

# Energy Efficient Mortgage

## *Save Money . . . Conserve Energy . . . Live Comfortably*

### **Save Energy and Reduce Costs with an Energy Efficient Mortgage**

For most families, buying a home means achieving the American dream. And with housing costs rising higher each year, it's more important than ever to get the most for your home-buying dollar.

After your mortgage payment, your monthly utility bill is usually your next largest housing-related expense. By spending less on your energy bills, you'll have more money available for your mortgage payments and be able to build equity in your home faster.

An **Energy Efficient Mortgage** can help you finance cost-effective, energy-saving measures. These energy-saving measures will enable you to reduce your consumption of energy, lower your utility bills, help clean the environment, and increase the potential resale value of your home. And if you are upgrading an existing home, an Energy Efficient Mortgage enables you to take advantage of state-of-the-art technology without having to move.

### **Why are Energy Efficient Homes Better?**

- *Lower Energy Costs*  
Energy efficient homes use state-of-the-art technology to get the most from the energy you use, while using less energy for heating, cooling, and water heating as compared to a standard home. You could save up to 50 percent on home energy costs.
- *Increased Comfort*  
Energy efficient homes can mean warmer homes in the winter and cooler homes in the summer because improved duct systems will provide balanced airflow to all of the rooms.
- *Improved Air Quality*  
In addition, because energy efficient homes use less energy, fewer emissions are created during the generation of power for your home.

<b>The Value of Efficiency</b>		
	<b>Non Energy Efficient Home</b>	<b>Energy Efficient Home</b>
Purchase Price	\$250,000	\$253,000
Down Payment	\$50,000	\$50,600
New Appraisal		\$255,000
Loan Amount	\$200,000	\$202,400
Interest	5.5%	5.5%
P&I	\$1,136	\$1,149
Average Utility	\$150	\$60
Total Expenses	\$1,286	\$1,209
*Energy Savings		*\$90
<b>Monthly Savings</b>	<b>\$0</b>	<b>\$77</b>

\* \$90 monthly energy savings would be added to borrower income in the qualification process.

**Note:** This example assumes that a new energy-efficient home will cost more than a standard new home. However, increasingly, builders are able to build energy-efficient homes without charging an additional cost. In that case, the benefits of purchasing a home using an Energy Efficient Mortgage would be even greater.

## Is Your Existing Home Leaking Energy Dollars?

Many existing homes are “energy hogs.” If that is the case for your home, your energy bills may be higher than necessary. If you already own or are purchasing an existing home, it’s a smart investment to have your home evaluated to identify cost effective, energy efficient upgrades.

Home energy rating inspections are conducted on site by a residential energy efficiency professional, also called a home rater. The rater conducts an inspection that measures the home’s current energy efficiency, and recommends cost effective efficiency measures. The home buyer can then choose which of the efficiency measures to install. An Energy Efficient Mortgage will allow you to finance 100 percent of the energy efficiency upgrades — up to 15 percent of the value of the home.

## Did You Know That a New Home Does Not Necessarily Mean an Energy Efficient Home?

The simple way to be sure that a new home is energy efficient is to have a Home Energy Rating System (HERS) evaluation conducted.

Home buyers also can look for the U.S. Environmental Protection Agency’s (EPA) **ENERGY STAR**®, which specifies that the home incorporates energy-efficient products and construction. All homes that meet the **ENERGY STAR** specifications will qualify for an Energy Efficient Mortgage.

## How Do I find an Energy Rater?

To identify certified energy raters in your state, visit the Residential Energy Services Network at [www.natresnet.org](http://www.natresnet.org)



### I Want an Energy Efficient Mortgage! What’s my Next Step?

If you’d like to get more house for your money, reduce your consumption of energy, lower your utility bills, and help the environment, you want an Energy Efficient Mortgage. To apply and for more information, please contact:

