

Residential Loan Information

ON-BILL RECOVERY LOAN		SMART ENERGY LOAN
Interest Rate <small>(subject to change)</small>	3.49% fixed rate	3.49% fixed rate (3.99% if paying by check)
Loan Amount	<ul style="list-style-type: none"> Up to \$13,000 (up to \$25,000 if the simple payback is less than 15 years, calculated by dividing the loan amount by the first year estimated energy cost savings). \$1,500 minimum loan amount. 	
Loan Term	5, 10, or 15 years (term may not exceed expected useful life of home energy improvements)	
Repayment Terms	<ul style="list-style-type: none"> Repayments added to borrower's utility bill as a NYSERDA Loan Installment charge. If utility service is terminated or suspended, borrower will be billed directly by NYSERDA's loan servicer. If the loan obligation is not fully satisfied prior to the sale of the home, the borrower must provide notice to the purchaser; is responsible for amounts billed by the utility up to the date of transfer; and with agreement from the buyer, can transfer the remaining monthly payments to the new utility account holder. Non-payment of utility charges may result in termination of service; non-payment of the loan obligation may result in a judgment. 	<ul style="list-style-type: none"> Repayments made directly to NYSERDA's loan servicer via monthly statement billing or automatic bank withdrawal (ACH). If home is sold or transferred, borrower is responsible for the outstanding balance of the loan and cannot be reassigned. Non-payment of the loan obligation may result in a judgment; NYSERDA is authorized under State law to certify amounts past due for collection by offset from income tax refunds and other payments due from the State.
Borrower Eligibility	<ul style="list-style-type: none"> Borrower (or co-borrower) must own the home and be named on the utility account of a participating utility: Central Hudson, Con Edison, PSEG-Long Island, National Grid (upstate customers only), New York State Electric and Gas Corporation, Orange & Rockland Utilities, or Rochester Gas and Electric. <i>(PSEG-Long Island customers who are on bi-monthly billing will be changed to monthly billing when the approved loan installment charge is placed on their bill)</i> A title company under contract with NYSERDA will search public records to verify ownership of the property. 	<ul style="list-style-type: none"> Borrower (or co-borrower) must own the home, or lease or manage the residential building and be an authorized representative of the owner.
<p>At least one borrower must be an individual, but a legal entity may be included as a co-borrower. Additional credit approval criteria apply (see below).</p>		
Eligible Home Energy Improvements	<ul style="list-style-type: none"> Eligible home energy improvements made to a residential building (1-4 units) by a participating contractor. Improvements may include ancillary "health and safety" measures not to exceed 15% of the total cost of eligible improvements or a maximum of \$2,000. <p>For a list of eligible energy improvements, visit nyserda.ny.gov/eligible-improvements</p>	
Cost-Effectiveness Requirements	<ul style="list-style-type: none"> Monthly payment may not exceed 1/12th of the estimated average annual energy cost savings from the improvements over the loan term. 	<ul style="list-style-type: none"> Pre-qualified eligible home energy improvements are at least 85% of the total loan amount. <p>-OR-</p> <ul style="list-style-type: none"> Estimated energy cost savings over the anticipated life of all eligible home energy improvements must be at least 80% of the total principal and interest to be paid on the loan.

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Fees

- \$150 origination fee (can be included in the loan amount).
- Late payment fee equal to 1.5% of unpaid payments.
- Returned payment fee may be charged by the utility as authorized by the Public Service Commission.
- Past due balance on utility account may be subject to a collection fee by the utility as authorized by the Public Service Commission.
- If utility service is terminated, borrower may be subject to a reconnection fee from the utility.

- \$150 origination fee (can be included in the loan amount).
- \$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.

Agreements

- Borrower must sign and have notarized a loan 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.
- Only one On-Bill Recovery Loan per account allowed.

- Borrower must sign a loan note with NYSERDA's loan originator.
- When the loan is disbursed, it will be purchased by NYSERDA and serviced by NYSERDA's loan servicer.

LOAN APPROVAL CRITERIA

Credit Score	540-599	600-679	680 and above
Debt-to-Income (DTI)*	Up to 70%	Up to 75%	Up to 80%
Mortgage Payment History	Mortgage has been paid on-time for the past 12 months. No mortgage payments have been more than 60 days late during the past 24 months.		
Bankruptcy, Foreclosure, Repossession History	None in the past 24 months		
Outstanding Collections, Judgments, Liens, and Charge-offs	May not exceed \$2,500	May not exceed \$2,500	May not exceed \$2,500

* DTI is a measure of existing debt payment obligations (mortgage, auto loan, student loan, credit card payments, etc.) as a percentage of income.

** DTI is up to 100% for applicants who qualify for the Assisted Home Performance with ENERGY STAR 50% discount.

This does not constitute a comprehensive list of loan underwriting guidelines. These standards are subject to change at NYSERDA's discretion.

