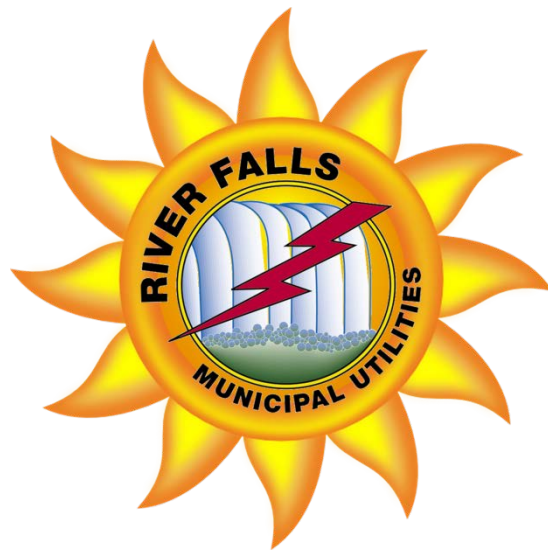


# Community Solar Loan Program Documents



**POWERFUL**  
**CHOICES** 

a sustainable energy project for river falls

# COMMUNITY SOLAR LOAN PROGRAM

## COMMUNITY SOLAR LOAN APPLICATION



River Falls Municipal Utilities · 222 Lewis Street, Suite 228 · River Falls, WI 54022 · 715.425.0906 · www.rfmu.org

Instructions: Complete this form and return it with the supporting community solar loan documentation to River Falls Municipal Utilities, 222 Lewis St. River Falls, WI 54022.

<b>CUSTOMER INFORMATION (Please Print Clearly)</b>	
Customer Name (First, Last)	Utility Account Number
Home Address	City / State / Zip Code
Mailing address if different than home	County
( ) Telephone # (Home)	( ) Telephone # (Days)
Real Estate Parcel ID Number	E-mail Address
Loan Start Date	Loan Completion Date
Number of Kilowatts Purchased	Total Loan Cost
<b>To be completed by RFMU Staff</b>	
<p>The Borrower agrees that the proceeds of the loan shall be used for this specific purpose and for no other or further purpose, without the express, written consent of the Lender. The term of this loan shall be for _____ years, commencing with the 1st day of the month next succeeding the date of execution of this agreement, otherwise described as extending from _____ 1, 20__ to _____, 20__. Interest shall be assessed on the declining balance in the amount of four percent ( 4 %) per annum from and after the date of commencement.</p>	
<b>METHOD OF PAYMENT</b>	
<p>Annual payments of principal and interest shall be made in the following manner. The Borrower consents to the placement of each annual installment of principal and interest on the Borrower's tax statement for the real estate to which the renewable energy loan is attached or affixed as a special charge under §66.0627, Wis. Stats. Said special charge shall be collected in the same manner as are general property taxes. In the event that the Borrower desires to pre pay any or all of the principal balance plus interest under this Loan, Borrower may do so without a pre-payment penalty.</p>	
Customer Signature	Date
RFMU Staff Signature	Date

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This Agreement between River Falls Municipal Utilities (“Lender”) and \_\_\_\_\_ and \_\_\_\_\_ [if more than one Borrower] (“Borrower”):

WHEREAS, the Lender has established a Renewable Energy Finance Program Loan Fund for the purpose of assisting Participating Customers, who are property owners in the City of River Falls, of the River Falls Municipal Utilities’ Community Solar Project; and

WHEREAS, the Borrower has applied for and has been approved for a loan for this purpose.

NOW, THEREFORE, THIS AGREEMENT:

**1. Designation of the Customer Subscription Fee for Which the Loan is Granted:**

The Borrower agrees that the proceeds of the loan shall be used only to pay for the Borrower’s Customer Subscription Fee in accordance with this agreement and pursuant to the Borrower’s Community Solar Participant Agreement.

**2. Location of the Property for Which the Loan is Granted.**

The Borrower’s property is located on the following real estate, which is located within the corporate limits of the City of River Falls:

\_\_\_\_\_

**3. Ownership and Customer Acknowledgment.**

The Borrower acknowledges that he/she/they is/are the owner of the real estate described in ¶ 2., above. In addition, the Borrower acknowledges that he/she/they is/are customers of the River Falls Municipal Utilities. The Borrower understands that each of these is a condition of eligibility for the loan and that failure of qualification in either respect constitutes a default under this Agreement.

