

Residential Loan Information

Homeowners looking to upgrade the energy efficiency of their homes using NYSERDA have financing options available to them.

	On-Bill Recovery Loan	Smart Energy Loan	Companion Loan	Renewable Energy Tax Bridge Loan
Loan Description	<ul style="list-style-type: none"> • Loan payments are built into your utility bill. • Monthly payments may not exceed your estimated average monthly energy cost savings. 	<ul style="list-style-type: none"> • Traditional loan that you repay each month via check or automatic payment. 	<ul style="list-style-type: none"> • Can be used with an On-Bill Recovery or Smart Energy Loan to access additional financing for projects exceeding the \$25,000 cap on those loans. • It is a traditional loan that you repay each month via check or automatic payment. It cannot be repaid from your utility bill like the On-Bill Recovery Loan. 	<ul style="list-style-type: none"> • A short-term loan product enabling you to finance federal and state tax credits. • There is a balloon payment of principal and interest due at maturity and can be paid via check or automatic payment. • It can be paired with a Smart Energy or On-Bill Recovery Loan (the total cannot exceed \$25,000) and the Companion Loan.
Interest Rate (subject to change)	<p>* Interest rates vary based on the homeowner's geographic area, annual income and number of occupants in the house. * See "Interest Rate Guidelines" below to determine your specific interest rate.</p> <p>**All rates are subject to change and vary based on customer's credit qualifications** Visit nyserdera.ny.gov/hp-finance for additional details.</p>			
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. 		<ul style="list-style-type: none"> • \$1,500-\$25,000 	<ul style="list-style-type: none"> • May not exceed the maximum of your federal income tax credit of 26% for systems installed in calendar year 2021 and 2022 and a tax credit of 22% for systems installed in 2023. • \$1,500-\$25,000
Loan Term	5, 10, 15 years (term may not exceed expected useful life of the home energy improvements)			

<p>Repayment Terms</p>	<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 amount 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 judgement. 	<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 which cannot be assigned. • Non-payment of the loan obligation may result in a judgement; 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. 	<ul style="list-style-type: none"> • Repayments made directly to NYSERDA's loan servicer via monthly statement billing or automatic bank withdrawal (ACH). 	<ul style="list-style-type: none"> • Balloon payment (principal and interest) due 2 years from origination.
<p>Borrower Eligibility</p>	<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. (PSEG-Long Island customers who are on bi-monthly billing will be changed to monthly billing) 	<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. • At least one borrower must be an individual, but a legal entity may be included as a co-borrower. Additional credit approval criteria apply. 	<ul style="list-style-type: none"> • Must utilize the \$25,000 On-Bill Recover and Smart Energy Loan before being eligible for Companion Loan. • Borrower must own the home or be an authorized representative of the property owner. 	<ul style="list-style-type: none"> • Allows borrower to finance federal and state tax credits on renewable energy system products - geothermal. • Borrower must own the home or be an authorized representative of the property owner. • Can be paired with a Smart Energy or On-Bill Recovery Loan (total cannot exceed \$25,000) and a Companion Loan.

	<p>when the approved loan installment charge is placed on their bill.)</p> <ul style="list-style-type: none"> • A title company under contract with NYSERDA will search public records to verify ownership of the property. • At least one borrower must be an individual, but a legal entity may be included as a co-borrower. Additional credit approval criteria apply. 			
<p>Eligible Home Energy Improvements</p>	<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 "healthy and safety" measures that are not exceed 15% of the total cost of eligible improvements or a maximum of \$2,000. • For a list of eligible energy improvements, visit nyserdera.ny.gov/media/Files/EERP/Residential/Programs/Existing-Home-Renovations/eligible-energy-improvements.pdf 			
<p>Cost Effectiveness Requirements</p>	<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. -- OR -- • 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. 		
<p>Fees</p>	<p>\$150 origination fee (can be included in the loan amount)</p>			
	<ul style="list-style-type: none"> • Late payment fee is the lesser of 5% or \$5. 	<ul style="list-style-type: none"> • Late payment fee is the lesser of 5% or \$5. 		

	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • \$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. 		
<p>Agreements</p>	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • If the borrower sells or transfers the property, they remain responsible for the balance of the loan. 	<ul style="list-style-type: none"> • If the borrower sells or transfers the property, they remain responsible for the balance of the loan.

Interest Rate Guidelines

Lower Interest Rate – Geo-eligibility Tool

NYSERDA offers a geographic determination to qualify consumers for lower interest rates through the GJGNY Residential Financing Program. Using the Housing and Urban Development (HUD) Income Block Data, NYSERDA has identified Census Block Groups where census data reports that 50% or more of the population of the Census Block Group have a household income $\leq 120\%$ (Designated Areas). If an applicant’s address is located within a Designated Area, he/she will be deemed eligible for the lower interest rate and will not have to provide documentation of household income. The applicant/co-applicant will still have to provide income documentation for debt-to-income calculation, if applicable, in accordance with NYSERDA’s underwriting guidelines. To see if you qualify through geo-eligibility, visit <https://www.nysesda.ny.gov/ny/lmi%20contractor>.

If you do not qualify for the lower interest rate through geo-eligibility, use the chart below to see which interest rate you qualify for using your household size and income range.

Household Size	Income Range	On-Bill Recovery (pay on utility bill)	Smart Energy Loan (pay by check)	Smart Energy Loan (pay by auto-payment)	Companion Loan	Renewable Energy Tax Bridge Loan
1 person	\$143,325 and below	3.49%	3.99%	3.49%	6.49% pay by auto-payment 6.99% pay by check	The interest rate is the same as the determined interest rate for the On-Bill Recovery Loan or Smart Energy Loan.
	Above \$143,325	6.99%	7.49%	6.99%		
2 persons	\$163,800 and below	3.49%	3.99%	3.49%		
	Above \$163,800	6.99%	7.49%	6.99%		
3 persons	\$184,275 and below	3.49%	3.99%	3.49%		
	Above \$184,275	6.99%	7.49%	6.99%		
4 persons	\$204,638 and below	3.49%	3.99%	3.49%		
	Above \$204,638	6.99%	7.49%	6.99%		
5 persons	\$221,062 and below	3.49%	3.99%	3.49%		
	Above \$221,063	6.99%	7.49%	6.99%		
6 persons	\$238,494 and below	3.49%	3.99%	3.49%		
	Above \$238,494	6.99%	7.49%	6.99%		

Loan Approval Criteria

The information below summarizes the loan approval criteria for On-Bill Recovery, Smart Energy, and Companion Loans.

This is not a comprehensive list of loan underwriting guidelines and the standards are subject to change.

Credit Score	540-599	600-639	640-679	680-719	720+
Debt-to-Income (DTI)*	40%	45%	50%	60%	No limit
Mortgage Payment History	Mortgage has been paid on-time for the past 12 months. No mortgage payments more than 60 days late during the past 12 months.				
Bankruptcy, Foreclosure, Repossession History	None in the past 24 months				
Outstanding Collections, Judgments, Liens, and Charge-offs	May not exceed \$2,500				
Prior GJGNY Loans	No customer will be eligible for a GJGNY Loan if the customer has a prior GJGNY Loan outstanding that is 30 days or more delinquent.				

*Debt-to-Income (DTI) is a measure of your existing debt payment obligations (mortgage, auto loan, student loan, credit card payments, etc.) to your income.