lease. The System stays at your Home, the person buying your Home does not make any Monthly Payments and has only to comply with the non-Monthly Payment portions of this Lease.

- i. Section 12(b) is replaced in its entirety with the following:

You agree to give SolarCity at least fifteen (15) days but not more than three (3) months' prior written notice if you want someone to assume your Lease obligations. In connection with this assumption, you, your approved buyer and SolarCity shall execute a written transfer of this Lease. Unless we have released you from your obligations in writing, you are still responsible for performing under this Lease. If your buyer defaults on this Lease and we have not yet signed the transfer agreement, you will be responsible for their default. We will release you from your obligations under this Lease in writing once we have a signed transfer agreement with the person buying your Home (provided such person has been approved as a transferee by SolarCity in writing).



2. Exhibit 2 of the Agreement, the Limited Warranty, is hereby amended as follows:

a. The Table of Guaranteed Annual kWh in Section 2(b)(i) is replaced in its entirety with the following:

Year	Guaranteed kWh	Total kWh	Guaranteed Price/kWh
2	25,689	25,689	0.12099
4	25,432	51,121	0.12941
6	25,179	76,300	0.13840
8	24,927	101,227	0.14802
10	24,679	125,906	0.15831
12	24,433	150,339	0.16931
14	24,189	174,527	0.18108
16	23,948	198,475	0.19367
18	23,709	222,184	0.20713
20	23,472	245,656	0.22153

b. The second and third sentences of Section 2(b)(i)A are replaced in their entirety with the following:

Your cumulative Actual kWh is dependent on a shading percentage of 8.29% on your Home. If this shading percentage increases, your Guaranteed Actual kWh will be reduced proportionately.



I have read this Amendment in its entirety and I acknowledge that I have received a complete copy of this Amendment. This amendment supersedes any prior amendments that are inconsistent with the subject matter contained herein.

The pricing in this Lease Amendment is valid for 30 days after 4/21/2016. If you don't sign this Lease Amendment and return it to us on or prior to 30 days after 4/21/2016, SolarCity reserves the right to reject this Lease Amendment unless you agree to our then current pricing.

Customer's Name: Peter Yan

DocuSigned by:

Signature:

Peter Yan

0B2EFFDD358F467...

Date: 4/27/2016

SolarLease

**SolarCity
approved**

Customer's Name:

Signature:

Signature:



Lyndon Rive, CEO

Date:

Date: 4/21/2016



SolarCity | SolarLease

Customer Name and Address

Peter Yan
405 Great Falls Road
Rockville, MD 20850

Installation Location

405 Great Falls Road
Rockville, MD 20850

Date

4/17/2016

Here are the key terms of your SolarLease Agreement

\$0

Amount due at contract signing

\$123.89

First year monthly payment
(Est. Price per kWh First Year: \$0.1170)

Initial here

DS
PY**20yrs**

Agreement Term

Initial here

DS
PY**The SolarCity Promise**

- We provide a money-back energy performance guarantee.
- We guarantee that if you sell your Home, the buyer will qualify to assume your Agreement.
- We warrant all of our roofing work.
- We restore your roof at the end of the Agreement.
- We warrant, insure and repair the System.
- We fix or pay for any damage we may cause to your property.
- We provide 24/7 web-enabled monitoring at no additional cost.
- The rate you pay us will never increase by more than 2.90% per year.
- The pricing in this Agreement is valid for 30 days after 4/17/2016.

Initial here

DS
PY

Initial here

DS
PY**Your SolarCity Lease Agreement Details**

Amount due at contract signing
\$0

Est. amount due at installation
\$0

Est. amount due at building inspection
\$0

Est. first year production
12,707 kWh

Your Choices at the End of the Initial Term:

- SolarCity will remove the System at no additional cost to you.
- You can upgrade to a new System with the latest solar technology under a new contract.
- You may renew your Agreement for up to ten (10) years in two (2) five (5) year increments.
- Otherwise, the Agreement will automatically renew for an additional one (1) year term at 10% less than the then-current average rate charges by your local utility.

Your Prepayment Choices During the Term:

- If you move, you may prepay the remaining payments (if any) at a discount.

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1759165

SolarLease Agreement, version 7.2.1, April 1, 2016

SAPC/SEFA Compliant

Contractor License MD MHIC 128948/11805-M

Document generated on 4/17/2016

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1. INTRODUCTION

This SolarLease® (this “Lease” or “Agreement”) is the agreement between you and SolarCity Corporation (together with its successors and assigns, “SolarCity” or “we”), covering the lease to you of the solar panel system (the “System”) described below. The System will be installed by SolarCity at the address you listed above. This Lease will refer to this address as the “Property” or your “Home.” This Lease is up to thirteen (13) pages long and has up to three (3) Exhibits depending on the state where you live. This Lease has disclosures required by the Federal Consumer Leasing Act and, where applicable, state law. SolarCity provides you with a Performance Guarantee and Limited Warranty (the “Limited Warranty”). The Limited Warranty is attached as **Exhibit 2**. SolarCity will also provide you with a System user manual entitled “Solar Operation and Maintenance Guide” (the “Guide”), that contains important operation, maintenance and service information. This is a legally binding agreement, so please read everything carefully including all of the exhibits. If you do not meet your contract obligations under this Lease, you may lose your rights to the System. If you have any questions regarding this Lease, please ask your SolarCity sales consultant.

THIS AGREEMENT SUPERSEDES ALL PRIOR EXISTING CONTRACTS BETWEEN YOU AND SOLARCITY THAT PERTAIN TO THE “SYSTEM” DEFINED IN THIS AGREEMENT.

2. LEASE TERM

SolarCity agrees to lease you the System for **20** years (240 full calendar months), plus, if the Interconnection Date is not on the first day of a calendar month, the number of days left in that partial calendar month, including the Interconnection Date. We refer to this period of time as the “Lease Term.” The Lease Term begins on the Interconnection Date. The Interconnection Date is the date that the System is turned on and generating power. SolarCity will notify you by email when your System is ready to be turned on.

3. SYSTEM DESCRIPTION

Lease and installation of a 10.4 kW DC photovoltaic system consisting of PV modules, corresponding inverter(s) and a mounting system designed for installation and operation at your Home.

REST OF PAGE INTENTIONALLY LEFT BLANK.



4. LEASE PAYMENTS; AMOUNTS**A. Amounts Due at Lease Signing, Installation and Building Inspection:**Payments Due at Signing:

Amount Due at Lease Signing: \$0.00

Delivery/Installation Fee: \$0.00**Total Due at Lease Signing \$0.00**Payments Due at Installation: \$0.00Payments Due after Building Inspection: \$0.00**B. Monthly Payments:**

Your first monthly payment is \$123.89, followed by 11 monthly payments of \$123.89 each, followed by 12 monthly payments of \$127.48 each, followed by 12 monthly payments of \$131.18 each, followed by 12 monthly payments of \$134.98 each, followed by 12 monthly payments of \$138.89 each, followed by 12 monthly payments of \$142.92 each, followed by 12 monthly payments of \$147.06 each, followed by 12 monthly payments of \$151.32 each, followed by 12 monthly payments of \$155.71 each, followed by 12 monthly payments of \$160.23 each, followed by 12 monthly payments of \$164.88 each, followed by 12 monthly payments of \$169.66 each, followed by 12 monthly payments of \$174.58 each, followed by 12 monthly payments of \$179.64 each, followed by 12 monthly payments of \$184.85 each, followed by 12 monthly payments of \$190.21 each, followed by 12 monthly payments of \$195.73 each, followed by 12 monthly payments of \$201.41 each, followed by 12 monthly payments of \$207.25 each, followed by 12 monthly payments of \$213.26 each.

Your total lease payments, excluding tax, are **\$39,541.56**. Your estimated average monthly tax payments are \$0.00.

Your first Monthly Payment is due on the first day of the first full calendar month following the Interconnection Date. After your first Monthly Payment, future Monthly Payments (and any applicable taxes) are due on the first day of the calendar month.

C. Other Charges:

If you make your Monthly Payments by allowing us to automatically debit your checking or savings account, then you will receive a discount of \$7.50 on your Monthly Payments. The Monthly Payments listed above reflect this discount. If you do not allow the automatic debit, this discount will not be applied to your Monthly Payments and each Monthly Payment will be \$7.50 greater.

D. Total of Payments (A+B+C) = \$39,541.56

This is the total amount you will have paid by the end of this Lease by making 240 payments in total. It includes the Monthly Payments stated above and estimated taxes of \$0.



E. Purchase Option At End of Lease Term:

You do not have an option to purchase the System at the end of the Lease Term.

F. Other Important Terms:

See Section 2 above for additional information on the Lease Term and also see below for additional information on termination, purchase options, renewal options, maintenance responsibilities, warranties, late and default charges and prohibition on assignment without SolarCity's consent. Payments due upon installation are due immediately prior to commencement of installation.

5. LEASE OBLIGATIONS**(a) System, Home and Property Maintenance****You agree to:**

- (i) only have the System repaired pursuant to the Limited Warranty and reasonably cooperate when repairs are being made;
- (ii) keep trees, bushes and hedges trimmed so that the System receives as much sunlight as it did when SolarCity installed it;
- (iii) keep the panels clean, pursuant to the Limited Warranty and the Guide;
- (iv) not modify your Home in a way that shades the System;
- (v) be responsible for any conditions at your Home that affect the installation (e.g. blocking access to the roof or removing a tree that is in the way, prior work you have done on your home that was not permitted);
- (vi) not remove any markings or identification tags on the System;
- (vii) permit SolarCity, after we give you reasonable notice, to inspect the System for proper operation as we reasonably determine necessary;
- (viii) use the System primarily for personal, family or household purposes, but not to heat a swimming pool;
- (ix) not do anything, permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Property;

- (x) notify SolarCity if you think the System is damaged or appears unsafe; if the System is stolen; and prior to changing your power supplier;
- (xi) have anyone who has an ownership interest in your Home sign this Lease;
- (xii) return any documents we send you for signature (like incentive claim forms) within seven (7) days of receiving them; and
- (xiii) maintain and make available, at your cost, a functioning indoor internet connection with a router, one DHCP enabled Ethernet port with internet access and standard AC power outlet close enough and free of interference to enable an internet-connected gateway provided by SolarCity to communicate wirelessly with the system's inverter (typically this is 80 feet, but may depend on site conditions). See Section 2(c)(ii) of the Limited Warranty for details; and
- (xiv) if your home is governed by a home owner's association or similar community organization, obtain all approvals and authorizations for the System required by that organization and advise us of any requirements of that organization that will otherwise impact the System, its installation or operation.

(b) System Construction, Repair, Insurance and SolarCity's obligations:**SolarCity agrees to:**

- (i) schedule the installation of the System at a mutually convenient date and time;
- (ii) construct the System according to written plans you review;



- (iii) provide you with a web-enabled meter to accurately measure the amount of power the System delivers to you;
- (iv) notify you if the System design has to be materially changed so that you can review any such changes;
- (v) clean up after ourselves during the construction of the System;
- (vi) insure our actions, covering damages to your property caused by faulty installation, System malfunction or manufacturing defects;
- (vii) not be a loss payee (or named insured) on the insurance policy covering your Home;
- (viii) repair the System pursuant to the Limited Warranty and reasonably cooperate with you when scheduling repairs;
- (ix) create a priority stream of operation and maintenance payments to provide enough cash flow in our financing transactions to pay for the Limited Warranty obligations and the repair and maintenance of the System in accordance with this Lease even if SolarCity ceases to operate; and
- (x) not put a lien on your Home or Property.

(c) Home Renovations or Repairs

If you want to make any repairs or improvements to the Property that could interfere with the System (such as repairing the roof where the System is located), you may only remove and replace the System pursuant to the Limited Warranty.

(d) Automatic Payment; Fees; Late Charges

In addition to the other amounts you agree to pay in this Lease, you agree to pay the following:

- (i) Automatic Payment Discount: If you make your Monthly Payments by allowing us to automatically debit your checking or savings account, then you will receive a discount of \$7.50 on your Monthly Payments. The Monthly Payments listed in Section 4 of this Agreement reflect this discount. If you do not allow the automatic

debit, this discount will not be applied to your Monthly Payments and each Monthly Payment will be \$7.50 greater;

- (ii) Returned Check Fee: \$25 (or such lower amount as required by law) for any check or withdrawal right that is returned or refused by your bank; and
- (iii) Late payments: accrue interest at twelve percent (12%) annually or the maximum allowable by applicable law.

(e) Insurance

SolarCity shall insure the System against all damage or loss unless (i) that damage or loss is caused by your gross negligence; or (ii) that damage or loss is caused by ball strikes; or (iii) you intentionally damage the System.

(f) Estimated Taxes

You agree to pay any applicable sales or use taxes on the Monthly Payments due under this Lease. If this Lease contains a purchase option at the end of the Lease Term, you agree to pay any applicable tax on the purchase price for the System. You also agree to pay as invoiced any applicable personal property taxes on the System that your local jurisdiction may levy. The total estimated amount you will pay for taxes over the Lease Term is **\$0**.