**4. Principal Value of Loan.**

The principal value of this loan shall be calculated as the total cost of the Customer Subscription Fee, subject to a \$67.00 down payment per panel purchased as part of the Borrower’s Community Solar Participant Agreement. The principal value of this loan is \$ \_\_\_\_\_ [Fill in amount].

**5. Term of Loan; Impact of Sale of Real Estate on Stated Term of Loan.**

A. Subject to B., below, the term of this loan shall be for \_\_\_\_\_ years, commencing with the 1<sup>st</sup> day of the month next succeeding the date of execution of this agreement, otherwise described as extending from \_\_\_\_\_ 1, 20\_\_ to \_\_\_\_\_, 20\_\_.

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B. The loan represented by this Agreement shall be immediately due and payable in its entirety, including the entire principal balance and all accrued interest, no later than the date upon which the Borrower closes a transaction to sell or otherwise convey the real estate identified in ¶ 2., above, to a third party or in the event that one of the Borrowers, if multiple persons execute this Agreement, conveys his or her interest therein to one of the other Borrowers or to a third party. The only exception to this requirement shall be if the Lender agrees to extend the original Agreement terms and conditions to Borrower's assignee, conveyee or purchaser in accord with Lender's own policies. The Borrower shall have no right to demand that this Agreement shall be subject to assignment or transfer. In order to seek to transfer this loan to a subsequent owner, the Borrower shall notify the Lender's Agent in writing no later than sixty (60) days prior to the date of the proposed closing and both the Borrower and assignee, conveyee or purchaser shall cooperate with requests for information made of them by the Lender's Agent with respect to the Lender's decision-making process as to whether or not to call for payment in full or allow the assignment of all rights and obligations under this Agreement to the assignee, conveyee or purchaser. Barring extension of the term in accord with this subparagraph, the Lender shall calculate the interest due on the principal balance as of the date of closing and communicate the amount of principal and interest to be paid at the time of closing to the Lender.

C. In the event that contrary to subparagraph B., above, the Borrower fails or refuses to pay the total balance of principal and interest due as of the time of closing of a transaction to sell or otherwise convey the real estate to an assignee, conveyee or purchaser, the Lender shall be afforded the following options as to collection of the total balance due and owing:

- i. It may sue for payment on the promissory note issued by the Borrower under D., below.
- ii. It may place the entire balance due and owing on the tax roll under §66.0627, Wis. Stats., as of November 1<sup>st</sup> of the year of the conveyance for collection purposes, including interest due on the principal balance between the date of conveyance and October 31<sup>st</sup> of that year.

D. The Borrower shall execute a promissory note in favor of the Lender contemporaneous with the execution of this Agreement.

### **6. Interest on Principal Balance.**

Interest shall be assessed on the declining balance in the amount of four percent (4%) per annum from and after the date of commencement set forth in ¶ 4. A., above.

### **7. Payments of Principal and Interest.**

A. Annually the Borrower shall be obligated to pay to the Lender a sum equal to the total principal value of the Loan, divided by the number of years of the Term of the Loan, to which interest on the declining balance at the rate specified in ¶ 6., above, shall be added. If the Term

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of the Loan does not commence with November 1<sup>st</sup>, then the first year of payment shall be prorated on the basis of the number of months the loan balance has been outstanding versus 12, with the end of the initial year being October 31<sup>st</sup> of the year of commencement of the loan, as determined in accord with ¶ 4. A., above, which shall result in calculation of the amount of the initial annual loan repayment. Thereafter, each year shall be calculated on an annual basis extending from November 1 to October 31 with the final year of payment prorated again on the basis of the number of months remaining in the term of the loan past the last October 31<sup>st</sup> versus 12.

B. Annual payments of principal and interest shall be made in the following manner. The Borrower consents to the placement of each annual installment of principal and interest on the Borrower's tax statement for the real estate to which the Customer Subscription Fee is attached or affixed as a special charge under §66.0627, Wis. Stats. Said special charge shall be collected in the same manner as are general property taxes. In the event that the Borrower defaults in the annual payment of the special charge, said special charge shall be collected in the same manner as are delinquent taxes under Ch. 75, Wis. Stats. Failure to timely pay special charges may result in statutory interest and penalties being assessed in accord with §74.47, Wis. Stats., which interest and penalties shall be in addition to the interest assessed under this Agreement, divesting Borrower of his/her/their ownership of the same, in the event that payment of the delinquency is not made in accord with Chs. 74 and 75, Wis. Stats.

