

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) an Unsecured Loan repaid in installments to NYSEDA'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 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. • At least one applicant must be an individual, but a legal entity may be included in the loan as a co-borrower. • The applicant and co-applicant must meet eligibility requirements and loan underwriting standards. 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. 	<ul style="list-style-type: none"> • An applicant and/or co-applicant who owns a 1- to 4- unit residential building. At least one applicant must be an individual, but may include a legal entity as a co-applicant. • 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, Rochester Gas and Electric. • The applicant and co-applicant must meet eligibility requirements and loan underwriting standards. • 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. • All individuals or legal entity representatives named on the property deed must sign the mortgage. • 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 NYSEDA'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. • Nonpayment may subject you to a judgment, and NYSEDA 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. 	<ul style="list-style-type: none"> • Repaid through a NYSEDA Loan Installment charge on your utility bill, except in instances when utility service is terminated or suspended, when you will be billed directly by NYSEDA's loan servicer. • Requires a mortgage* to be signed, which will be filed by NYSEDA 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 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 financed portion of the project has a payback of 15 years or less) Minimum loan \$3,000 (\$1,500 for consumers who qualify for Assisted Home Performance with ENERGY STAR subsidy of 50%, up to \$5,000, of cost)	
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	2.99% Fixed Rate (interest may be tax-deductible; consult your tax advisor)

	automatic ACH payment)	
Fees	<ul style="list-style-type: none"> • \$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. 	<ul style="list-style-type: none"> • \$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 and Mortgage to NYSERDA, and will be provided notice and disclosure forms
<p><i>* 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).</i></p>		

For both loans, improvements eligible for financing include energy efficiency improvements to a 1- to 4- unit residential building that have been approved by NYSERDA 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 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
- 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 NYSERDA will search public records to determine the ownership of the property