



*Duluth Energy  
Design Conference:*

**Partnering for  
Energy  
Efficiency**

**Dates**





## financing affordable housing

Minnesota's state housing finance agency

---

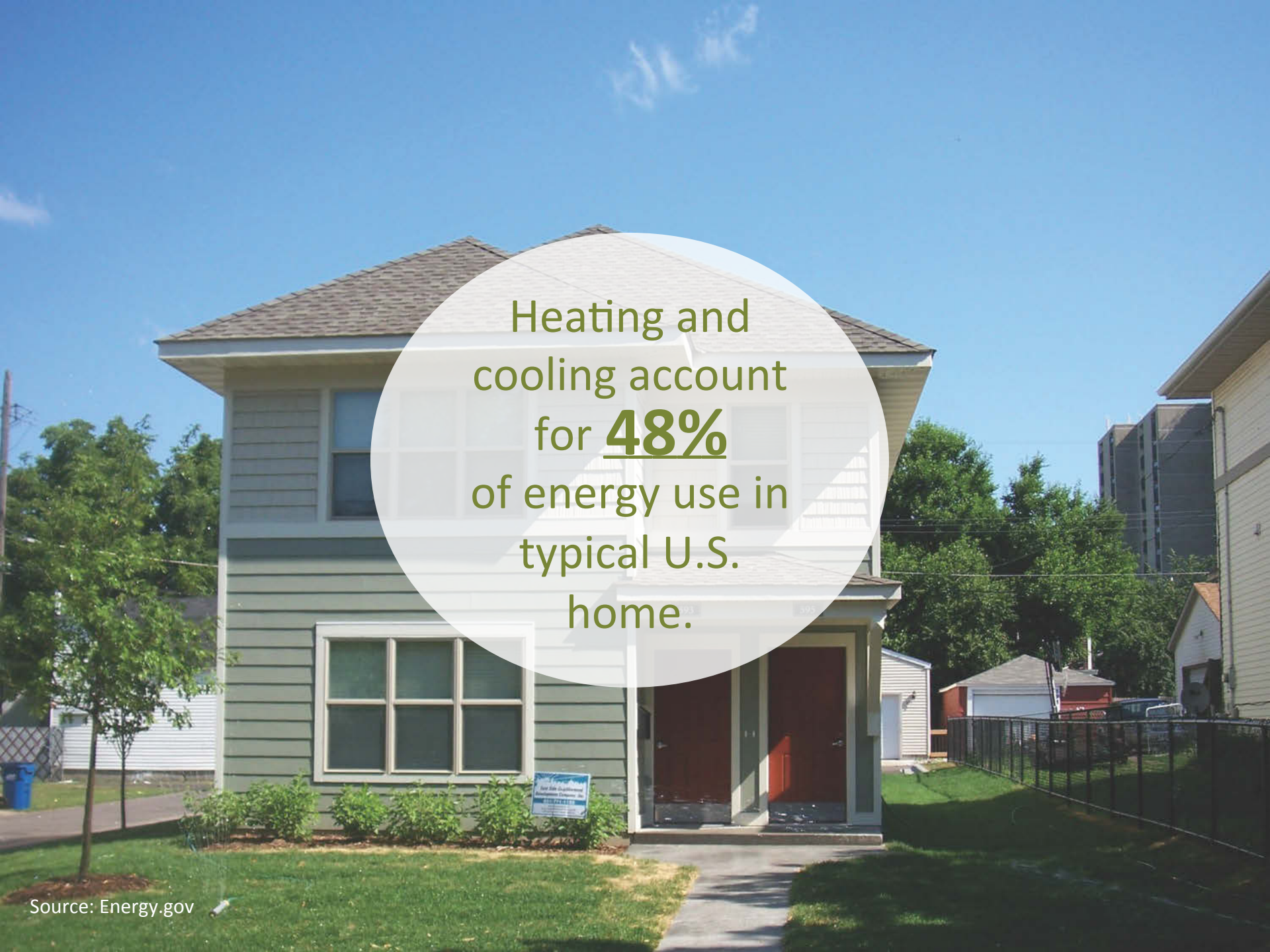
In 2014, invested more than **\$754 million** and served **59,000 households**

---

**13,000 households** benefited from homeownership and home improvement programs last year

---

Total assets of **\$3.15 billion**



Heating and  
cooling account  
for **48%**  
of energy use in  
typical U.S.  
home.