C. In the event that the Borrower desires to prepay any or all of the principal balance plus interest under this Loan, Borrower may do so without a pre payment penalty. To make arrangements for prepayment, the Borrower shall contact the Lender's Agent who shall accept prepayments on behalf of the Lender and credit them against Borrower's account. To the extent that a prepayment does not fully repay the principal and interest payable under this Agreement, the Lender shall continue to collect the principal and interest balances remaining after prepayment in the manner described in B., above. Prepayments shall be applied first to the outstanding, accrued interest at the time of prepayment and only when all outstanding interest has been paid will a prepayment be applied in whole or in part to pay down the outstanding principal balance.

D. As a complete alternative to collecting principal and interest by means of special charges levied against the Borrower's real estate under §66.0627, Wis. Stats., and then in the event that the Borrower or some person with an interest in the Borrower's real estate brings a lawsuit in a court of competent jurisdiction to invalidate this means of collecting the balance due under this Agreement and such Court holds the method of collection to be invalid or unenforceable, or in the event that the Borrower fails or refuses to pay the entire balance of the loan at or before the time of sale of the property described in ¶ 2, above, or in the event of some other act of default under the promissory note, the Lender may collect upon the promissory note under ¶ 4. D., above, which note evidence Borrower's obligation to repay the principal and interest in full, without the necessity of demand from the Lender. However, this means of collection shall be resorted to by the Lender only in the event that use of the special charge means of collection is held to be invalid and unenforceable or in the event of non payment of the total balance of principal and interest at or before the time of a sale of the property described in ¶ 2., above, should the Borrower not repay the loan in its entirety at or before the time of said sale or other

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conveyance of said property or in the event of some other and further act of default under the terms of the promissory note executed in favor of the Lender by the Borrower.

### **8. Default.**

A. In the event of any default by Borrower in payment under the terms of this Agreement, the Borrower shall be subject to the Lender's right to demand repayment in full of the total amount of principal and interest due and owing to the Lender at the time of the default, subject to collection in the manner specified in ¶ 7., above.

B. In the event of a non monetary default, the party seeking to enforce this Agreement shall provide written notice to the other party, detailing the nature of the alleged default, providing to the alleged defaulting party a period of thirty (30) days in which to cure the defect in performance and to provide proof of such performance to the party giving the notice.

### **9. Miscellaneous Terms and Conditions.**

A. *Wisconsin Law to Apply*

This Agreement shall be interpreted and applied under Wisconsin law.

B. *Venue for Dispute Resolution*

Any and all lawsuits pertaining to the subject matter of this Agreement shall be venued in the Circuit Court for Pierce County, Wisconsin.

C. *Withdrawal from Loan Program Prior to Loan Start Date*

The Borrower may opt to withdraw from this Loan Agreement at any time prior to the commencement of the renewable energy loan or transfer of any monies to or on behalf of the Borrower for such purposes by providing written notice of intent to withdraw to the Lender's Agent. To the extent that any monies have been paid to or on behalf of the Borrower by the Lender toward the loan in question, the Borrower shall be obligated to repay the Lender in the manner prescribed under ¶ 7., above.

D. *Lender's Agent*

The Lender's Agent shall be the River Falls Municipal Utilities Director, Kevin Westhuis, or his designee.

E. *Notices.*

Notices under or concerning this Agreement shall be placed in writing and mailed by 1<sup>st</sup> class mail or personally delivered to the following representatives of the Lender and Borrower:

To Lender:

River Falls Municipal Utilities

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222 Lewis Street  
River Falls, Wisconsin 54022

To Borrower:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

F. *Waiver Not to Be Implied*

No failure to notify the other party of a default of performance under this Agreement shall be held to be a waiver of the same or a similar default of performance under differing circumstances or at different times than the time of the default which went without notice being provided to the defaulting party.

G. *Obligation is Both Personal and In Rem*

The obligation to repay the Lender is both personal to the Borrower and is also attached as an obligation of the real estate described in ¶ 2., above. To this effect, the Borrower agrees that not only is/are he/she/they liable to repay the principal and interest due hereunder but for failure of such repayment, he/she/they hereby obligate the subject real estate to this obligation and to this effect, if and when he/she/they seek to convey their interest, in whole or in part, in the subject real estate, a copy of this Agreement shall be provided to the proposed assignee, conveyee or purchaser, advising and informing them of the obligation of the real estate to repay the remaining balance of principal and interest in the event of default of the Borrower to have done so in accord with ¶ 7. C., above.

# COMMUNITY SOLAR LOAN PROGRAM COMMUNITY SOLAR LOAN AGREEMENT



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Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**BORROWER:**

**LENDER:**

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

[If co-owned in tenancy in common,  
joint tenancy or as marital property]

Revised and Updated for Community Solar Program, January, 2016.



