NYSERDA Residential Financing Product Information

The New York State Energy Research and Development Authority (NYSERDA) offers New York State residents two reduced-interest rate loan products to finance qualified residential energy efficiency improvements, as authorized by the Green Jobs-Green New York Act of 2009 and the Power NY Act of 2011. The two loan products are: 1) a Smart Energy Loan, repaid in installments to NYSERDA's loan servicer; and 2) an On-Bill Recovery Loan, repaid through an installment charge on your utility bill.

Following is a summary of the terms and conditions of each type of loan:

Loan Type	Smart Energy Loan	On-Bill Recovery Loan
Eligible for Financing	Eligible energy efficiency improvements to a 1- to 4- unit residential building by a participating BPI-accredited Home Performance with ENERGY STAR contractor. The improvements may include ancillary "health and safety" improvements, provided they do not exceed 15% of the total cost and a maximum of $2,000. The list of eligible energy efficiency improvements is contained at: http://www.energyfinancesolutions.com/assets/pdfs/consumer_eligible_measures.pdf	
Program Cost-Effectiveness Requirements	**Either:** a) Pre-qualified eligible energy efficiency improvements are at least 85% of the total loan amount; **or** b) The estimated energy cost savings over the anticipated life of all eligible energy efficiency improvements must be at least 80% of the total principal and interest to be paid on the loan.	• The monthly loan installment payment may not exceed 1/12th of the estimated average annual energy cost savings from the improvements over the loan term.
	Future energy savings will include forecasted utility rate increases of .8% per year.	
Borrower Eligibility	• An applicant and/or co-applicant who owns a 1- to 4- unit residential building, or who leases or manages such building and who has the authority to contract for energy efficiency improvements in the structure.	• An applicant and/or co-applicant who owns a 1- to 4-unit residential building. The applicant and/or co-applicant must be named on the utility account of one of the following participating utilities: Central Hudson, Con Edison, Long Island Power Authority , National Grid (upstate NY customers only), New York State Electric and Gas Corporation, Orange & Rockland Utilities, Rochester Gas and Electric. (*LIPA customers who are on bi-monthly billing will be changed to monthly billing when the approved loan installment charge is placed on their bill)*
	At least one applicant must be an individual, but a legal entity may be included in the loan as a co-applicant.	
Repayment Terms	• Repaid directly to NYSERDA's loan servicer through monthly statement billing, or monthly electronic (ACH) payment. • If you sell or transfer your property, you remain responsible for the outstanding balance of the loan, which may not be assigned. • Nonpayment may subject you to a judgment, and NYSERDA is authorized under State law to certify amounts past due for collection by offset from income tax refunds or other payments due from the State.	• Repaid through a NYSERDA Loan Installment charge on your utility bill, except in instances when utility service is terminated or suspended, at which time you will be billed directly by NYSERDA's loan servicer. • If you do not satisfy the remaining loan obligation prior to sale of your property, you must provide a notice to the purchaser. You will be responsible for any amounts billed by the utility up to the date of transfer. If agreed upon by the buyer and the seller, the remaining monthly installments will be billed to the new utility account holder. • Nonpayment of billing by utility may subject you to termination of utility service; nonpayment of billing by loan servicer may subject you to a judgment.
Loan Amount	• Up to $13,000 (up to $25,000 if the simple payback is under 15 years, calculated by dividing the loan amount by the 1st year estimated energy cost savings). • Minimum loan is $3,000 (or $1,500 if you qualify for Assisted Home Performance with ENERGY STAR, which provides a grant of up to 50% of the cost of your upgrades, up to $5,000/$10,000 with additional income eligible households). • Only one On-Bill Recovery Loan per account is allowed.	
Loan Term	5, 10, or 15 years; term may not exceed expected useful life of measures	

Interest Rate **(subject to change)**	3.99% Fixed Rate (3.49% if the borrower repays through automatic ACH payment)	3.49% Fixed Rate
Fees	• $150 Lender processing fee, which may be included in the amount financed • $5 late payment fee • $20 fee for returned payments • Collection fee of up to 22% of amount due if not received within 90 days of due date, as authorized by State law	• $150 Lender processing fee, which may be included in the amount financed • Late payment fee of 1.5% of unpaid loan installment charges billed directly by NYSERDA's loan servicer • If borrower's utility service is terminated, may be subject to a reconnection fee from the utility • A past due balance on your utility account may subject you to a collection fee by the utility as authorized by the Public Service Commission • A returned payments fee may be charged by the utility as authorized by the Public Service Commission
Agreements	You will sign a Note with the Lender. Once the loan is disbursed, it will be purchased by NYSERDA and serviced by NYSERDA's loan servicer, Concord Servicing Corporation.	• You will sign and have notarized a Note with NYSERDA. • All individuals or legal entity representatives named on the property deed must sign and have notarized an On-Bill Recovery Program Declaration, which will be filed by NYSERDA to provide notice to any subsequent purchaser of the property. The Declaration is not a lien on the property, but is recorded in a similar way as a Mortgage to provide notice to others of the loan obligation.

To be approved for loans, an applicant and/or co-applicant must meet NYSERDA credit standards, which include:

- satisfactory credit score (or demonstrated history of satisfactory energy bill and mortgage payment);
- acceptable level of income relative to outstanding debt obligations;
- no bankruptcies, foreclosures, or repossessions within the last 7 years (5 years if demonstrated history of satisfactory energy bill and mortgage payment); and
- not more than $2,500 in outstanding collections, charge-offs, liens and judgments.

If either applicant is unable to meet the eligibility requirements, the applicants may be able to meet combined eligibility requirements. If so, both will be listed as co-borrowers on the Note and will be jointly and severally liable.

The following information is reviewed to determine the applicant's eligibility for either loan:

- Credit Application
- Documentation of income stated on Application
- A credit report inquiry will be made to obtain your FICO score, monthly obligations, and other information
- Additional items, as necessary
- For the On-Bill Recovery Loan, a title company under contract to NYSERDA will search public records to determine ownership of the property