

KBRA Assigns Preliminary Ratings to Mosaic Solar Loan Trust 2018-2-GS

NEW YORK, NY (June 21, 2018) – Kroll Bond Rating Agency (KBRA) assigns preliminary ratings to four classes of notes issued by Mosaic Solar Loan Trust 2018-2-GS (“Mosaic 2018-2-GS”). This is a \$317.5 million term ABS securitization collateralized by a pool of approximately \$381.5 million residential solar loans.

Mosaic 2018-2-GS will issue four classes of notes in an aggregate principal amount of \$317.5 million with an expected closing date of June 29, 2018. The Notes are backed by a pool of mostly prime quality residential consumer solar loans and underlying solar energy systems, including, without limitation, solar panels or modules, inverters, electricity storage, charging/monitoring equipment (including batteries and automobile charging equipment), prepaid operations and maintenance agreements and related landscaping, roofing or re-roofing, wiring, electrical system upgrades and any additional equipment or services related to installation. Credit enhancement on the Notes consists of i) overcollateralization ii) yield supplement overcollateralization iii) subordination (in the case of Class A, Class B, and Class C Notes) and iv) amounts on deposit in a reserve account.

Mosaic is a California based specialty finance company focused on originating and servicing consumer loans used for the purchase of grid tied residential solar systems. Founded in 2011, Mosaic originates loans to mostly prime credit quality homeowners through its partnerships with more than 150 prescreened, independent solar system installers/dealers. Mosaic disburses funds directly to installers, equal to the system cost minus installer discounts.

KBRA applied its Global General Rating Methodology for Asset-Backed Securities as part of its analysis of the transaction’s underlying collateral pool and the proposed capital structure. KBRA also conducted an operational assessment of Mosaic in August 2017, as well as a review of the transaction’s legal structure and transaction documents. KBRA will review the operative agreements and legal opinions for the transaction prior to closing.

Class	Preliminary Rating	Principal Balance
A	A- (sf)	\$273,845,000
B	BBB- (sf)	\$17,036,000
C	BB- (sf)	\$15,042,000
D	B (sf)	\$11,599,000

Representations & Warranties Disclosure

All Nationally Recognized Statistical Rating Organizations are required, pursuant to SEC Rule 17g-7, to provide a description of a transaction’s representations, warranties and enforcement mechanisms that are available to investors when issuing credit ratings. KBRA’s disclosure for this transaction can be found in the report available [here](#).

Related Publications: (available at www.kbra.com)

- [Mosaic Solar Loan Trust 2018-2-GS Pre-Sale Report](#)
- [Global General Rating Methodology for Asset-Backed Securities](#)



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