

Financing Options ENERGY UPGRADES & RENEWABLES May 2011

Approx * Monthly Payment for \$10,000	Lender / Loan Program	Upgrade Loan Limit	Payment Term Years	Docu- mented Income	Appraisal Required	Maximum Loan to Value	Contractor Bid Included	Approval Time (Days)	Funding Delay (Days)
Unsecured Financing									
\$125	GeoSmart (with buy-down)	\$25,000	10	stated	no	n/a	yes	1	2 after completion
\$155	Fannie Energy	\$20,000	10 / 12**	stated	no	n/a	yes	1 to 2	2 after completion
\$146	Title One	\$7,500	10	full	no	n/a	yes	7	50% upfront 50% at completion
Secured Lien								Initial/Final	
\$54	Conventional Cash-Out	\$400,000	30	full	yes	80%	no	10 / 30	30 to 45
\$63	Energy Efficient Mortgage	5% of appraised value	30	full	yes	96.5%	yes	25 / 60	15 after completion
\$63	203K Rehab	\$35,000	30	full	yes	96.5%	yes	25 / 45	50% upfront 50% at completion
\$109	Title One Home Improvement	\$25,000	15 / 20	full	no	n/a	yes	10 / 14	50% upfront 50% at completion
\$87	PowerSaver** <i>Available 7/11</i>	\$25,000	15 / 20 **	full	TBD	100%	yes	10 / 14	50% upfront 50% at completion
\$69	CHFLoans	No loan limit	15	full	no	n/a	yes	7 / 10	3 after completion

Check with local municipalities and credit unions for loan programs, and incentives. www.energyupgradeca.org.

Interest rates change daily. This is for comparison purposes. www.ecoenergyloan.com



GeoSmart	7.99%	EEM	5.25%
Fannie	13.99%	203K	5.25%
Title One	10.95%	Title One	9.00%
Cash-Out	5.00%	PowerSaver	4.99%

Financing Options and Incentives for Energy Upgrades

Unsecured Financing (no lien on the property): These popular **short-term, high interest loans** are available without detailed income verification or appraisal. They are available through your **certified contractor**. **Several utilities** provide loan programs also. Go to your utility website for details.

Refinance Mortgage: You can refinance your home to take advantage of today's low rates and get the cash-out for your energy retrofit and/or PV installation. With sufficient **documented income** and **20% home equity**, a cash-out refinance is a winner in **decreasing your monthly costs, both mortgage and energy!**

Home Equity Line Of Credit (HELOCs): Second secured liens on property with variable interest rates based on the Prime Rate or other indexes. Since the prime rate will go up as the economy improves, today's low interest-only payments will increase and may result in a balloon payment in 10 years. Some HELOCs convert to a fixed loan. To secure a new HELOC today, documented income and equity are needed to qualify.

Purchase & Refi Mortgages for Renovation: To get lower monthly mortgage and energy costs, 30-year mortgages provide the lowest cost. With today's low interest rates amortized over 30 years, mortgage payments *and* energy costs are decreased! These FHA first-mortgage loans only need 3.5% equity, so they are very useful for **energy upgrade refinance of "low equity"** (< 20% equity) **homes** or to **purchase and renovate foreclosed dwellings**.

- **203k Streamline** (Purchase or Refi): Up to **\$35,000** in upgrades consisting of **any combination** of energy efficiency, insulation, HVAC, baths, kitchens, new Energy Star Appliances, flooring, granite counters, roofs, windows, **as well as solar hot water and photovoltaic installations**.
- **Energy Efficiency Mortgage (EEM):** Give borrowers the opportunity to finance **only cost-effective, energy-saving measures** as part of a single 30-year mortgage. Requires HERS audit. Can combine w/203K.

Title One Loans: Home improvement loans that do not require an appraisal. These are second loans originated with the contractor to provide energy upgrades and rehab for **homes, condos and manufactured homes**. There is an unsecured loan up to \$7,500 and secured loan limit increases to \$25,000.

PowerSaver is a new FHA Title One loan pilot that is just being launched. Lenders ready to accept as low as 660 credit and full documentation for secured loan up to \$25K and unsecured to \$7,500. Loan terms 15 to 20 years

CHF Loans. California only **3% 15 year fixed** with grants up to \$1,250 available. Go to www.chfloan.org for details. 0% rate in Member counties until funds expire. Check for your county's participation.