(g) No Alterations

You agree that you will not make any modifications, improvements, revisions or additions to the System or take any other action that could void the Limited Warranty on the System without SolarCity's prior written consent. If you make any modifications, improvements, revisions or additions to the System, they will become part of the System and shall be SolarCity's property.

(h) Access to the System

- (i) You grant to SolarCity and its employees, agents and contractors the right to reasonably access all of the Property as necessary for the purposes of (A) installing, constructing, operating, owning, repairing, removing and replacing the System or making



any additions to the System or installing complementary technologies on or about the location of the System; (B) enforcing SolarCity's rights as to this Lease and the System; (C) installing, using and maintaining electric lines, inverters and meters, necessary to interconnect the System to your electric system at the Property and/or to the utility's electric distribution system; or (D) taking any other action reasonably necessary in connection with the construction, installation, operation, maintenance, removal or repair of the System. This access right shall continue for up to ninety (90) days after this Lease expires to provide SolarCity with time to remove the System at the end of the Lease Term. SolarCity shall provide you with reasonable notice of its need to access the Property whenever commercially reasonable.

- (ii) During the time that SolarCity has access rights you shall ensure that its access rights are preserved and shall not interfere with or permit any third party to interfere with such rights or access. You agree that the System is not a fixture, but SolarCity has the right to file any UCC-1 financing statement or fixture filing that confirms its interest in the System.

(i) Indemnity

To the fullest extent permitted by law, you shall indemnify, defend, protect, save and hold harmless SolarCity, its employees, officers, directors, agents, successors and assigns from any and all third party claims, actions, costs, expenses (including reasonable attorneys' fees and expenses), damages, liabilities, penalties, losses, obligations, injuries, demands and liens of any kind or nature arising out of, connected with, relating to or resulting from your negligence or willful misconduct; provided, that nothing herein shall require you to indemnify SolarCity for its own negligence or willful misconduct. The provisions of this paragraph shall survive termination or expiration of this Lease.

(j) Monthly Payments

The Monthly Payments section (Section 4(B)) describes your monthly payment obligations under this Lease. YOU AGREE THAT THIS IS A NET LEASE AND THE OBLIGATION TO PAY ALL MONTHLY PAYMENTS AND ALL OTHER AMOUNTS DUE UNDER THIS LEASE SHALL BE ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, DEFENSE, COUNTERCLAIM, SETOFF, RECOUPMENT OR REDUCTION FOR ANY REASON WHATSOEVER, IT BEING THE EXPRESS INTENT OF THE PARTIES THAT ALL AMOUNTS PAYABLE BY YOU HEREUNDER SHALL BE AND CONTINUE TO BE PAYABLE IN ALL EVENTS INCLUDING BY YOUR HEIRS AND ESTATE AND, EXCEPT AS SET FORTH BELOW IN SECTIONS 6, 23 AND 24, YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS LEASE, TO REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM.

- (k) You authorize SolarCity, or its designee, to obtain your credit report now and in the future, check your credit and employment history, answer questions others may ask regarding your credit and share your credit information with SolarCity's financing partners. You certify that all information you provide to us in connection with checking your credit will be true and understand that this information must be updated upon request if your financial condition changes.

6. CONDITIONS PRIOR TO INSTALLATION OF THE SYSTEM

(a) SolarCity's Obligation to Install and Lease

SolarCity's obligations to install and lease the System are conditioned on the following items having been completed to its reasonable satisfaction:

- (i) completion of (A) the engineering site audit (a thorough physical inspection of the Property, including, if applicable, geotechnical work), (B) the final System design, and (C) real estate due diligence to confirm the suitability of the Property for the construction, installation and operation of the System;
- (ii) approval of this Lease by SolarCity's financing partner(s);



- (iii) your meeting the applicable credit score;
- (iv) confirmation of rebate, tax credit and renewable energy credit payment availability in the amount used to calculate the Monthly Payment amounts set forth in this Lease;
- (v) confirmation that SolarCity will obtain all applicable benefits referred to in Section 9;
- (vi) receipt of all necessary zoning, land use and building permits; and
- (vii) completion of any renovations, improvements or changes reasonably required at your Home or on the Property (e.g. removal of a tree or roof repairs necessary to enable SolarCity to safely install the System); and
- (viii) if your home is governed by a home owner's association or similar community organization, your receipt of all approvals and authorizations for the System required by that organization and advising us of any requirements of that organization that will otherwise impact the System, its installation or operation.

SolarCity may terminate this Lease without liability if, in its reasonable judgment, any of the above listed conditions (i) through (vi) will not be satisfied for reasons beyond its reasonable control. Once SolarCity starts installation, however, it may not terminate this Lease for the failure to satisfy conditions (i) through (vi) above.

(b) Amendments, Your Right to Terminate for Material Changes.

Both parties will have the right to terminate this Lease, without penalty or fee, if SolarCity determines after the engineering site audit of your Home that it has misestimated by more than ten percent (10%) any of (i) the System size, (ii) the System's total cost or (iii) the System's annual production. Such termination right will expire at the **earlier** of (A) one (1) week prior to the scheduled System installation date and (B) one (1) month after we inform you in writing of the revised size, cost or production estimate. If neither party exercises their right to terminate this Lease following such a 10% change, then any changes to the

System will be documented in an amendment to this Lease. You authorize SolarCity to make corrections to the utility paperwork to conform to this Lease or any amendments to this Lease we both sign.

7. WARRANTY

YOU UNDERSTAND THAT THE SYSTEM IS WARRANTED SOLELY UNDER THE LIMITED WARRANTY ATTACHED AS **EXHIBIT 2**, AND THAT THERE ARE NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, DESIGN, CAPACITY, SUITABILITY OR PERFORMANCE OF THE SYSTEM OR ITS INSTALLATION.

8. TRANSFER

SolarCity works with banks, large companies and other significant financing partners to finance your System. As a result, SolarCity will assign this Lease to one of its financing partners. SolarCity may assign, sell or transfer the System and this Lease, or any part of this Lease or the exhibits, without your consent. Assignment, sale or transfer generally means that SolarCity would transfer certain of its rights and certain of its obligations under this Lease to another party. This assignment does not change SolarCity's obligation to maintain and repair your System as set forth in the Limited Warranty.

9. OWNERSHIP OF THE SYSTEM; TAX CREDITS AND REBATES

You agree that the System is SolarCity's personal property under the Uniform Commercial Code. You understand and agree that this is a lease and not a sale agreement. SolarCity owns the System for all purposes, including any data generated from the System. You shall at all times keep the System free and clear of all liens, claims, levies and legal processes not created by SolarCity, and shall at your expense protect and defend SolarCity against the same.

YOU UNDERSTAND AND AGREE THAT ANY AND ALL TAX CREDITS, INCENTIVES, RENEWABLE ENERGY CREDITS, GREEN TAGS, CARBON OFFSET CREDITS, UTILITY REBATES OR ANY OTHER NON-POWER ATTRIBUTES OF THE SYSTEM ARE THE PROPERTY OF AND FOR THE BENEFIT OF SOLARCITY, USABLE AT ITS SOLE DISCRETION. SOLARCITY SHALL HAVE THE EXCLUSIVE RIGHT TO ENJOY AND USE ALL



SUCH BENEFITS, WHETHER SUCH BENEFITS EXIST NOW OR IN THE FUTURE. YOU AGREE TO REFRAIN FROM ENTERING INTO ANY AGREEMENT WITH YOUR UTILITY THAT WOULD ENTITLE YOUR UTILITY TO CLAIM ANY SUCH BENEFITS. YOU AGREE TO REASONABLY COOPERATE WITH SOLARCITY SO THAT IT MAY CLAIM ANY TAX CREDITS, RENEWABLE ENERGY CREDITS, REBATES, CARBON OFFSET CREDITS OR ANY OTHER BENEFITS FROM THE SYSTEM. THIS MAY INCLUDE, TO THE EXTENT ALLOWABLE BY LAW, ENTERING INTO NET METERING AGREEMENTS, INTERCONNECTION AGREEMENTS, AND FILING RENEWABLE ENERGY/CARBON OFFSET CREDIT REGISTRATIONS AND/OR APPLICATIONS FOR REBATES FROM THE FEDERAL, STATE OR LOCAL GOVERNMENT OR A LOCAL UTILITY AND GIVING THESE TAX CREDITS, RENEWABLE ENERGY/CARBON CREDITS, REBATES OR OTHER BENEFITS TO SOLARCITY.

You understand that solar renewable energy credits (SRECs) and associated data cannot be generated without internet. As such, you agree to maintain and make available, at your cost, a functioning indoor Internet connection with the understanding that Wi-Fi hotspotting, tethering and intermittent Internet connection will not satisfy this obligation. You also agree to cooperate with SolarCity as necessary to provide any other information required to generate SRECs and troubleshoot monitoring issues. Your failure to cooperate with SolarCity with respect to Internet requirements will result in your obligation to compensate SolarCity for all lost SREC revenue and related costs, subject to a monthly charge of no less than \$10.00 (ten dollars) per month until adequate Internet monitoring is implemented or restored.

10. PURCHASING THE SYSTEM PRIOR TO THE END OF THE LEASE TERM

You do not have an option to purchase the System at the end of the Lease Term.

11. RENEWAL

If you are in compliance with your Lease, you have the option to renew your Lease for up to ten (10) years in two (2) five (5) year renewal periods. We will send you renewal forms three (3) months prior to the expiration of the Lease Term, which forms shall set forth the new Monthly Payments due under the renewed Lease, based on our assessment of the then current fair market value of the System. If you want to renew, complete the

renewal forms and return them to us at least one (1) month prior to the expiration of the Lease Term. In the event that you respond that you do not agree to the new Monthly Payments, the Lease shall expire by its terms on the termination date. If you don't send us anything in writing after we send you the renewal forms, then this Lease shall renew for an additional one (1) year term at ten percent (10%) less than the then-current average rate charged by your local utility and shall continue to renew for one (1) year terms at that same rate until (i) you give us notice at least thirty (30) days prior to a renewal term that you do not wish to renew; or (ii) we send you a notice terminating the Lease.

12. SELLING YOUR HOME

(a) If you sell your Home you can:

(i) Transfer this Lease and the Monthly Payments.

The person buying your Home (the "Home Buyer") can sign a transfer agreement assuming all of your rights and obligations under this Agreement by qualifying in one of three ways:

- 1) The Home Buyer has a FICO score of 650 or greater;
- 2) The Home Buyer is paying cash for your Home; or
- 3) If the Home Buyer does not qualify under (1) or (2), the Home Buyer qualifies for a mortgage to purchase your Home and either you or the Home Buyer pays us a \$250 credit exception fee.

(ii) Move the System to Your New Home.

If you are moving to a new home in the same utility district, then where permitted by the local utility, the System can be moved to your new home pursuant to the Limited Warranty. You will need to pay all costs associated with relocating the System, execute and provide the same access and ownership rights as provided for in this Lease and provide any third party consents or releases required by SolarCity in connection with the substitute premises.

(iii) Prepay this Lease and Transfer only the Use of the System.



At any time during the Lease Term, if the person buying your home does not meet SolarCity's credit requirements, but still wants the System, then you can (A) prepay the payments remaining on the Lease (See Section 16(i)(i) and (ii)), (B) add the cost of the Lease to the price of your home; and (C) have the person buying your Home sign a transfer agreement to assume your rights and non-Monthly Payment obligations under this Lease. The System stays at your Home, the person buying your Home does not make any Monthly Payments and has only to comply with the non-Monthly Payment portions of this Lease.

- (b) You agree to give SolarCity at least fifteen (15) days but not more than three (3) months' prior written notice if you want someone to assume your Lease obligations. In connection with this assumption, you, your approved buyer and SolarCity shall execute a written transfer of this Lease. Unless we have released you from your obligations in writing, you are still responsible for performing under this Lease. If your buyer defaults on this Lease and we have not yet signed the transfer agreement, you will be responsible for their default. We will release you from your obligations under this Lease in writing once we have a signed transfer agreement with the person buying your Home (provided such person has been approved as a transferee by SolarCity in writing).
- (c) If you sell your Home and can't comply with any of the options in subsection (a) above, you will be in default under this Lease. Section 12(a) includes a Home sale by your estate or heirs.
- (d) Free Assumability. This agreement is free of any restrictions that would prevent the homeowner from freely transferring their Property. In the event of a foreclosure on the Property, your lender has the right (but not the obligation) to do ONE of the following:
 - (i) terminate this Agreement and require SolarCity to remove the System subject to your obligations under Sections 15 and 16;
 - (ii) become a beneficiary (but not obligor) of your Agreement free of charge (i.e., receive power from the System and enforce the Limited

Warranty but not have the obligation to make payment, which obligation will remain with you – if you don't make timely payment you will be in default under Section 15 and SolarCity can terminate, remove the System and take all other remedies it has under Section 16);

- (iii) enter into a new Agreement with SolarCity on terms no less favorable than the current Agreement; or
- (iv) require transfer of the Agreement under Section 12 to a subsequent purchaser of the Property.

