



DISTRICT OF COLUMBIA SUSTAINABLE ENERGY UTILITY

## **Making Energy Efficiency Improvements Affordable**

The DC SEU has partnered with Industrial Bank to offer a special program through the Federal Home Loan Bank of Atlanta, the Energy Efficiency and Weatherization Program. This program provides forgivable loan funds of up to \$12,000 for home rehabilitation to eligible homeowners. Energy efficiency and weatherization upgrades offered in this program will make your home a healthier and more comfortable place to live, reduce energy costs by as much as 30%, and create jobs for DC residents.

### **Who's Eligible?**

Homeowners earning 80% Area Median Income (AMI) or less who live in single-family homes, duplexes, townhouses, condos, cooperatives or manufactured/mobile housing titled as real estate are eligible.

Homeowners must have owned the home for at least one year, and plan to stay in the home for five years.

### **What does the program provide?**

The program provides a forgivable loan, up to \$12,000, for energy efficiency and weatherization improvements with some health and safety improvements.

### **How is the loan forgiven?**

The loan is forgiven at 20% each year, over 5 years. No loan payments are required.

### **What improvements are available?**

- Insulation
- Heating, ventilation, and air conditioning systems
- Low-flow plumbing devices
- Efficient water heaters
- Other health and safety improvements

### **Responsibilities of the homeowner:**

- Complete a loan application and provide required income and asset documentation
- Select a DC Home Performance with ENERGY STAR® participating contractor
- Schedule and be at home during your energy audit and upgrades with the contractor you select
- Complete a phone session of credit counseling
- Allow pre and post inspections of the home to confirm and monitor completed work
- Meet the 5 year occupancy requirements
- Complete project by September 30, 2012

**For more information and to participate in the program, visit [www.dcseu.com/HomePerformance](http://www.dcseu.com/HomePerformance) or contact Chelsea Silber at [csilber@dcseu.com](mailto:csilber@dcseu.com) or 202-505-3041.**



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## Frequently Asked Questions

### **Is there ever a situation in which I would need to make payments on the loan? For example, what happens if the original borrower dies before the end of the loan forgiveness?**

The only instance when you would be required to pay back the remainder of the loan is when the primary person on the loan transfers the property (e.g. sale, death) to someone who is not income eligible at 80% of the DC area median income (AMI).

### **How long must I have owned my home? What happens if I move or sell my home before the 5 year period?**

You need to have owned your home for at least one year. If you move or sell your home before the five-year period to an income-eligible buyer, you are not required to pay the remainder of the loan, which transfers to the new homebuyer. If you sell your home before the five-year period to a buyer who is not income eligible, you are required to pay the remainder of the loan to Industrial Bank. As an example, a homeowner that moves at the end of year 4 would only owe \$2,400 on the full \$12,000 loan if they did not sell their home to an income-eligible borrower.

### **What is 80% of the DC Area Median Income for my household?**

The area median income varies by how many people are living in the home and over 18 years old. 80% of the area median income is as follows based on occupancy:

- A Household of 1: \$49,200
- A Household of 2: \$56,200
- A Household of 3: \$63,250
- A Household of 4: \$70,250

### **What materials should I have on hand to fill out the paperwork for the FHLB program?**

For initial eligibility, you'll need the following for each member of your household 18 or older:

- Paystub or W-2s;
- One recent bank statement for each checking or savings account; and
- One recent statement for each retirement account

You will need more documentation as you complete the process with a program financial professional.

### **What is the process of scheduling an energy audit and getting the work done? Is there a cost?**

After you are verified as income eligible, you will select a DC Home Performance with ENERGY STAR participating contractor. You will work with this business to schedule and complete your energy audit and energy efficiency upgrades. The energy audit is at no cost to you since it is covered by the forgivable loan. If you already have an energy audit, you'll need to have an electronic or hard copy so the business you select can use that to evaluate your home.

### **If I need my entire heating and cooling system replaced, would this program cover that level of work?**

The Federal Home Loan Bank program has a maximum subsidy for each energy upgrade measure, such as heating & cooling. For example, heating and cooling systems are covered under the program and those upgrades may not exceed 55% of the total forgivable loan.