

Borrower Name:

Lender/Participating Financial Institution:

Lender Loan No.

CalCAP Seismic Safety Financing Program

Borrower Certification

Your loan is being enrolled in the California Capital Access Program (CalCAP) Seismic Safety Financing Program. You are the “Borrower”. By signing this document, you certify to the following:

- The project, building, costs and loan are qualified for enrollment as defined in 4 CCR §8078.15 of the California Code of Regulations:
 - 8078.15** (d) “Eligible Costs means and includes all or any part, as defined in subdivision (b)(2) of Section 44559.14 of the Health and Safety Code, the costs paid or incurred on or after January 1, 2017, for an Eligible project, including any engineering or architectural design work necessary to permit or complete the Eligible project less the amount of any grant provided by a public entity for the Eligible project. Eligible Costs do not include cost paid or incurred for any of the following:
 - (1) Maintenance, including abatement of deferred or inadequate maintenance, and correction of violations unrelated to the seismic retrofit construction.
 - (2) Repair, including repair of earthquake damage.
 - (3) Seismic retrofit construction required by local building codes as a result of addition, repair, building relocation, or change of use or occupancy.
 - (4) Other work or improvement required by local building or planning codes as a result of the intended seismic retrofit construction.
 - (5) Rent reductions or other associated compensation, compliance actions, or other related coordination involving the qualified residential property owner or qualified small business and any other party including a tenant, insurer, or lender.
 - (6) Replacement of existing building components, including equipment, except as needed to complete the seismic retrofit construction.
 - (7) Bracing or securing nonpermanent building contents.
 - (8) The offset of cost, reimbursements, or other costs transferred from the qualified residential property owner or qualified small business to others.

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(e) “Eligible project” means Seismic retrofit construction that is necessary to ensure that the Qualified building is capable of substantially mitigating seismic damage, and the financing necessary to pay Eligible Costs of the project.

(g) “Qualified building” means a residential or commercial building in California that is identified by the local building code official for the jurisdiction in which the building is located as a building in need of seismic retrofitting and is either a building of a type that is potentially vulnerable in the event of a catastrophic earthquake or a building constructed before 1981. A “Qualified building” may be a single-family residence, multiunit housing building, multiunit housing building with commercial space, or mobilehome, manufactured home, and multifamily manufactured home installed in accordance with Section 18613 of the Health and Safety Code.

(h) “Qualified Loan” means a loan or portion of a loan as defined in subdivision (j) of Section 44559.1 or a loan made to a Qualified residential property owner, where the proceeds of the loan or portion of the loan are limited to the Eligible Costs for an Eligible project under this Program, and where the loan or portion of the loan does not exceed two hundred fifty thousand dollars (\$250,000), and where the term of loss coverage for each qualified loan is no more than ten years. “Qualified Loan” does not include any of the following:

- (1) Any loan or portion thereof to the extent the same loan or portion thereof has been, is being, or will be enrolled in any other government program substantially similar to the Program; and
- (2) Any loan where the total amount or value of loans enrolled in the Program by the Borrower exceeds \$250,000.

(i) “Qualified small business” means a business referred to in subdivisions (i) and (m) of Section 44559.1 that owns a Qualified building regardless of owner occupancy, notwithstanding the restriction on passive real estate ownership in subparagraph (B) of paragraph (2) of subdivision (j) of Section 44559.1..

(j) “Qualified residential property owner” means either an owner of a residential building that is a Qualified building or a Qualified small business that owns one or more residential buildings, including a multiunit housing building that is a Qualified building, notwithstanding the restriction on passive real estate ownership in subparagraph (B) of paragraph (2) of subdivision (j) of Section 44559.1.

(k) “Qualified commercial property owner” means either an owner of a commercial building that is a Qualified building or a Qualified small business that owns one or more commercial buildings, that is a Qualified building.

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(n) “Seismic retrofit construction” means alteration performed on or after January 1, 2017, of a Qualified building or its components to substantially mitigate seismic damage. Seismic retrofit construction includes, but is not limited to, all of the following:

- (1) Anchoring the structure to the foundation.
- (2) Bracing cripple walls.
- (3) Bracing water heaters
- (4) Installing automatic gas shutoff valves.
- (5) Repairing or reinforcing the foundation to improve the integrity of the foundations against seismic damage.
- (6) Anchoring fuel storage.
- (7) Installing an Earthquake-Resistant Bracing System for mobilehomes or manufactured homes that are registered with Department of Housing and Community Development.
- (8) Strengthening a building’s lateral load resisting system.

- The Qualified building is located within the boundaries of the State of California
- The Borrower has legal control of the facility for a term that is equal to or greater than the length of the enrolled loan and assumes financial liability of the loan
- The Borrower agrees to allow the Participating Financial Institution to provide information from the financial records of the Borrower upon request of the Executive Director of CPCFA
- The Borrower has no legal, beneficial, or equitable interest in the CalCAP/Seismic Safety Contribution
- If the Seismic retrofit construction financed through this Program is a part of a larger construction project carried out by the Borrower, the enrolled amount of the Qualified Loan in this Program is limited to Eligible Costs necessary and allocable to the Eligible project
- Borrower will provide all applicable licenses and permits needed for construction related to Eligible Costs for the Seismic retrofit construction to the Participating Financial Institution

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- The Borrower has provided verification of Eligible Costs less the amount of any grant provided by a public entity for the Eligible project to the Participating Financial Institution
- The proceeds of the loan will be used for the Seismic retrofit construction of an Eligible project
- Borrower agrees to allow CPCFA staff or its designee to inspect the project site
- When the Qualified building is a mobilehome or manufactured home that it is currently registered with the Department of Housing and Community Development and the Borrower's name is on the current registration from the Department of Housing and Community Development for the mobilehome or manufactured home
- Borrower has received the CPCFA CalCAP Privacy Notice

Business Name:

Individual's Name (please print):

Individual's Title (as it pertains to the business):

Business Address (address, city, state, zip code):

Lender Loan Number:

Signature of above Individual:

Date:

When complete, please send to: CalCAP@treasurer.ca.gov