# COMMUNITY SOLAR LOAN PROGRAM

## PROMISSORY NOTE



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\$ \_\_\_\_\_, 20 \_\_\_\_\_  
River Falls, Wisconsin

FOR VALUE RECEIVED, the undersigned \_\_\_\_\_ ("Maker") promises to pay to the order of River Falls Municipal Utilities ("Holder") at River Falls, Wisconsin, or at such other place within or without the State as the Holder of this Note may, from time to time, designate in writing, the principal sum of \_\_\_\_\_ (\$ \_\_\_\_\_), in lawful money of the United States, or the balance of principal due and owing to the Holder at the time collection of this Promissory Note becomes effective, together with interest thereon at the rate of four percent (4%) per annum on the balance of principal until such time as when it has been timely paid or upon any delinquency in the payment thereof.

The Maker waives demand, protest, notice of nonpayment, lack of diligence or delay in collection or enforcement hereof and expressly consents to any extension of time, release of any party liable hereunder or release of any of the security for this Note, or any other forbearance whatsoever.

Upon default in the payment of the principal under this Note, interest shall be assessed in the amount indicated above. The failure of the Holder to exercise the right of collection shall not constitute a waiver of the right to exercise it at any subsequent time.

In the event the Maker shall commit an act of bankruptcy under the United States Bankruptcy Code or file or have filed against the Maker, voluntarily or involuntarily, a petition in bankruptcy or for reorganization or for the adoption of an arrangement or plan under the United States Bankruptcy Code or initiate or have initiated against the Maker, voluntarily or involuntarily, any act, process or proceeding under any insolvency law or any other statute or law providing for the relief of debtors, then, in such event, the Holder may, at the Holder's option, by notice in writing to the Maker, declare the entire principal balance then remaining unpaid on this Note to be immediately due and payable, and the same shall thereupon be immediately due and payable, together with interest accrued, without further notice or demand.

This Promissory Note is subject to the following agreement as and between the Maker and the Holder. Because the primary means of paying both principal and interest shall be through one or more annual payments of principal and interest on a declining basis by assessment of said amounts on the tax roll against the Maker's real property as a special charge and collection thereof as part of the taxes assessed or levied against the Maker's real property, collection of all or any portion of principal and interest due and owing to the Holder under this Promissory Note shall be made only in one of the following three (3) events: (1) That through legal or equitable action, the Maker or some person with an interest in the Maker's real property, challenges the assessment of the principal and interest as an item of tax collection and is successful in overturning the use of the tax rolls as a means of collecting sums due and owing to the Holder for purposes of a loan or loans made to the Maker under the Holder's Renewable Energy Finance Program; or (2) In the event that the Maker sells his or her real property and fails or refuses to pay to the Holder, in full, all payments of principal and interest then due and owing under this Promissory Note; or (3) That the Maker shall have engaged in some specific act of default under the terms and obligations of this Promissory Note.

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## PROMISSORY NOTE



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The amount due and owing at the time a judgment or order is issued by a court of competent jurisdiction invalidating use of special charges as a means of collecting the sums represented by this Promissory Note or, in the alternative, at the date of closing of a real estate transaction under which the Maker or, if there are several Makers, at least one of them, divests him or herself of any or all interest in the Maker's real estate; or the date of default under the terms of this Promissory Note shall be fixed as the date when the principal sum then due and owing under this Promissory Note shall become due and owing immediately. Barring such a circumstance, the principal and interest represented by this Promissory Note shall be collected solely through the tax collection procedures in Chs. 70 through 74, Wis. Stats.

All payments shall be applied first to interest, the balance, if any, to principal.

The Maker shall pay, upon demand, any and all costs and expenses, whether or not taxable as costs, including but not limited to reasonable attorney's fees, witness fees (expert and otherwise), deposition costs, copying charges and other expenses incurred or paid by Holder regardless of whether or not a lawsuit or action was instituted in attempting to collect funds due under this Note, including but not limited to, any action or participation by the Maker in, or in connection with, a case or proceeding under the United States Bankruptcy Code or any successor statute.

If the Maker shall be more than one person, liability under this Note shall be joint and several.

In the event of collection of the entire principal and interest sum is made in full via the tax collection procedures, this Promissory Note shall be marked as PAID IN FULL and returned to the Maker.

IN WITNESS WHEREOF, the undersigned has caused this Note to be signed, sealed and delivered the day and year first above written.

\_\_\_\_\_  
Maker

\_\_\_\_\_  
Maker