SolarCity will not prohibit the sale, conveyance or refinancing of the Property. SolarCity may choose to file in the real estate records a UCC-1 financing statement ("Fixture Filing") that preserves their rights in the System. The Fixture Filing is intended only to give notice of its rights relating to the System and is not a lien or encumbrance against the Property. SolarCity shall explain the Fixture Filing to any subsequent purchasers of the Property and any related lenders as requested. SolarCity shall also accommodate reasonable requests from lenders or title companies to facilitate a purchase, financing or refinancing of the Property.

- (e) EXCEPT AS SET FORTH IN THIS SECTION, YOU WILL NOT SUBLEASE, ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THE SYSTEM OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD.

13. LOSS OR DAMAGE

- (a) Unless you are grossly negligent, you intentionally damage the System, or damage or loss to the System is caused by ball strikes, SolarCity will bear all of the risk of loss, damage, theft, destruction or similar occurrence to any or all of the System. Except as expressly provided in this Lease, no loss, damage, theft or destruction will excuse you from your obligations under this Lease, including Monthly Payments.
- (b) If there is loss, damage, theft, destruction or a similar occurrence affecting the System, and you are not in



default of this Lease, you shall continue to timely make all Monthly Payments and pay all other amounts due under the Lease and, cooperate with SolarCity, at SolarCity's sole cost and expense, to have the System repaired pursuant to the Limited Warranty.

14. LIMITATION OF LIABILITY

(a) No Consequential Damages

SOLARCITY'S LIABILITY TO YOU UNDER THIS LEASE SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES.

(b) Actual Damages

Except for claims under Section 5(i), neither party's liability to the other will exceed an amount equal to the maximum amount that could be payable by you under Section 16(i). Damages to your Home, belongings or property resulting from the installation or operation of the System are covered in Section 6(c) of the Limited Warranty.

15. DEFAULT

You will be in default under this Lease if any one of the following occurs:

- (a) you fail to make any payment when it is due and such failure continues for a period of ten (10) days;
- (b) you fail to perform any material obligation that you have undertaken in this Lease (which includes doing something you have agreed not to do, like alter the System) and such failure continues for a period of fourteen (14) days after written notice;
- (c) you or your guarantor have provided any false or misleading financial or other information to obtain this Lease;
- (d) you assign, transfer, encumber, sublet or sell this Lease or any part of the System without SolarCity's prior written consent; or
- (e) you or any guarantor makes an assignment for the benefit of creditors, admits in writing its insolvency, files or there is filed against you or it a voluntary petition in bankruptcy, is adjudicated bankrupt or

insolvent or undertakes or experiences any substantially similar activity.

16. REMEDIES IN CASE OF DEFAULT

If this Lease is in default, we may take any one or more of the following actions. If the law requires us to do so, we will give you notice and wait any period of time required before taking any of these actions. We may:

- (a) terminate this Lease and your rights to possess and use the System;
- (b) suspend our performance under this Lease;
- (c) take any reasonable action to correct your default or to prevent our loss; any amount we pay will be added to the amount you owe us and will be immediately due;
- (d) require you, at your expense, to return the System or make it available to us in a reasonable manner;
- (e) proceed, by appropriate court action, to enforce performance of this Lease and to recover damages for your breach;
- (f) disconnect, turn off or take back the System by legal process or self-help, but we may not disturb the peace or violate the law;
- (g) report such non-operational status of the System to your utility, informing them that you are no longer net metering;
- (h) charge you a reasonable reconnection fee for reconnecting the System to your utility or turning your System back on after we disconnect or turn off the System due to your default;
- (i) recover from you (i) all accrued but unpaid Monthly Payments, taxes, late charges, penalties, interest and all or any other sums then accrued or due and owing, plus (ii) the unpaid balance of the aggregate rent, each payment discounted to present value at 5% per annum, plus (iii) reasonable compensation, on a net after tax basis assuming a tax rate of 35%, for the loss or recapture of (A) the investment tax credit equal to thirty percent (30%) of the System cost, including installation; and (B) accelerated depreciation over five (5) years equal to eighty five percent (85%) of the System cost, including installation, and for the loss of



any anticipated benefits pursuant to Section 9 of this Lease (SolarCity shall furnish you with a detailed calculation of such compensation if such a claim is made); or

- (j) use any other remedy available to us in this Lease or by law.

You agree to repay us for any reasonable amounts we pay to correct or cover your default. You also agree to reimburse us for any costs and expenses we incur relating to the System's return resulting from early termination. By choosing any one or more of these remedies, SolarCity does not give up its right to use another remedy. By deciding not to use any remedy should this Lease be in default, SolarCity does not give up our right to use that remedy in case of a subsequent default.

We may submit to credit reporting agencies (credit bureaus) negative credit reports that would be reflected on your credit record if you do not pay any amounts due under this Lease as required.

17. SYSTEM REMOVAL: RETURN

At the end of the Term or the termination of this Lease, if you have not renewed this Lease or exercised your purchase option (if any) and you have not defaulted, then within ninety (90) days you agree to call SolarCity at the telephone number listed in Section 7 of Exhibit 2 to schedule a convenient time for SolarCity to remove the System from your Home at no cost to you.

18. APPLICABLE LAW; ARBITRATION

PLEASE READ THIS SECTION CAREFULLY. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, A DISPUTE IS RESOLVED BY AN ARBITRATOR INSTEAD OF A JUDGE OR JURY.

The laws of the state where your Home is located shall govern this Lease without giving effect to conflict of laws principles. We agree that any dispute, claim or disagreement between us (a "Dispute") shall be resolved exclusively by arbitration.

The arbitration, including the selecting of the arbitrator, will be administered by JAMS, under its Streamlined Arbitration Rules (the "Rules") by a single neutral arbitrator agreed on

by the parties within thirty (30) days of the commencement of the arbitration. The arbitration will be governed by the Federal Arbitration Act (Title 9 of the U.S. Code). Either party may initiate the arbitration process by filing the necessary forms with JAMS. To learn more about arbitration, you can call any JAMS office or review the materials at www.jamsadr.com. The arbitration shall be held in the location that is most convenient to your Home. If a JAMS office does not exist within fifty (50) miles of your Home, then we will use another accredited arbitration provider with offices close to your Home.

If you initiate the arbitration, you will be required to pay the first \$125 of any filing fee. We will pay any filing fees in excess of \$125 and we will pay all of the arbitration fees and costs. If we initiate the arbitration, we will pay all of the filing fees and all of the arbitration fees and costs. We will each bear all of our own attorney's fees and costs except that you are entitled to recover your attorney's fees and costs if you prevail in the arbitration and the award you receive from the arbitrator is higher than SolarCity's last written settlement offer. When determining whether your award is higher than SolarCity's last written settlement offer your attorney's fees and costs will not be included.

Only Disputes involving you and SolarCity may be addressed in the arbitration. Disputes must be brought in the name of an individual person or entity and must proceed on an individual (non-class, non-representative) basis. The arbitrator will not award relief for or against anyone who is not a party. If either of us arbitrates a Dispute, neither of us, nor any other person, may pursue the Dispute in arbitration as a class action, class arbitration, private attorney general action or other representative action, nor may any such Dispute be pursued on your or our behalf in any litigation in any court. Claims regarding any Dispute and remedies sought as part of a class action, class arbitration, private attorney general or other representative action are subject to arbitration on an individual (non-class, non-representative) basis, and the arbitrator may award relief only on an individual (non-class, non-representative) basis. This means that the arbitration may not address disputes involving other persons with disputes similar to the Disputes between you and SolarCity.

The arbitrator shall have the authority to award any legal or equitable remedy or relief that a court could order or grant under this agreement. The arbitrator, however, is not



authorized to change or alter the terms of this agreement or to make any award that would extend to any transaction other than yours. All statutes of limitations that are applicable to any dispute shall apply to any arbitration between us. The Arbitrator will issue a decision or award in writing, briefly stating the essential findings of fact and conclusions of law.

BECAUSE YOU AND WE HAVE AGREED TO ARBITRATE ALL DISPUTES, NEITHER OF US WILL HAVE THE RIGHT TO LITIGATE THAT DISPUTE IN COURT, OR TO HAVE A JURY TRIAL ON THAT DISPUTE, OR ENGAGE IN DISCOVERY EXCEPT AS PROVIDED FOR IN THE RULES. FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS PERTAINING TO ANY DISPUTE. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING ON THE PARTIES AND MAY BE ENTERED AND ENFORCED IN ANY COURT HAVING JURISDICTION, EXCEPT TO THE EXTENT IT IS SUBJECT TO REVIEW IN ACCORDANCE WITH APPLICABLE LAW GOVERNING ARBITRATION AWARDS. OTHER RIGHTS THAT YOU OR WE WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

19. WAIVER

Any delay or failure of a party to enforce any of the provisions of this Lease, including but not limited to any remedies listed in this Lease, or to require performance by the other party of any of the provisions of this Lease, shall not be construed to (i) be a waiver of such provisions or a party's right to enforce that provision; or (ii) affect the validity of this Lease.

20. NOTICES

All notices under this Lease shall be in writing and shall be by personal delivery, facsimile transmission, electronic mail, overnight courier, or certified, or registered mail, return receipt requested, and deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices shall be sent to the person identified in this Lease at the addresses set forth in this Lease or such other address as either party may specify in writing. Each party shall deem a document faxed or sent via PDF as an original document.

21. ENTIRE AGREEMENT; CHANGES

This Lease contains the parties' entire agreement regarding the lease of the System. There are no other agreements regarding this Lease, either written or oral. Any change to this Lease must be in writing and signed by both parties. Only an authorized officer of SolarCity may execute any change to this Lease on behalf of SolarCity. If any portion of this Lease is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted or re-written so as to make them enforceable.

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22. PRIVACY/PUBLICITY

You grant SolarCity the right to publicly use, display, share, and advertise the photographic images, Project details, price and any other non-personally identifying information of your Project. SolarCity shall not knowingly release any personally identifiable information about you or any data associating you with the Project location. You may opt-out of these publicity rights by giving us written notice and mailing it to: SolarCity Corporation, Attention: Publicity Opt Out, 3055 Clearview Way, San Mateo, CA 94402.

23. NOTICE OF RIGHT TO CANCEL

YOU MAY CANCEL THIS LEASE AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE YOU SIGN THIS LEASE. SEE EXHIBIT 1, THE ATTACHED NOTICE OF CANCELLATION FORM, FOR AN EXPLANATION OF THIS RIGHT.

24. ADDITIONAL RIGHTS TO CANCEL

IN ADDITION TO ANY RIGHTS YOU MAY HAVE TO CANCEL THIS LEASE UNDER SECTIONS 6 AND 23, YOU MAY ALSO CANCEL THIS LEASE AT NO COST AT ANY TIME PRIOR TO COMMENCEMENT OF CONSTRUCTION ON YOUR HOME.

25. Pricing

The pricing in this Lease is valid for 30 days after 4/17/2016. If you don't sign this Lease and return it to us on or prior to 30 days after 4/17/2016, SolarCity reserves the right to reject this Lease unless you agree to our then current pricing.

I have read this Lease and the Exhibits in their entirety and I acknowledge that I have received a complete copy of this Lease.

Customer's Name: Peter Yan

DocuSigned by:
Signature: Peter Yan
0FCC57D9BAA54ED...
Date: 4/17/2016

Customer's Name:

Signature: _____
Date: _____

SolarLease Agreement

**SolarCity
approved**

Signature: [Signature]
Lyndon Rive, CEO
Date: 4/17/2016



EXHIBIT 1 (SOLARCITY COPY)
NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE

Notice of Cancellation

Date of Transaction: The date you signed the Lease.

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within TEN DAYS following receipt by the seller (SolarCity Corporation) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller (SolarCity Corporation) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller (SolarCity Corporation) regarding the return shipment of the goods at the seller's (SolarCity Corporation's) expense and risk. If you do make the goods available to the seller (SolarCity Corporation) and the seller (SolarCity Corporation) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller (SolarCity Corporation), or if you agree to return the goods to the seller (SolarCity Corporation) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to SolarCity Corporation, Document Receiving, 6611 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 NOT LATER THAN MIDNIGHT of the date that is THREE BUSINESS DAYS from the date you signed the Lease.

I, Peter Yan, hereby cancel this transaction on _____ [Date].

Customer's Signature:

Customer's Signature:



EXHIBIT 1 (CUSTOMER COPY)
NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE

Notice of Cancellation

Date of Transaction: The date you signed the Lease.

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within TEN DAYS following receipt by the seller (SolarCity Corporation) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller (SolarCity Corporation) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller (SolarCity Corporation) regarding the return shipment of the goods at the seller's (SolarCity Corporation's) expense and risk. If you do make the goods available to the seller (SolarCity Corporation) and the seller (SolarCity Corporation) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller (SolarCity Corporation), or if you agree to return the goods to the seller (SolarCity Corporation) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to SolarCity Corporation, Document Receiving, 6611 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 NOT LATER THAN MIDNIGHT of the date that is THREE BUSINESS DAYS from the date you signed the Lease.

