18791 Dove Ct.

This is from seller regarding this system and information : I reviewed the Tesla lease, preliminary title report, and information Tesla provided. I also used ChatGPT to help me research, understand, and summarize the documents. This is my working summary to help us understand the system and explain what we currently know. It is not a legal or professional opinion, and the buyer should independently verify all information directly with Tesla and PG&E.
The property has a large Tesla solar system with approximately 23 kW of capacity and 57 solar panels. It also has Tesla batteries, which can store solar energy for later use and may provide backup power during an outage, depending on their configuration and operating condition. We have not independently verified the number, capacity, or current condition of the batteries.

This is a solar lease—not a solar loan. Therefore, there is no interest rate or principal loan balance. Tesla owns the equipment, and the buyer would generally assume the remaining lease by signing a transfer agreement with Tesla.

The primary lease terms appear to be:

- The original lease term is 20 years and appears to have started around 2017, although the exact interconnection date should be confirmed with Tesla.
- The lease payment increases approximately 2.9% annually.
- Based on the payment schedule, the current payment is likely approximately $443 to $455 per month, plus applicable taxes, depending on the exact lease anniversary date.
- The system has a contractual production guarantee.
- Tesla owns, warrants, and insures the system during the lease term.
- The written lease does not provide a purchase option, although Tesla has indicated that it is willing to negotiate a payoff.
- Tesla's UCC-1 filing is not a lien against the real property. It provides notice that Tesla owns the solar equipment. Tesla will release the UCC-1 and solar-contract filings after a buyer signs a transfer agreement or a payoff is negotiated.
- Tesla has not received remote monitoring data since October 2024. Tesla explained that this may simply be because the monitoring equipment is not connected to the internet and does not necessarily mean the system is not operating.

The potential energy-cost savings are important to explain to buyers. Based on the lease's guaranteed production and pricing for approximately years 9 and 10:

- The system is guaranteed to produce an average of approximately 24,760 kilowatt-hours annually.
- The Tesla lease's guaranteed energy price is approximately 22.6 cents per kilowatt-hour.

- PG&E's current average residential electricity price is approximately 39 cents per kilowatt-hour.
- At the Tesla lease rate, 24,760 kilowatt-hours would cost approximately $5,600 annually, or about $466 per month.
- Purchasing the same amount of electricity from PG&E at approximately 39 cents per kilowatt-hour would cost roughly $9,700 annually, or approximately $810 per month.
- That represents potential savings of approximately $4,100 per year, or about $340 per month.

This is only an illustrative comparison. Actual savings will depend on the system's production, battery operation, the buyer's electricity consumption, PG&E rate plan, time-of-use periods, net-metering treatment, fixed charges, and future rate changes. The buyer will still receive a PG&E bill for fixed charges and any net electricity purchased from PG&E.

Here is suggested wording for prospective buyers and the disclosures:

"The property contains a Tesla-owned solar energy system consisting of approximately 57 solar panels with approximately 23 kW of capacity, together with Tesla battery storage. The system is subject to an existing 20-year Tesla/SolarCity lease that a buyer may be able to assume through Tesla's transfer process.

This is a solar lease and not a solar loan. There is no stated interest rate or financed principal balance. The current lease payment is estimated to be approximately $443 to $455 per month, plus applicable taxes, and increases approximately 2.9% annually, subject to confirmation by Tesla.

Based on the lease's guaranteed production and pricing, the current cost of the solar electricity is estimated to be approximately 22.6 cents per kilowatt-hour, compared with PG&E's current average residential rate of approximately 39 cents per kilowatt-hour. Based on guaranteed annual production of approximately 24,760 kilowatt-hours, this could represent estimated savings of approximately $4,100 annually, or about $340 per month, compared with purchasing the same amount of electricity from PG&E.

This comparison is an estimate only and is not a representation or guarantee of actual savings. Actual costs and savings will depend on system production, battery performance, household usage, PG&E rates, the applicable rate plan, time-of-use periods, net-metering treatment, fixed utility charges, and other factors.

Seller acquired the property through a foreclosure sale and was not the original customer or party who entered into the solar lease. Seller has limited firsthand knowledge regarding the system's installation, historical production, maintenance, payments, battery capacity, utility credits, or present operating condition. Tesla has advised that it stopped receiving remote monitoring data in October 2024, although this does not necessarily mean the system stopped producing electricity.

18791 Dove Ct.

The information provided has been obtained from Tesla, the existing lease documents, available records, and seller's research performed with the assistance of ChatGPT. Seller makes no representation that the summary is complete or that the calculations will apply to the buyer. Buyer should carefully review the complete lease and related documents, contact Tesla directly, verify the remaining lease term and current payment, investigate transfer and payoff options, review applicable PG&E rates and net-metering treatment, and independently inspect and verify the condition and operation of the solar panels, batteries, inverter, and monitoring equipment before removing contingencies."

I will provide you with the complete lease and Tesla's email so they can be given to interested buyers. I would avoid representing the estimated savings as guaranteed until the system's current production and exact lease information have been verified.

Thank you,

Jake Watson "

18791 Dove Ct.

Thank you for reaching out regarding this solar home. We received the attached letter from you regarding the foreclosure of the property. Attached is a copy of the original solar lease agreement.

If the property is being resold typically Tesla will work with your eventual buyer to transfer the agreement or negotiate the terms.

- Tesla is the owner of the system and this is a solar lease.
- The UCC filing and ownership by Tesla of the system does survive the foreclosure.
- Tesla will provide a release of the UCC and notice of solar contract filings once a transfer agreement is signed by an eventual buyer or a payoff negotiated agreed upon..
- In regards to monitoring it does require an internet connection and the Tesla provided monitoring device to be connected. The last remove readings we received for this system was in October 2024. This does not mean the system is not still on and producing we are just not getting remote readings.
- This is a large 23 kW sized system with 57 405 watt panels installed. The system is fully warrantied and insured by Tesla for the full term. There is also a production guarantee in the contract.

Our transfer process and what we will need once there is a buyer is outlined below.

How to Assume the Agreement:

18791 Dove Ct.

Energy Reassignment

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