

NYSERDA Financing Product Information, Disclosure and Election Form

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) an Unsecured 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.

**On-bill Recovery Loan applications will be accepted starting January 30, 2012.
No payment and no interest charges will appear on utility bills prior to June 2012**

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

Loan Type	Unsecured Loan	On-bill Recovery Loan
Borrower Eligibility	<ul style="list-style-type: none"> An applicant or co-applicant who owns a 1- to 4- unit residential building, or who leases or manages such building and who has the written authorization from the owner to contract for energy efficiency improvements in the structure. Co-borrowers may apply and will be equally responsible for repayment. 	<ul style="list-style-type: none"> An applicant or co-applicant who owns a 1- to 4- unit residential building and who is 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, Rochester Gas and Electric. Co-borrowers may apply and will be equally responsible for repayment. All individuals named on the property deed must sign the loan, but the loan must be in the name of at least one individual named on the utility account. The number of loans eligible by utility territory is limited, subject to increase by the Public Service Commission.
Repayment Terms	<ul style="list-style-type: none"> 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 and the loan may not be assigned. 	<ul style="list-style-type: none"> Repaid through a NYSERDA Loan Installment charge on your utility bill Requires a mortgage* to be signed, which will be filed by NYSERDA to provide notice to any subsequent purchaser of the property. 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. The remaining monthly installments will be billed to the new utility account holder. Nonpayment may subject you to termination of utility service
Maximum Amount	Up to \$13,000 (up to \$25,000 if the financed portion of the project has a payback of 15 years or less)	
Loan Term	5, 10, or 15 years; term may not exceed the weighted useful life of the financed measures	Same as Unsecured Loan, but in addition, monthly loan installment payment amount may not exceed 1/12 th of estimated annual energy savings
Interest Rate (subject to change)	3.99% Fixed Rate (3.49% if the borrower repays through automatic ACH payment)	2.99% Fixed Rate (interest may be tax-deductible; consult your tax advisor)
Fees	<ul style="list-style-type: none"> Lender processing fee (\$150), which may be included in the loan \$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. 	<ul style="list-style-type: none"> Lender processing fee (\$150), which may be included in the loan Late payment charge of 1.5% of unpaid principal and interest billed directly to you by Lender or Lender's loan servicer; no similar charge occurs for principal and interest billed by the Utility Utility reconnection charge if utility service is terminated The mortgage is not subject to any fees or NYS mortgage recording tax.
Agreements	You will sign a Note	You will sign and have notarized a Note and Mortgage, and will be provided notice and disclosure forms

** The mortgage is subordinate to (ranks after) any current or future mortgage on the property and may not be used for foreclosure. If your property is presently covered by a mortgage given to a lender, that mortgage may contain provisions that prohibit you from giving any other person or entity a mortgage on that property, or may require you to obtain that lender's consent in advance. If your property is presently covered by a mortgage given to a lender, you should review that mortgage to make sure no such prohibition or requirement exists. (The Fannie Mae/Freddie Mac conforming mortgages, identified as Fannie Mae/Freddie Mac Uniform Instrument, is a commonly-used mortgage document, and does not prohibit subordinate liens).*

For both loans, improvements eligible for financing include energy efficiency improvements to a 1- to 4- unit residential building that have been approved by NYSEERDA and are installed by a participating BPI-accredited Home Performance with ENERGY STAR contractor. The cost of the financed improvements must be less than the estimated energy savings over the anticipated life of the improvements.

To be approved for loans, an applicant must meet NYSEERDA 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) not more than \$2,500 in outstanding collections, charge-offs, liens and judgments.

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

- Credit Application
- A credit report inquiry will be made to obtain your FICO score, monthly obligations, and other information.
- Consent form to obtain payment history from energy service provider, if necessary
- Additional items as necessary
- For On-bill Recovery Loan, a title company under contract to NYSEERDA will search public records to determine the ownership of the property.