I, Peter Yan, hereby cancel this transaction on _____ [Date].

Customer's Signature:

Customer's Signature:



Exhibit 2**PERFORMANCE GUARANTEE AND LIMITED WARRANTY****1. INTRODUCTION**

This Performance Guarantee and Limited Warranty (this “Limited Warranty”) is SolarCity’s agreement to provide you warranties on the System you leased. The System will be professionally installed by SolarCity at the address you listed in the Lease. We will refer to the installation location as your “Property” or your “Home.” This Limited Warranty begins when we start the survey of your Home for the System.

2. LIMITED WARRANTIES, PERFORMANCE GUARANTEE**(a) Limited Warranties****(i) System Warranty**

Under normal use and service conditions the System will be free from defects in workmanship or defects in, or a breakdown of, materials or components, for the full Term;

(ii) Roof Warranty

All roof penetrations we make for your System will be watertight. This warranty will run the longer of (a) the first ten (10) years of the Term or (b) the length of any existing installation warranty or new home builder performance standard for your roof;

(iii) Damage Warranty

We will repair damage we cause to your Home, your belongings or your property or pay you for the damage we cause, as limited by Section 6, for the full Term (except damages that result from our roof penetrations, which damages are covered for the first ten (10) years of the Term).

Under each of these warranties SolarCity will repair or replace any damage, defective part, material or component or correct any defective workmanship, at no cost or expense to you (including all labor costs), when you submit a valid claim to us under this Limited Warranty. SolarCity may use new or reconditioned parts when making repairs or replacements. SolarCity may also, at no additional cost to you, upgrade or add to any part of the System to ensure that it performs according to the guarantees set forth in this Limited Warranty. Cosmetic repairs that do not involve safety or performance shall be made at SolarCity’s discretion.

(b) Performance Guarantee**(i) Power Production Guarantee**

SolarCity guarantees that during the Lease Term the System will generate kilowatt-hours (kWh) as set forth in the table below and calculated as follows. To calculate the guaranteed amount of kWh for an applicable two-year period (“Guaranteed kWh”) we will take the applicable year’s Total kWh in the chart below minus the Total kWh from two years prior, also as indicated in the chart below:



Year	Total kWh	Guaranteed Price/kWh
2	24,082	0.12100
4	47,925	0.12941
6	71,529	0.13840
8	94,898	0.14802
10	118,034	0.15831
12	140,939	0.16932
14	163,616	0.18109
16	186,066	0.19367
18	208,292	0.20713
20	230,297	0.22153

- A. If at the end of each successive 24 month anniversary of your first monthly payment the cumulative Actual kWh (defined below) generated by the System is less than the Guaranteed kWh, **then we will send you a refund check** equal to the difference between the cumulative Actual kWh and the Guaranteed kWh multiplied by the Guaranteed Energy Price per kWh (defined below). Your cumulative Actual kWh is dependent on a shading percentage of 0.55% on your Home. If this shading percentage increases, your Guaranteed Actual kWh will be reduced proportionately.

For example, if the first 24 month period commences on October 1, 2013 and ends on September 30, 2015, and the energy the System was supposed to generate is less than the energy the system was guaranteed to generate during such 24 month period, we will pay you the difference in the Actual kWh and the Guaranteed kWh multiplied by the Guaranteed Energy price per kWh within thirty (30) days after we receive your request. See the table below for a real world example.

Example Guaranteed kWh	Example Actual kWh	Example Guaranteed \$/kWh Energy Price	Example Payment to You
10,000	9,500	\$0.10	\$50.00

- B. If at the end of each successive 24 month anniversary of your first monthly payment the Actual kWh is **greater** than the Guaranteed kWh during any 24 month period, this surplus will be carried over and will be used to offset any deficits that may occur in the future. If over the course of the Term your System produces more energy than the Guaranteed Output then this additional energy is yours at no additional cost.

“Actual kWh” means the AC electricity produced by your System in kilowatt-hours measured and recorded by SolarCity during each successive 24 month anniversary of your first monthly payment. To measure the Actual kWh we will use the



PowerGuide Solar Monitoring Service or to the extent such services are not available, we will estimate the Actual kWh by reasonable means.

"Guaranteed Energy Price per kWh" is set out in the table immediately after the first paragraph in Section 2(b)(i) above.

(ii) PowerGuide™ Solar Monitoring

During the Lease Term, we will provide you at no additional cost our PowerGuide Solar Monitoring Service ("PowerGuide"). PowerGuide is a proprietary monitoring system designed and installed by SolarCity that captures and displays historical energy generation data over an Internet connection and consists of hardware located on site and software hosted by SolarCity. If your System is not operating within normal ranges, PowerGuide will alert us and we will remedy any material issues promptly.

(c) Maintenance and Operation

(i) General

When the System is installed SolarCity will provide you with a copy of its Solar Operation and Maintenance Guide. This Guide provides you with System operation and maintenance instructions, answers to frequently asked questions, troubleshooting tips and service information. We will install a safety anchor in your roof during the survey of your Home for the System. We will leave this anchor installed for our future use throughout the survey, installation and operation of your System. This safety anchor is for our use only. You are not authorized to use this anchor.

(ii) PowerGuide

PowerGuide requires a high speed Internet line to operate. Therefore, during the Lease Term, you agree to maintain the communication link between PowerGuide and the System and between PowerGuide and the Internet. You agree to maintain and make available, at your cost, a functioning indoor internet connection with a router, one DHCP enabled Ethernet port with internet access and standard AC power outlet close enough and free of interference to enable an internet-connected gateway provided by SolarCity to communicate wirelessly with the system's inverter (typically this is 80 feet, but may depend on site conditions). This communication link must be a 10/100 Mbps Ethernet connection that supports common Internet protocols (TCP/IP and DHCP). If you do not have and maintain a working high speed Internet line then (A) we will not be able to monitor the System and provide you with the Power Production Guarantee or provide PowerGuide; and (B) you will be required to provide SolarCity with annual production information from your inverter.

(d) Making a Claim; Transferring this Warranty

(i) Claims Process

You can make a claim by:

- A. emailing us at the email address in Section 7 below;
- B. writing us a letter and sending it overnight mail with a well-known service; or
- C. sending us a fax at the number in Section 7 below.

(ii) Transferable Limited Warranty

SolarCity will accept and honor any valid and properly submitted Warranty claim made during any Lease Term by any person who either purchases the System from you or to whom you properly transfer the Lease.

(e) Exclusions and Disclaimer

The limited warranties and guarantee provided in this Limited Warranty do not apply to any lost power production or any repair, replacement or correction required due to the following:

- (i) someone other than SolarCity or its approved service providers installed, removed, re-installed or repaired the System;



- (ii) destruction or damage to the System or its ability to safely produce power not caused by SolarCity or its approved service providers while servicing the System (e.g. if a tree falls on the System we will replace the System per the Lease, but we will not repay you for power it did not produce);
- (iii) your failure to perform, or breach of, your obligations under the Lease (e.g. you modify or alter the System);
- (iv) your breach of this Limited Warranty, including your being unavailable to provide access or assistance to us in diagnosing or repairing a problem, or your failing to maintain the System as stated in the Solar Operation and Maintenance Guide;
- (v) any Force Majeure Event (as defined below);
- (vi) shading from foliage that is new growth or is not kept trimmed to its appearance on the date the System was installed;
- (vii) any system failure or lost production not caused by a System defect (e.g. the System is not producing power because it has been removed to make roof repairs or you have required us to locate the inverter in a non-shaded area);
- (viii) theft of the System (e.g. if the System is stolen we will replace the System per the Lease, but we will not repay you for the power it did not produce);
- (ix) damage to your Home, belongings or property that results from our roof penetrations after the end of the Roof Warranty; and
- (x) damage or loss to the System due to ball strikes.

This Limited Warranty gives you specific rights, and you may also have other rights which vary from state to state. This Limited Warranty does not warrant any specific electrical performance of the System, other than that described above.

Snow or ice may accumulate on rooftops and on solar panels during snow storms. Accumulated snow or ice may slide or fall, resulting in property damage or bodily harm. If and when conditions safely allow you to remove accumulated snow or ice, you should do so to reduce the likelihood of excess snow sliding or falling.

THE LIMITED WARRANTIES DESCRIBED IN SECTIONS 2(a) ABOVE ARE THE ONLY EXPRESS WARRANTIES MADE BY SOLARCITY WITH RESPECT TO THE SYSTEM. SOLARCITY HEREBY DISCLAIMS, AND ANY BENEFICIARY OF THIS LIMITED WARRANTY HEREBY WAIVES, ANY WARRANTY WITH RESPECT TO ANY COST SAVINGS FROM USING THE SYSTEM. SOME STATES DO NOT ALLOW SUCH LIMITATIONS, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

3. SOLARCITY'S STANDARDS

For the purpose of this Limited Warranty the standards for our performance will be (i) normal professional standards of performance within the solar photovoltaic power generation industry in the relevant market; and (ii) Prudent Electrical Practices. "Prudent Electrical Practices" means those practices, as changed from time to time, that are engaged in or approved by a significant portion of the solar power electrical generation industry operating in the United States to operate electric equipment lawfully and with reasonable safety, dependability, efficiency and economy.

4. SYSTEM REPAIR, RELOCATION OR REMOVAL

- (a) **Repair.** You agree that if (i) the System needs any repairs that are not the responsibility of SolarCity under this Limited Warranty, (ii) the system needs to be removed and reinstalled to facilitate remodeling of your Home or (iii) the system is being relocated to another home you own pursuant to the Lease, you will have SolarCity, or another similarly qualified service provider, at your expense, perform such repairs, removal and reinstallation, or relocation on a time and materials basis.



- (b) **Removal/Moving.** SolarCity will remove and replace the System from your roof while roof repairs are being made for a payment of \$499. You will need to provide storage space for the System during such time. Where permitted under the Lease, SolarCity will work with you to conduct an audit of your existing Home and new home to determine if a move is commercially feasible. This audit will cost \$499. If SolarCity determines that a move is commercially feasible, it will then move the System for an additional payment of \$499. If we reinstall your System, the Roof Warranty will restart at the completion of reinstallation and run for ten (10) years from reinstallation.
- (c) **Return.** If at the end of the Term you want to return the System to SolarCity under Section 17 of the Lease then SolarCity will remove the System at no cost to you. SolarCity will remove the System without damaging your property, including the posts, waterproofing the post area and return the roof as close as is reasonably possible to its original condition on an architecturally consistent basis before the System was installed (e.g. ordinary wear and tear and color variances due to manufacturing changes are excepted). SolarCity will warrant the waterproofing for one (1) year after it removes the System. You agree to reasonably cooperate with SolarCity in removing the System including providing necessary space, access and storage, and we will reasonably cooperate with you to schedule removal in a time and manner that minimizes inconvenience to you.

5. FORCE MAJEURE

If SolarCity is unable to perform all or some of its obligations under this Limited Warranty because of a Force Majeure Event, SolarCity will be excused from whatever performance is affected by the Force Majeure Event, provided that:

- (a) SolarCity, as soon as is reasonably practical, gives you notice describing the Force Majeure Event;
- (b) SolarCity's suspension of its obligations is of no greater scope and of no longer duration than is required by the Force Majeure Event (i.e. when a Force Majeure Event is over, we will make repairs); and
- (c) No SolarCity obligation that arose before the Force Majeure Event that could and should have been fully performed before such Force Majeure Event is excused as a result of such Force Majeure Event.

"Force Majeure Event" means any event, condition or circumstance beyond the control of and not caused by SolarCity's fault or negligence. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of power due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; the binding order of any governmental authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any governmental authority (provided that such action has been timely requested and diligently pursued); unavailability of power from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from SolarCity's failure to have exercised reasonable diligence); power or voltage surge caused by someone other than SolarCity including a grid supply voltage outside of the standard range specified by your utility; and failure of equipment not utilized by SolarCity or under its control.

6. LIMITATIONS ON LIABILITY

(a) No Consequential Damages

YOU MAY ONLY RECOVER DIRECT DAMAGES INCLUDING THOSE AMOUNTS DUE PURSUANT TO SECTIONS 2(b) AND 6(c) UNDER THIS LIMITED WARRANTY, AND IN NO EVENT SHALL SOLARCITY OR ITS AGENTS OR SUBCONTRACTORS BE LIABLE TO YOU OR YOUR ASSIGNS FOR SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(b) Limitation of Duration of Implied Warranties

ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY ARISING UNDER STATE LAW, SHALL IN NO EVENT EXTEND PAST THE EXPIRATION OF ANY WARRANTY



PERIOD IN THIS LIMITED WARRANTY. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(c) Limit of Liability

Notwithstanding any other provision of this Limited Warranty to the contrary, SolarCity's total liability arising out of relating to this Limited Warranty shall in no event:

- (i) For System Replacement: exceed the greater of (a) the sum of the Lease payments over the Term of the Lease; and (b) the original cost of the System; and
- (ii) For damages to your Home, belongings and property: exceed two million dollars (\$2,000,000).

