

## KBRA Assigns Final Ratings to Mosaic Solar Loans 2017-2

NEW YORK, NY (October 27, 2017) – Kroll Bond Rating Agency (KBRA) assigns final ratings to four classes of notes issued by Mosaic Solar Loans 2017-2, LLC (“Mosaic 2017-2”). This is a \$307.5 million term ABS securitization collateralized by a pool of approximately \$350.0 million residential solar loans.

This transaction represents the second rated term ABS securitization collateralized by secured consumer loans originated by the Solar Mosaic, Inc (“Mosaic”). Mosaic Solar Loans 2017-1 is a single class, \$139 million solar loan securitization which was rated A (sf) by KBRA and closed on February 2, 2017.

Mosaic 2017-2 is issuing four classes of notes in an aggregate principal amount of \$307.5 million with an expected closing date of October 27, 2017. KBRA’s ratings on the notes are A (sf) for the Class A notes, BBB+ (sf) for the Class B notes, BBB- (sf) for the Class C notes and BB+ (sf) for the Class D notes (collectively the “Notes”). The Class A, Class B and Class C Notes will bear interest and the Class D Notes are principal only notes and will not bear interest. The Notes are backed by a pool of mostly prime quality residential consumer solar loans and underlying solar energy systems, which includes the solar panels, inverter(s), charging, energy monitoring equipment and wiring (“Solar System”). Credit enhancement on the Notes consists of i) overcollateralization ii) yield supplement overcollateralization (“YSOC”) iii) subordination (in the case of Class A, Class B and Class C Notes) and iv) amounts on deposit in two reserve accounts and a capitalized interest 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 125 prescreened, independent solar system installers/dealers, including 15 of the top 25 installers nationally. Mosaic disburses funds directly to installers, equal to the system cost minus installer or dealer discounts.

KBRA applied its 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 has reviewed the operative agreements and legal opinions for the transaction prior to closing.

Class	KBRA Rating	Principal Balance
A	A (sf)	\$246,250,000
B	BBB+ (sf)	\$14,500,000
C	BBB- (sf)	\$28,000,000
D	BB+ (sf)	\$18,750,000

### **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 entitled [Mosaic Solar Loans 2017-2 Representations and Warranties](#).



**Related Publications:** (available at [www.kbra.com](http://www.kbra.com))

- [Mosaic Solar Loans 2017-2 New Issue Report](#)

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