7. NOTICES

All notices under this Limited Warranty shall be made in the same manner as set forth in the Lease to the addresses listed below:

TO SOLARCITY:

SolarCity Corporation
3055 Clearview Way
San Mateo, CA 94402
Attention: Warranty Claims
Telephone: 650-638-1028
Facsimile: 650-638-1029
Email: customercare@solarcity.com

TO YOU:

At the billing address in the Lease or any subsequent billing address you give us.

8. ASSIGNMENT AND TRANSFER OF THIS LIMITED WARRANTY

SolarCity may assign its rights or obligations under this Limited Warranty to a third party without your consent, provided that any assignment of SolarCity's obligations under this Limited Warranty shall be to a party professionally and financially qualified to perform such obligation. This Limited Warranty protects only the person who leases the System. Your rights and obligations under this Limited Warranty will be automatically transferred to any person who purchases the System from you or to whom you properly transfer the Lease. This Limited Warranty contains the parties' entire agreement regarding the limited warranty of the System.



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SolarCity | SolarLease

Customer Name and Address
Peter Yan
405 Great Falls Road
Rockville, MD 20850

Installation Location
405 Great Falls Road
Rockville, MD 20850

Date
4/17/2016

Here are the key terms of your SolarLease Agreement

\$0

Amount due at contract signing

\$123.89

First year monthly payment
 (Est. Price per kWh First Year: \$0.1170)

Initial here PU**20yrs**

Agreement Term

Initial here PU**The SolarCity Promise**

- We provide a money-back energy performance guarantee.
- We guarantee that if you sell your Home, the buyer will qualify to assume your Agreement. Initial here PU
- We warrant all of our roofing work.
- We restore your roof at the end of the Agreement.
- We warrant, insure and repair the System. Initial here PU
- We fix or pay for any damage we may cause to your property.
- We provide 24/7 web-enabled monitoring at no additional cost.
- The rate you pay us will never increase by more than 2.90% per year.
- The pricing in this Agreement is valid for 30 days after 4/17/2016.

Your SolarCity Lease Agreement Details

Amount due at contract signing
\$0

Est. amount due at installation
\$0

Est. amount due at building inspection
\$0

Est. first year production
12,707 kWh

Your Choices at the End of the Initial Term:

- SolarCity will remove the System at no additional cost to you.
- You can upgrade to a new System with the latest solar technology under a new contract.
- You may renew your Agreement for up to ten (10) years in two (2) five (5) year increments.
- Otherwise, the Agreement will automatically renew for an additional one (1) year term at 10% less than the then-current average rate charges by your local utility.

Your Prepayment Choices During the Term:

- If you move, you may prepay the remaining payments (if any) at a discount.

3055 Clearview Way, San Mateo, CA 94402 | 888.765.2489 | solarcity.com

1759165



1. INTRODUCTION

This SolarLease® (this “Lease” or “Agreement”) is the agreement between you and SolarCity Corporation (together with its successors and assigns, “SolarCity” or “we”), covering the lease to you of the solar panel system (the “System”) described below. The System will be installed by SolarCity at the address you listed above. This Lease will refer to this address as the “Property” or your “Home.” This Lease is up to thirteen (13) pages long and has up to three (3) Exhibits depending on the state where you live. This Lease has disclosures required by the Federal Consumer Leasing Act and, where applicable, state law. SolarCity provides you with a Performance Guarantee and Limited Warranty (the “Limited Warranty”). The Limited Warranty is attached as **Exhibit 2**. SolarCity will also provide you with a System user manual entitled “Solar Operation and Maintenance Guide” (the “Guide”), that contains important operation, maintenance and service information. This is a legally binding agreement, so please read everything carefully including all of the exhibits. If you do not meet your contract obligations under this Lease, you may lose your rights to the System. If you have any questions regarding this Lease, please ask your SolarCity sales consultant.

THIS AGREEMENT SUPERSEDES ALL PRIOR EXISTING CONTRACTS BETWEEN YOU AND SOLARCITY THAT PERTAIN TO THE “SYSTEM” DEFINED IN THIS AGREEMENT.

2. LEASE TERM

SolarCity agrees to lease you the System for **20** years (240 full calendar months), plus, if the Interconnection Date is not on the first day of a calendar month, the number of days left in that partial calendar month, including the Interconnection Date. We refer to this period of time as the “Lease Term.” The Lease Term begins on the Interconnection Date. The Interconnection Date is the date that the System is turned on and generating power. SolarCity will notify you by email when your System is ready to be turned on.

3. SYSTEM DESCRIPTION

Lease and installation of a 10.4 kW DC photovoltaic system consisting of PV modules, corresponding inverter(s) and a mounting system designed for installation and operation at your Home.

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4. LEASE PAYMENTS; AMOUNTS**A. Amounts Due at Lease Signing, Installation and Building Inspection:**Payments Due at Signing:

Amount Due at Lease Signing: \$0.00

Delivery/Installation Fee: \$0.00**Total Due at Lease Signing \$0.00**Payments Due at Installation: \$0.00Payments Due after Building Inspection: \$0.00**B. Monthly Payments:**

Your first monthly payment is \$123.89, followed by 11 monthly payments of \$123.89 each, followed by 12 monthly payments of \$127.48 each, followed by 12 monthly payments of \$131.18 each, followed by 12 monthly payments of \$134.98 each, followed by 12 monthly payments of \$138.89 each, followed by 12 monthly payments of \$142.92 each, followed by 12 monthly payments of \$147.06 each, followed by 12 monthly payments of \$151.32 each, followed by 12 monthly payments of \$155.71 each, followed by 12 monthly payments of \$160.23 each, followed by 12 monthly payments of \$164.88 each, followed by 12 monthly payments of \$169.66 each, followed by 12 monthly payments of \$174.58 each, followed by 12 monthly payments of \$179.64 each, followed by 12 monthly payments of \$184.85 each, followed by 12 monthly payments of \$190.21 each, followed by 12 monthly payments of \$195.73 each, followed by 12 monthly payments of \$201.41 each, followed by 12 monthly payments of \$207.25 each, followed by 12 monthly payments of \$213.26 each.

Your total lease payments, excluding tax, are **\$39,541.56**. Your estimated average monthly tax payments are \$0.00.

Your first Monthly Payment is due on the first day of the first full calendar month following the Interconnection Date. After your first Monthly Payment, future Monthly Payments (and any applicable taxes) are due on the first day of the calendar month.

C. Other Charges:

If you make your Monthly Payments by allowing us to automatically debit your checking or savings account, then you will receive a discount of \$7.50 on your Monthly Payments. The Monthly Payments listed above reflect this discount. If you do not allow the automatic debit, this discount will not be applied to your Monthly Payments and each Monthly Payment will be \$7.50 greater.

D. Total of Payments (A+B+C) = \$39,541.56

This is the total amount you will have paid by the end of this Lease by making 240 payments in total. It includes the Monthly Payments stated above and estimated taxes of \$0.



E. Purchase Option At End of Lease Term:

You do not have an option to purchase the System at the end of the Lease Term.

F. Other Important Terms:

See Section 2 above for additional information on the Lease Term and also see below for additional information on termination, purchase options, renewal options, maintenance responsibilities, warranties, late and default charges and prohibition on assignment without SolarCity's consent. Payments due upon installation are due immediately prior to commencement of installation.

5. LEASE OBLIGATIONS**(a) System, Home and Property Maintenance****You agree to:**

- (i) only have the System repaired pursuant to the Limited Warranty and reasonably cooperate when repairs are being made;
- (ii) keep trees, bushes and hedges trimmed so that the System receives as much sunlight as it did when SolarCity installed it;
- (iii) keep the panels clean, pursuant to the Limited Warranty and the Guide;
- (iv) not modify your Home in a way that shades the System;
- (v) be responsible for any conditions at your Home that affect the installation (e.g. blocking access to the roof or removing a tree that is in the way, prior work you have done on your home that was not permitted);
- (vi) not remove any markings or identification tags on the System;
- (vii) permit SolarCity, after we give you reasonable notice, to inspect the System for proper operation as we reasonably determine necessary;
- (viii) use the System primarily for personal, family or household purposes, but not to heat a swimming pool;
- (ix) not do anything, permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Property;

- (x) notify SolarCity if you think the System is damaged or appears unsafe; if the System is stolen; and prior to changing your power supplier;
- (xi) have anyone who has an ownership interest in your Home sign this Lease;
- (xii) return any documents we send you for signature (like incentive claim forms) within seven (7) days of receiving them; and
- (xiii) maintain and make available, at your cost, a functioning indoor internet connection with a router, one DHCP enabled Ethernet port with internet access and standard AC power outlet close enough and free of interference to enable an internet-connected gateway provided by SolarCity to communicate wirelessly with the system's inverter (typically this is 80 feet, but may depend on site conditions). See Section 2(c)(ii) of the Limited Warranty for details; and
- (xiv) if your home is governed by a home owner's association or similar community organization, obtain all approvals and authorizations for the System required by that organization and advise us of any requirements of that organization that will otherwise impact the System, its installation or operation.

(b) System Construction, Repair, Insurance and SolarCity's obligations:**SolarCity agrees to:**

- (i) schedule the installation of the System at a mutually convenient date and time;
- (ii) construct the System according to written plans you review;



- (iii) provide you with a web-enabled meter to accurately measure the amount of power the System delivers to you;
- (iv) notify you if the System design has to be materially changed so that you can review any such changes;
- (v) clean up after ourselves during the construction of the System;
- (vi) insure our actions, covering damages to your property caused by faulty installation, System malfunction or manufacturing defects;
- (vii) not be a loss payee (or named insured) on the insurance policy covering your Home;
- (viii) repair the System pursuant to the Limited Warranty and reasonably cooperate with you when scheduling repairs;
- (ix) create a priority stream of operation and maintenance payments to provide enough cash flow in our financing transactions to pay for the Limited Warranty obligations and the repair and maintenance of the System in accordance with this Lease even if SolarCity ceases to operate; and
- (x) not put a lien on your Home or Property.

(c) Home Renovations or Repairs

If you want to make any repairs or improvements to the Property that could interfere with the System (such as repairing the roof where the System is located), you may only remove and replace the System pursuant to the Limited Warranty.

(d) Automatic Payment; Fees; Late Charges

In addition to the other amounts you agree to pay in this Lease, you agree to pay the following:

- (i) Automatic Payment Discount: If you make your Monthly Payments by allowing us to automatically debit your checking or savings account, then you will receive a discount of \$7.50 on your Monthly Payments. The Monthly Payments listed in Section 4 of this Agreement reflect this discount. If you do not allow the automatic

debit, this discount will not be applied to your Monthly Payments and each Monthly Payment will be \$7.50 greater;

- (ii) Returned Check Fee: \$25 (or such lower amount as required by law) for any check or withdrawal right that is returned or refused by your bank; and
- (iii) Late payments: accrue interest at twelve percent (12%) annually or the maximum allowable by applicable law.

(e) Insurance

SolarCity shall insure the System against all damage or loss unless (i) that damage or loss is caused by your gross negligence; or (ii) that damage or loss is caused by ball strikes; or (iii) you intentionally damage the System.

(f) Estimated Taxes

You agree to pay any applicable sales or use taxes on the Monthly Payments due under this Lease. If this Lease contains a purchase option at the end of the Lease Term, you agree to pay any applicable tax on the purchase price for the System. You also agree to pay as invoiced any applicable personal property taxes on the System that your local jurisdiction may levy. The total estimated amount you will pay for taxes over the Lease Term is **\$0**.

(g) No Alterations

You agree that you will not make any modifications, improvements, revisions or additions to the System or take any other action that could void the Limited Warranty on the System without SolarCity's prior written consent. If you make any modifications, improvements, revisions or additions to the System, they will become part of the System and shall be SolarCity's property.

(h) Access to the System

- (i) You grant to SolarCity and its employees, agents and contractors the right to reasonably access all of the Property as necessary for the purposes of (A) installing, constructing, operating, owning, repairing, removing and replacing the System or making



any additions to the System or installing complementary technologies on or about the location of the System; (B) enforcing SolarCity's rights as to this Lease and the System; (C) installing, using and maintaining electric lines, inverters and meters, necessary to interconnect the System to your electric system at the Property and/or to the utility's electric distribution system; or (D) taking any other action reasonably necessary in connection with the construction, installation, operation, maintenance, removal or repair of the System. This access right shall continue for up to ninety (90) days after this Lease expires to provide SolarCity with time to remove the System at the end of the Lease Term. SolarCity shall provide you with reasonable notice of its need to access the Property whenever commercially reasonable.

- (ii) During the time that SolarCity has access rights you shall ensure that its access rights are preserved and shall not interfere with or permit any third party to interfere with such rights or access. You agree that the System is not a fixture, but SolarCity has the right to file any UCC-1 financing statement or fixture filing that confirms its interest in the System.

(i) Indemnity

To the fullest extent permitted by law, you shall indemnify, defend, protect, save and hold harmless SolarCity, its employees, officers, directors, agents, successors and assigns from any and all third party claims, actions, costs, expenses (including reasonable attorneys' fees and expenses), damages, liabilities, penalties, losses, obligations, injuries, demands and liens of any kind or nature arising out of, connected with, relating to or resulting from your negligence or willful misconduct; provided, that nothing herein shall require you to indemnify SolarCity for its own negligence or willful misconduct. The provisions of this paragraph shall survive termination or expiration of this Lease.

(j) Monthly Payments

The Monthly Payments section (Section 4(B)) describes your monthly payment obligations under this Lease. YOU AGREE THAT THIS IS A NET LEASE AND THE OBLIGATION TO PAY ALL MONTHLY PAYMENTS AND ALL OTHER AMOUNTS DUE UNDER THIS LEASE SHALL BE ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, DEFENSE, COUNTERCLAIM, SETOFF, RECOUPMENT OR REDUCTION FOR ANY REASON WHATSOEVER, IT BEING THE EXPRESS INTENT OF THE PARTIES THAT ALL AMOUNTS PAYABLE BY YOU HEREUNDER SHALL BE AND CONTINUE TO BE PAYABLE IN ALL EVENTS INCLUDING BY YOUR HEIRS AND ESTATE AND, EXCEPT AS SET FORTH BELOW IN SECTIONS 6, 23 AND 24, YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS LEASE, TO REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM.

- (k) You authorize SolarCity, or its designee, to obtain your credit report now and in the future, check your credit and employment history, answer questions others may ask regarding your credit and share your credit information with SolarCity's financing partners. You certify that all information you provide to us in connection with checking your credit will be true and understand that this information must be updated upon request if your financial condition changes.

6. CONDITIONS PRIOR TO INSTALLATION OF THE SYSTEM

(a) SolarCity's Obligation to Install and Lease

SolarCity's obligations to install and lease the System are conditioned on the following items having been completed to its reasonable satisfaction:

- (i) completion of (A) the engineering site audit (a thorough physical inspection of the Property, including, if applicable, geotechnical work), (B) the final System design, and (C) real estate due diligence to confirm the suitability of the Property for the construction, installation and operation of the System;
- (ii) approval of this Lease by SolarCity's financing partner(s);



- (iii) your meeting the applicable credit score;
- (iv) confirmation of rebate, tax credit and renewable energy credit payment availability in the amount used to calculate the Monthly Payment amounts set forth in this Lease;
- (v) confirmation that SolarCity will obtain all applicable benefits referred to in Section 9;
- (vi) receipt of all necessary zoning, land use and building permits; and
- (vii) completion of any renovations, improvements or changes reasonably required at your Home or on the Property (e.g. removal of a tree or roof repairs necessary to enable SolarCity to safely install the System); and
- (viii) if your home is governed by a home owner's association or similar community organization, your receipt of all approvals and authorizations for the System required by that organization and advising us of any requirements of that organization that will otherwise impact the System, its installation or operation.

SolarCity may terminate this Lease without liability if, in its reasonable judgment, any of the above listed conditions (i) through (vi) will not be satisfied for reasons beyond its reasonable control. Once SolarCity starts installation, however, it may not terminate this Lease for the failure to satisfy conditions (i) through (vi) above.

(b) Amendments, Your Right to Terminate for Material Changes.

Both parties will have the right to terminate this Lease, without penalty or fee, if SolarCity determines after the engineering site audit of your Home that it has misestimated by more than ten percent (10%) any of (i) the System size, (ii) the System's total cost or (iii) the System's annual production. Such termination right will expire at the **earlier** of (A) one (1) week prior to the scheduled System installation date and (B) one (1) month after we inform you in writing of the revised size, cost or production estimate. If neither party exercises their right to terminate this Lease following such a 10% change, then any changes to the

System will be documented in an amendment to this Lease. You authorize SolarCity to make corrections to the utility paperwork to conform to this Lease or any amendments to this Lease we both sign.

7. WARRANTY

YOU UNDERSTAND THAT THE SYSTEM IS WARRANTED SOLELY UNDER THE LIMITED WARRANTY ATTACHED AS **EXHIBIT 2**, AND THAT THERE ARE NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, DESIGN, CAPACITY, SUITABILITY OR PERFORMANCE OF THE SYSTEM OR ITS INSTALLATION.

8. TRANSFER

SolarCity works with banks, large companies and other significant financing partners to finance your System. As a result, SolarCity will assign this Lease to one of its financing partners. SolarCity may assign, sell or transfer the System and this Lease, or any part of this Lease or the exhibits, without your consent. Assignment, sale or transfer generally means that SolarCity would transfer certain of its rights and certain of its obligations under this Lease to another party. This assignment does not change SolarCity's obligation to maintain and repair your System as set forth in the Limited Warranty.

9. OWNERSHIP OF THE SYSTEM; TAX CREDITS AND REBATES

You agree that the System is SolarCity's personal property under the Uniform Commercial Code. You understand and agree that this is a lease and not a sale agreement. SolarCity owns the System for all purposes, including any data generated from the System. You shall at all times keep the System free and clear of all liens, claims, levies and legal processes not created by SolarCity, and shall at your expense protect and defend SolarCity against the same.

YOU UNDERSTAND AND AGREE THAT ANY AND ALL TAX CREDITS, INCENTIVES, RENEWABLE ENERGY CREDITS, GREEN TAGS, CARBON OFFSET CREDITS, UTILITY REBATES OR ANY OTHER NON-POWER ATTRIBUTES OF THE SYSTEM ARE THE PROPERTY OF AND FOR THE BENEFIT OF SOLARCITY, USABLE AT ITS SOLE DISCRETION. SOLARCITY SHALL HAVE THE EXCLUSIVE RIGHT TO ENJOY AND USE ALL



SUCH BENEFITS, WHETHER SUCH BENEFITS EXIST NOW OR IN THE FUTURE. YOU AGREE TO REFRAIN FROM ENTERING INTO ANY AGREEMENT WITH YOUR UTILITY THAT WOULD ENTITLE YOUR UTILITY TO CLAIM ANY SUCH BENEFITS. YOU AGREE TO REASONABLY COOPERATE WITH SOLARCITY SO THAT IT MAY CLAIM ANY TAX CREDITS, RENEWABLE ENERGY CREDITS, REBATES, CARBON OFFSET CREDITS OR ANY OTHER BENEFITS FROM THE SYSTEM. THIS MAY INCLUDE, TO THE EXTENT ALLOWABLE BY LAW, ENTERING INTO NET METERING AGREEMENTS, INTERCONNECTION AGREEMENTS, AND FILING RENEWABLE ENERGY/CARBON OFFSET CREDIT REGISTRATIONS AND/OR APPLICATIONS FOR REBATES FROM THE FEDERAL, STATE OR LOCAL GOVERNMENT OR A LOCAL UTILITY AND GIVING THESE TAX CREDITS, RENEWABLE ENERGY/CARBON CREDITS, REBATES OR OTHER BENEFITS TO SOLARCITY.

You understand that solar renewable energy credits (SRECs) and associated data cannot be generated without internet. As such, you agree to maintain and make available, at your cost, a functioning indoor Internet connection with the understanding that Wi-Fi hotspotting, tethering and intermittent Internet connection will not satisfy this obligation. You also agree to cooperate with SolarCity as necessary to provide any other information required to generate SRECs and troubleshoot monitoring issues. Your failure to cooperate with SolarCity with respect to Internet requirements will result in your obligation to compensate SolarCity for all lost SREC revenue and related costs, subject to a monthly charge of no less than \$10.00 (ten dollars) per month until adequate Internet monitoring is implemented or restored.

10. PURCHASING THE SYSTEM PRIOR TO THE END OF THE LEASE TERM

You do not have an option to purchase the System at the end of the Lease Term.

11. RENEWAL

If you are in compliance with your Lease, you have the option to renew your Lease for up to ten (10) years in two (2) five (5) year renewal periods. We will send you renewal forms three (3) months prior to the expiration of the Lease Term, which forms shall set forth the new Monthly Payments due under the renewed Lease, based on our assessment of the then current fair market value of the System. If you want to renew, complete the

renewal forms and return them to us at least one (1) month prior to the expiration of the Lease Term. In the event that you respond that you do not agree to the new Monthly Payments, the Lease shall expire by its terms on the termination date. If you don't send us anything in writing after we send you the renewal forms, then this Lease shall renew for an additional one (1) year term at ten percent (10%) less than the then-current average rate charged by your local utility and shall continue to renew for one (1) year terms at that same rate until (i) you give us notice at least thirty (30) days prior to a renewal term that you do not wish to renew; or (ii) we send you a notice terminating the Lease.

12. SELLING YOUR HOME

(a) If you sell your Home you can:

(i) Transfer this Lease and the Monthly Payments.

The person buying your Home (the "Home Buyer") can sign a transfer agreement assuming all of your rights and obligations under this Agreement by qualifying in one of three ways:

- 1) The Home Buyer has a FICO score of 650 or greater;
- 2) The Home Buyer is paying cash for your Home; or
- 3) If the Home Buyer does not qualify under (1) or (2), the Home Buyer qualifies for a mortgage to purchase your Home and either you or the Home Buyer pays us a \$250 credit exception fee.

(ii) Move the System to Your New Home.

If you are moving to a new home in the same utility district, then where permitted by the local utility, the System can be moved to your new home pursuant to the Limited Warranty. You will need to pay all costs associated with relocating the System, execute and provide the same access and ownership rights as provided for in this Lease and provide any third party consents or releases required by SolarCity in connection with the substitute premises.

(iii) Prepay this Lease and Transfer only the Use of the System.



At any time during the Lease Term, if the person buying your home does not meet SolarCity's credit requirements, but still wants the System, then you can (A) prepay the payments remaining on the Lease (See Section 16(i)(i) and (ii)), (B) add the cost of the Lease to the price of your home; and (C) have the person buying your Home sign a transfer agreement to assume your rights and non-Monthly Payment obligations under this Lease. The System stays at your Home, the person buying your Home does not make any Monthly Payments and has only to comply with the non-Monthly Payment portions of this Lease.

- (b) You agree to give SolarCity at least fifteen (15) days but not more than three (3) months' prior written notice if you want someone to assume your Lease obligations. In connection with this assumption, you, your approved buyer and SolarCity shall execute a written transfer of this Lease. Unless we have released you from your obligations in writing, you are still responsible for performing under this Lease. If your buyer defaults on this Lease and we have not yet signed the transfer agreement, you will be responsible for their default. We will release you from your obligations under this Lease in writing once we have a signed transfer agreement with the person buying your Home (provided such person has been approved as a transferee by SolarCity in writing).
- (c) If you sell your Home and can't comply with any of the options in subsection (a) above, you will be in default under this Lease. Section 12(a) includes a Home sale by your estate or heirs.
- (d) Free Assumability. This agreement is free of any restrictions that would prevent the homeowner from freely transferring their Property. In the event of a foreclosure on the Property, your lender has the right (but not the obligation) to do ONE of the following:
 - (i) terminate this Agreement and require SolarCity to remove the System subject to your obligations under Sections 15 and 16;
 - (ii) become a beneficiary (but not obligor) of your Agreement free of charge (i.e., receive power from the System and enforce the Limited

Warranty but not have the obligation to make payment, which obligation will remain with you – if you don't make timely payment you will be in default under Section 15 and SolarCity can terminate, remove the System and take all other remedies it has under Section 16);

- (iii) enter into a new Agreement with SolarCity on terms no less favorable than the current Agreement; or
- (iv) require transfer of the Agreement under Section 12 to a subsequent purchaser of the Property.

SolarCity will not prohibit the sale, conveyance or refinancing of the Property. SolarCity may choose to file in the real estate records a UCC-1 financing statement ("Fixture Filing") that preserves their rights in the System. The Fixture Filing is intended only to give notice of its rights relating to the System and is not a lien or encumbrance against the Property. SolarCity shall explain the Fixture Filing to any subsequent purchasers of the Property and any related lenders as requested. SolarCity shall also accommodate reasonable requests from lenders or title companies to facilitate a purchase, financing or refinancing of the Property.

- (e) EXCEPT AS SET FORTH IN THIS SECTION, YOU WILL NOT SUBLEASE, ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THE SYSTEM OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD.

13. LOSS OR DAMAGE

- (a) Unless you are grossly negligent, you intentionally damage the System, or damage or loss to the System is caused by ball strikes, SolarCity will bear all of the risk of loss, damage, theft, destruction or similar occurrence to any or all of the System. Except as expressly provided in this Lease, no loss, damage, theft or destruction will excuse you from your obligations under this Lease, including Monthly Payments.
- (b) If there is loss, damage, theft, destruction or a similar occurrence affecting the System, and you are not in



default of this Lease, you shall continue to timely make all Monthly Payments and pay all other amounts due under the Lease and, cooperate with SolarCity, at SolarCity's sole cost and expense, to have the System repaired pursuant to the Limited Warranty.

14. LIMITATION OF LIABILITY

(a) No Consequential Damages

SOLARCITY'S LIABILITY TO YOU UNDER THIS LEASE SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES.

(b) Actual Damages

Except for claims under Section 5(i), neither party's liability to the other will exceed an amount equal to the maximum amount that could be payable by you under Section 16(i). Damages to your Home, belongings or property resulting from the installation or operation of the System are covered in Section 6(c) of the Limited Warranty.

15. DEFAULT

You will be in default under this Lease if any one of the following occurs:

- (a) you fail to make any payment when it is due and such failure continues for a period of ten (10) days;
- (b) you fail to perform any material obligation that you have undertaken in this Lease (which includes doing something you have agreed not to do, like alter the System) and such failure continues for a period of fourteen (14) days after written notice;
- (c) you or your guarantor have provided any false or misleading financial or other information to obtain this Lease;
- (d) you assign, transfer, encumber, sublet or sell this Lease or any part of the System without SolarCity's prior written consent; or
- (e) you or any guarantor makes an assignment for the benefit of creditors, admits in writing its insolvency, files or there is filed against you or it a voluntary petition in bankruptcy, is adjudicated bankrupt or

insolvent or undertakes or experiences any substantially similar activity.

16. REMEDIES IN CASE OF DEFAULT

If this Lease is in default, we may take any one or more of the following actions. If the law requires us to do so, we will give you notice and wait any period of time required before taking any of these actions. We may:

- (a) terminate this Lease and your rights to possess and use the System;
- (b) suspend our performance under this Lease;
- (c) take any reasonable action to correct your default or to prevent our loss; any amount we pay will be added to the amount you owe us and will be immediately due;
- (d) require you, at your expense, to return the System or make it available to us in a reasonable manner;
- (e) proceed, by appropriate court action, to enforce performance of this Lease and to recover damages for your breach;
- (f) disconnect, turn off or take back the System by legal process or self-help, but we may not disturb the peace or violate the law;
- (g) report such non-operational status of the System to your utility, informing them that you are no longer net metering;
- (h) charge you a reasonable reconnection fee for reconnecting the System to your utility or turning your System back on after we disconnect or turn off the System due to your default;
- (i) recover from you (i) all accrued but unpaid Monthly Payments, taxes, late charges, penalties, interest and all or any other sums then accrued or due and owing, plus (ii) the unpaid balance of the aggregate rent, each payment discounted to present value at 5% per annum, plus (iii) reasonable compensation, on a net after tax basis assuming a tax rate of 35%, for the loss or recapture of (A) the investment tax credit equal to thirty percent (30%) of the System cost, including installation; and (B) accelerated depreciation over five (5) years equal to eighty five percent (85%) of the System cost, including installation, and for the loss of



any anticipated benefits pursuant to Section 9 of this Lease (SolarCity shall furnish you with a detailed calculation of such compensation if such a claim is made); or

- (j) use any other remedy available to us in this Lease or by law.

You agree to repay us for any reasonable amounts we pay to correct or cover your default. You also agree to reimburse us for any costs and expenses we incur relating to the System's return resulting from early termination. By choosing any one or more of these remedies, SolarCity does not give up its right to use another remedy. By deciding not to use any remedy should this Lease be in default, SolarCity does not give up our right to use that remedy in case of a subsequent default.

We may submit to credit reporting agencies (credit bureaus) negative credit reports that would be reflected on your credit record if you do not pay any amounts due under this Lease as required.

17. SYSTEM REMOVAL: RETURN

At the end of the Term or the termination of this Lease, if you have not renewed this Lease or exercised your purchase option (if any) and you have not defaulted, then within ninety (90) days you agree to call SolarCity at the telephone number listed in Section 7 of Exhibit 2 to schedule a convenient time for SolarCity to remove the System from your Home at no cost to you.

18. APPLICABLE LAW; ARBITRATION

PLEASE READ THIS SECTION CAREFULLY. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, A DISPUTE IS RESOLVED BY AN ARBITRATOR INSTEAD OF A JUDGE OR JURY.

The laws of the state where your Home is located shall govern this Lease without giving effect to conflict of laws principles. We agree that any dispute, claim or disagreement between us (a "Dispute") shall be resolved exclusively by arbitration.

The arbitration, including the selecting of the arbitrator, will be administered by JAMS, under its Streamlined Arbitration Rules (the "Rules") by a single neutral arbitrator agreed on

by the parties within thirty (30) days of the commencement of the arbitration. The arbitration will be governed by the Federal Arbitration Act (Title 9 of the U.S. Code). Either party may initiate the arbitration process by filing the necessary forms with JAMS. To learn more about arbitration, you can call any JAMS office or review the materials at www.jamsadr.com. The arbitration shall be held in the location that is most convenient to your Home. If a JAMS office does not exist within fifty (50) miles of your Home, then we will use another accredited arbitration provider with offices close to your Home.

If you initiate the arbitration, you will be required to pay the first \$125 of any filing fee. We will pay any filing fees in excess of \$125 and we will pay all of the arbitration fees and costs. If we initiate the arbitration, we will pay all of the filing fees and all of the arbitration fees and costs. We will each bear all of our own attorney's fees and costs except that you are entitled to recover your attorney's fees and costs if you prevail in the arbitration and the award you receive from the arbitrator is higher than SolarCity's last written settlement offer. When determining whether your award is higher than SolarCity's last written settlement offer your attorney's fees and costs will not be included.

Only Disputes involving you and SolarCity may be addressed in the arbitration. Disputes must be brought in the name of an individual person or entity and must proceed on an individual (non-class, non-representative) basis. The arbitrator will not award relief for or against anyone who is not a party. If either of us arbitrates a Dispute, neither of us, nor any other person, may pursue the Dispute in arbitration as a class action, class arbitration, private attorney general action or other representative action, nor may any such Dispute be pursued on your or our behalf in any litigation in any court. Claims regarding any Dispute and remedies sought as part of a class action, class arbitration, private attorney general or other representative action are subject to arbitration on an individual (non-class, non-representative) basis, and the arbitrator may award relief only on an individual (non-class, non-representative) basis. This means that the arbitration may not address disputes involving other persons with disputes similar to the Disputes between you and SolarCity.

The arbitrator shall have the authority to award any legal or equitable remedy or relief that a court could order or grant under this agreement. The arbitrator, however, is not



authorized to change or alter the terms of this agreement or to make any award that would extend to any transaction other than yours. All statutes of limitations that are applicable to any dispute shall apply to any arbitration between us. The Arbitrator will issue a decision or award in writing, briefly stating the essential findings of fact and conclusions of law.

BECAUSE YOU AND WE HAVE AGREED TO ARBITRATE ALL DISPUTES, NEITHER OF US WILL HAVE THE RIGHT TO LITIGATE THAT DISPUTE IN COURT, OR TO HAVE A JURY TRIAL ON THAT DISPUTE, OR ENGAGE IN DISCOVERY EXCEPT AS PROVIDED FOR IN THE RULES. FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS PERTAINING TO ANY DISPUTE. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING ON THE PARTIES AND MAY BE ENTERED AND ENFORCED IN ANY COURT HAVING JURISDICTION, EXCEPT TO THE EXTENT IT IS SUBJECT TO REVIEW IN ACCORDANCE WITH APPLICABLE LAW GOVERNING ARBITRATION AWARDS. OTHER RIGHTS THAT YOU OR WE WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

19. WAIVER

Any delay or failure of a party to enforce any of the provisions of this Lease, including but not limited to any remedies listed in this Lease, or to require performance by the other party of any of the provisions of this Lease, shall not be construed to (i) be a waiver of such provisions or a party's right to enforce that provision; or (ii) affect the validity of this Lease.

20. NOTICES

All notices under this Lease shall be in writing and shall be by personal delivery, facsimile transmission, electronic mail, overnight courier, or certified, or registered mail, return receipt requested, and deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices shall be sent to the person identified in this Lease at the addresses set forth in this Lease or such other address as either party may specify in writing. Each party shall deem a document faxed or sent via PDF as an original document.

21. ENTIRE AGREEMENT; CHANGES

This Lease contains the parties' entire agreement regarding the lease of the System. There are no other agreements regarding this Lease, either written or oral. Any change to this Lease must be in writing and signed by both parties. Only an authorized officer of SolarCity may execute any change to this Lease on behalf of SolarCity. If any portion of this Lease is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted or re-written so as to make them enforceable.

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22. PRIVACY/PUBLICITY

You grant SolarCity the right to publicly use, display, share, and advertise the photographic images, Project details, price and any other non-personally identifying information of your Project. SolarCity shall not knowingly release any personally identifiable information about you or any data associating you with the Project location. You may opt-out of these publicity rights by giving us written notice and mailing it to: SolarCity Corporation, Attention: Publicity Opt Out, 3055 Clearview Way, San Mateo, CA 94402.

23. NOTICE OF RIGHT TO CANCEL

YOU MAY CANCEL THIS LEASE AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE YOU SIGN THIS LEASE. SEE EXHIBIT 1, THE ATTACHED NOTICE OF CANCELLATION FORM, FOR AN EXPLANATION OF THIS RIGHT.

24. ADDITIONAL RIGHTS TO CANCEL

IN ADDITION TO ANY RIGHTS YOU MAY HAVE TO CANCEL THIS LEASE UNDER SECTIONS 6 AND 23, YOU MAY ALSO CANCEL THIS LEASE AT NO COST AT ANY TIME PRIOR TO COMMENCEMENT OF CONSTRUCTION ON YOUR HOME.

25. Pricing

The pricing in this Lease is valid for 30 days after 4/17/2016. If you don't sign this Lease and return it to us on or prior to 30 days after 4/17/2016, SolarCity reserves the right to reject this Lease unless you agree to our then current pricing.

I have read this Lease and the Exhibits in their entirety and I acknowledge that I have received a complete copy of this Lease.

Customer's Name: Peter Yan

DocuSigned by:
Signature: Peter Yan
0FCC57D9BAA54ED...
Date: 4/17/2016

Customer's Name:

Signature: _____
Date: _____

SolarLease Agreement

**SolarCity
approved**

Signature: Lyndon Rive
Lyndon Rive, CEO
Date: 4/17/2016



EXHIBIT 1 (SOLARCITY COPY)
NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE

Notice of Cancellation

Date of Transaction: The date you signed the Lease.

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within TEN DAYS following receipt by the seller (SolarCity Corporation) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller (SolarCity Corporation) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller (SolarCity Corporation) regarding the return shipment of the goods at the seller's (SolarCity Corporation's) expense and risk. If you do make the goods available to the seller (SolarCity Corporation) and the seller (SolarCity Corporation) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller (SolarCity Corporation), or if you agree to return the goods to the seller (SolarCity Corporation) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to SolarCity Corporation, Document Receiving, 6611 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 NOT LATER THAN MIDNIGHT of the date that is THREE BUSINESS DAYS from the date you signed the Lease.

I, Peter Yan, hereby cancel this transaction on _____ [Date].

Customer's Signature:

Customer's Signature:



EXHIBIT 1 (CUSTOMER COPY)
NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE

Notice of Cancellation

Date of Transaction: The date you signed the Lease.

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within TEN DAYS following receipt by the seller (SolarCity Corporation) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller (SolarCity Corporation) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller (SolarCity Corporation) regarding the return shipment of the goods at the seller's (SolarCity Corporation's) expense and risk. If you do make the goods available to the seller (SolarCity Corporation) and the seller (SolarCity Corporation) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller (SolarCity Corporation), or if you agree to return the goods to the seller (SolarCity Corporation) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to SolarCity Corporation, Document Receiving, 6611 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 NOT LATER THAN MIDNIGHT of the date that is THREE BUSINESS DAYS from the date you signed the Lease.

I, Peter Yan, hereby cancel this transaction on _____ [Date].

Customer's Signature:

Customer's Signature:



Exhibit 2**PERFORMANCE GUARANTEE AND LIMITED WARRANTY****1. INTRODUCTION**

This Performance Guarantee and Limited Warranty (this “Limited Warranty”) is SolarCity’s agreement to provide you warranties on the System you leased. The System will be professionally installed by SolarCity at the address you listed in the Lease. We will refer to the installation location as your “Property” or your “Home.” This Limited Warranty begins when we start the survey of your Home for the System.

2. LIMITED WARRANTIES, PERFORMANCE GUARANTEE**(a) Limited Warranties****(i) System Warranty**

Under normal use and service conditions the System will be free from defects in workmanship or defects in, or a breakdown of, materials or components, for the full Term;

(ii) Roof Warranty

All roof penetrations we make for your System will be watertight. This warranty will run the longer of (a) the first ten (10) years of the Term or (b) the length of any existing installation warranty or new home builder performance standard for your roof;

(iii) Damage Warranty

We will repair damage we cause to your Home, your belongings or your property or pay you for the damage we cause, as limited by Section 6, for the full Term (except damages that result from our roof penetrations, which damages are covered for the first ten (10) years of the Term).

Under each of these warranties SolarCity will repair or replace any damage, defective part, material or component or correct any defective workmanship, at no cost or expense to you (including all labor costs), when you submit a valid claim to us under this Limited Warranty. SolarCity may use new or reconditioned parts when making repairs or replacements. SolarCity may also, at no additional cost to you, upgrade or add to any part of the System to ensure that it performs according to the guarantees set forth in this Limited Warranty. Cosmetic repairs that do not involve safety or performance shall be made at SolarCity’s discretion.

(b) Performance Guarantee**(i) Power Production Guarantee**

SolarCity guarantees that during the Lease Term the System will generate kilowatt-hours (kWh) as set forth in the table below and calculated as follows. To calculate the guaranteed amount of kWh for an applicable two-year period (“Guaranteed kWh”) we will take the applicable year’s Total kWh in the chart below minus the Total kWh from two years prior, also as indicated in the chart below:



Year	Total kWh	Guaranteed Price/kWh
2	24,082	0.12100
4	47,925	0.12941
6	71,529	0.13840
8	94,898	0.14802
10	118,034	0.15831
12	140,939	0.16932
14	163,616	0.18109
16	186,066	0.19367
18	208,292	0.20713
20	230,297	0.22153

- A. If at the end of each successive 24 month anniversary of your first monthly payment the cumulative Actual kWh (defined below) generated by the System is less than the Guaranteed kWh, **then we will send you a refund check** equal to the difference between the cumulative Actual kWh and the Guaranteed kWh multiplied by the Guaranteed Energy Price per kWh (defined below). Your cumulative Actual kWh is dependent on a shading percentage of 0.55% on your Home. If this shading percentage increases, your Guaranteed Actual kWh will be reduced proportionately.

For example, if the first 24 month period commences on October 1, 2013 and ends on September 30, 2015, and the energy the System was supposed to generate is less than the energy the system was guaranteed to generate during such 24 month period, we will pay you the difference in the Actual kWh and the Guaranteed kWh multiplied by the Guaranteed Energy price per kWh within thirty (30) days after we receive your request. See the table below for a real world example.

Example Guaranteed kWh	Example Actual kWh	Example Guaranteed \$/kWh Energy Price	Example Payment to You
10,000	9,500	\$0.10	\$50.00

- B. If at the end of each successive 24 month anniversary of your first monthly payment the Actual kWh is **greater** than the Guaranteed kWh during any 24 month period, this surplus will be carried over and will be used to offset any deficits that may occur in the future. If over the course of the Term your System produces more energy than the Guaranteed Output then this additional energy is yours at no additional cost.

“Actual kWh” means the AC electricity produced by your System in kilowatt-hours measured and recorded by SolarCity during each successive 24 month anniversary of your first monthly payment. To measure the Actual kWh we will use the



PowerGuide Solar Monitoring Service or to the extent such services are not available, we will estimate the Actual kWh by reasonable means.

"Guaranteed Energy Price per kWh" is set out in the table immediately after the first paragraph in Section 2(b)(i) above.

(ii) PowerGuide™ Solar Monitoring

During the Lease Term, we will provide you at no additional cost our PowerGuide Solar Monitoring Service ("PowerGuide"). PowerGuide is a proprietary monitoring system designed and installed by SolarCity that captures and displays historical energy generation data over an Internet connection and consists of hardware located on site and software hosted by SolarCity. If your System is not operating within normal ranges, PowerGuide will alert us and we will remedy any material issues promptly.

(c) Maintenance and Operation

(i) General

When the System is installed SolarCity will provide you with a copy of its Solar Operation and Maintenance Guide. This Guide provides you with System operation and maintenance instructions, answers to frequently asked questions, troubleshooting tips and service information. We will install a safety anchor in your roof during the survey of your Home for the System. We will leave this anchor installed for our future use throughout the survey, installation and operation of your System. This safety anchor is for our use only. You are not authorized to use this anchor.

(ii) PowerGuide

PowerGuide requires a high speed Internet line to operate. Therefore, during the Lease Term, you agree to maintain the communication link between PowerGuide and the System and between PowerGuide and the Internet. You agree to maintain and make available, at your cost, a functioning indoor internet connection with a router, one DHCP enabled Ethernet port with internet access and standard AC power outlet close enough and free of interference to enable an internet-connected gateway provided by SolarCity to communicate wirelessly with the system's inverter (typically this is 80 feet, but may depend on site conditions). This communication link must be a 10/100 Mbps Ethernet connection that supports common Internet protocols (TCP/IP and DHCP). If you do not have and maintain a working high speed Internet line then (A) we will not be able to monitor the System and provide you with the Power Production Guarantee or provide PowerGuide; and (B) you will be required to provide SolarCity with annual production information from your inverter.

(d) Making a Claim; Transferring this Warranty

(i) Claims Process

You can make a claim by:

- A. emailing us at the email address in Section 7 below;
- B. writing us a letter and sending it overnight mail with a well-known service; or
- C. sending us a fax at the number in Section 7 below.

(ii) Transferable Limited Warranty

SolarCity will accept and honor any valid and properly submitted Warranty claim made during any Lease Term by any person who either purchases the System from you or to whom you properly transfer the Lease.

(e) Exclusions and Disclaimer

The limited warranties and guarantee provided in this Limited Warranty do not apply to any lost power production or any repair, replacement or correction required due to the following:

- (i) someone other than SolarCity or its approved service providers installed, removed, re-installed or repaired the System;



- (ii) destruction or damage to the System or its ability to safely produce power not caused by SolarCity or its approved service providers while servicing the System (e.g. if a tree falls on the System we will replace the System per the Lease, but we will not repay you for power it did not produce);
- (iii) your failure to perform, or breach of, your obligations under the Lease (e.g. you modify or alter the System);
- (iv) your breach of this Limited Warranty, including your being unavailable to provide access or assistance to us in diagnosing or repairing a problem, or your failing to maintain the System as stated in the Solar Operation and Maintenance Guide;
- (v) any Force Majeure Event (as defined below);
- (vi) shading from foliage that is new growth or is not kept trimmed to its appearance on the date the System was installed;
- (vii) any system failure or lost production not caused by a System defect (e.g. the System is not producing power because it has been removed to make roof repairs or you have required us to locate the inverter in a non-shaded area);
- (viii) theft of the System (e.g. if the System is stolen we will replace the System per the Lease, but we will not repay you for the power it did not produce);
- (ix) damage to your Home, belongings or property that results from our roof penetrations after the end of the Roof Warranty; and
- (x) damage or loss to the System due to ball strikes.

This Limited Warranty gives you specific rights, and you may also have other rights which vary from state to state. This Limited Warranty does not warrant any specific electrical performance of the System, other than that described above.

Snow or ice may accumulate on rooftops and on solar panels during snow storms. Accumulated snow or ice may slide or fall, resulting in property damage or bodily harm. If and when conditions safely allow you to remove accumulated snow or ice, you should do so to reduce the likelihood of excess snow sliding or falling.

THE LIMITED WARRANTIES DESCRIBED IN SECTIONS 2(a) ABOVE ARE THE ONLY EXPRESS WARRANTIES MADE BY SOLARCITY WITH RESPECT TO THE SYSTEM. SOLARCITY HEREBY DISCLAIMS, AND ANY BENEFICIARY OF THIS LIMITED WARRANTY HEREBY WAIVES, ANY WARRANTY WITH RESPECT TO ANY COST SAVINGS FROM USING THE SYSTEM. SOME STATES DO NOT ALLOW SUCH LIMITATIONS, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

3. SOLARCITY'S STANDARDS

For the purpose of this Limited Warranty the standards for our performance will be (i) normal professional standards of performance within the solar photovoltaic power generation industry in the relevant market; and (ii) Prudent Electrical Practices. "Prudent Electrical Practices" means those practices, as changed from time to time, that are engaged in or approved by a significant portion of the solar power electrical generation industry operating in the United States to operate electric equipment lawfully and with reasonable safety, dependability, efficiency and economy.

4. SYSTEM REPAIR, RELOCATION OR REMOVAL

- (a) **Repair.** You agree that if (i) the System needs any repairs that are not the responsibility of SolarCity under this Limited Warranty, (ii) the system needs to be removed and reinstalled to facilitate remodeling of your Home or (iii) the system is being relocated to another home you own pursuant to the Lease, you will have SolarCity, or another similarly qualified service provider, at your expense, perform such repairs, removal and reinstallation, or relocation on a time and materials basis.



- (b) **Removal/Moving.** SolarCity will remove and replace the System from your roof while roof repairs are being made for a payment of \$499. You will need to provide storage space for the System during such time. Where permitted under the Lease, SolarCity will work with you to conduct an audit of your existing Home and new home to determine if a move is commercially feasible. This audit will cost \$499. If SolarCity determines that a move is commercially feasible, it will then move the System for an additional payment of \$499. If we reinstall your System, the Roof Warranty will restart at the completion of reinstallation and run for ten (10) years from reinstallation.
- (c) **Return.** If at the end of the Term you want to return the System to SolarCity under Section 17 of the Lease then SolarCity will remove the System at no cost to you. SolarCity will remove the System without damaging your property, including the posts, waterproofing the post area and return the roof as close as is reasonably possible to its original condition on an architecturally consistent basis before the System was installed (e.g. ordinary wear and tear and color variances due to manufacturing changes are excepted). SolarCity will warrant the waterproofing for one (1) year after it removes the System. You agree to reasonably cooperate with SolarCity in removing the System including providing necessary space, access and storage, and we will reasonably cooperate with you to schedule removal in a time and manner that minimizes inconvenience to you.

5. FORCE MAJEURE

If SolarCity is unable to perform all or some of its obligations under this Limited Warranty because of a Force Majeure Event, SolarCity will be excused from whatever performance is affected by the Force Majeure Event, provided that:

- (a) SolarCity, as soon as is reasonably practical, gives you notice describing the Force Majeure Event;
- (b) SolarCity's suspension of its obligations is of no greater scope and of no longer duration than is required by the Force Majeure Event (i.e. when a Force Majeure Event is over, we will make repairs); and
- (c) No SolarCity obligation that arose before the Force Majeure Event that could and should have been fully performed before such Force Majeure Event is excused as a result of such Force Majeure Event.

"Force Majeure Event" means any event, condition or circumstance beyond the control of and not caused by SolarCity's fault or negligence. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of power due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; the binding order of any governmental authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any governmental authority (provided that such action has been timely requested and diligently pursued); unavailability of power from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from SolarCity's failure to have exercised reasonable diligence); power or voltage surge caused by someone other than SolarCity including a grid supply voltage outside of the standard range specified by your utility; and failure of equipment not utilized by SolarCity or under its control.

6. LIMITATIONS ON LIABILITY

(a) No Consequential Damages

YOU MAY ONLY RECOVER DIRECT DAMAGES INCLUDING THOSE AMOUNTS DUE PURSUANT TO SECTIONS 2(b) AND 6(c) UNDER THIS LIMITED WARRANTY, AND IN NO EVENT SHALL SOLARCITY OR ITS AGENTS OR SUBCONTRACTORS BE LIABLE TO YOU OR YOUR ASSIGNS FOR SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(b) Limitation of Duration of Implied Warranties

ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY ARISING UNDER STATE LAW, SHALL IN NO EVENT EXTEND PAST THE EXPIRATION OF ANY WARRANTY



PERIOD IN THIS LIMITED WARRANTY. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(c) Limit of Liability

Notwithstanding any other provision of this Limited Warranty to the contrary, SolarCity's total liability arising out of relating to this Limited Warranty shall in no event:

- (i) For System Replacement: exceed the greater of (a) the sum of the Lease payments over the Term of the Lease; and (b) the original cost of the System; and
- (ii) For damages to your Home, belongings and property: exceed two million dollars (\$2,000,000).

7. NOTICES

All notices under this Limited Warranty shall be made in the same manner as set forth in the Lease to the addresses listed below:

TO SOLARCITY:

SolarCity Corporation
3055 Clearview Way
San Mateo, CA 94402
Attention: Warranty Claims
Telephone: 650-638-1028
Facsimile: 650-638-1029
Email: customercare@solarcity.com

TO YOU:

At the billing address in the Lease or any subsequent billing address you give us.

8. ASSIGNMENT AND TRANSFER OF THIS LIMITED WARRANTY

SolarCity may assign its rights or obligations under this Limited Warranty to a third party without your consent, provided that any assignment of SolarCity's obligations under this Limited Warranty shall be to a party professionally and financially qualified to perform such obligation. This Limited Warranty protects only the person who leases the System. Your rights and obligations under this Limited Warranty will be automatically transferred to any person who purchases the System from you or to whom you properly transfer the Lease. This Limited Warranty contains the parties' entire agreement regarding the limited warranty of the System.



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