# the products

## Fix Up

*Home improvement loans*

Secured - \$50,000

Secured Energy and  
Accessibility - \$15,000

Unsecured - \$15,000

Unsecured Energy -  
\$15,000



## the process

- Helps borrower determine scope of project
- Gives referral to Minnesota Housing lender

**CONTRACTOR**



- Applies for loan with Minnesota Housing approved lender

**BORROWER**



- Originates, underwrites, closes and funds loan
- Sells the loan to Minnesota Housing

**LENDER**

# the improvements

windows; insulation



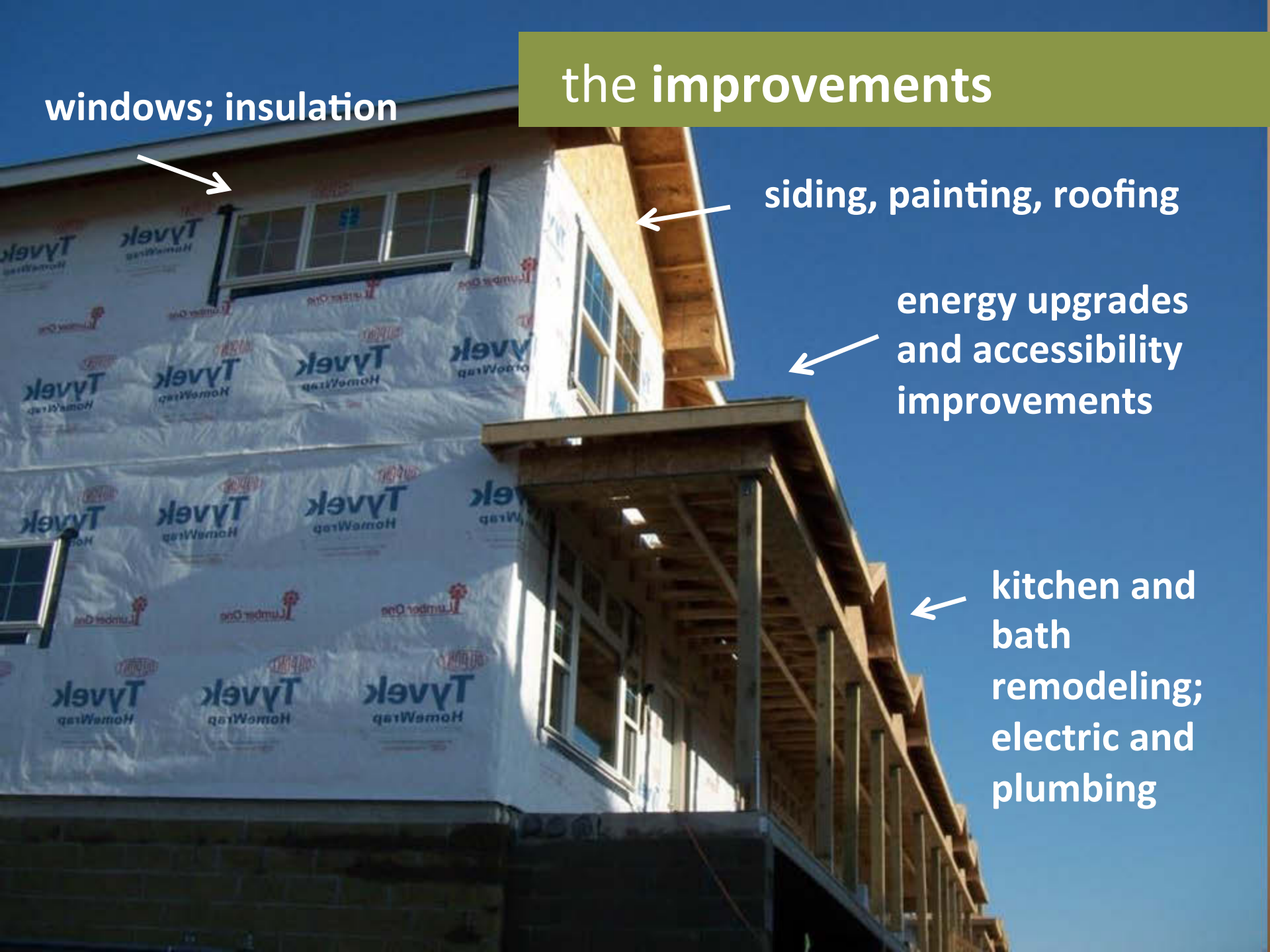
siding, painting, roofing



energy upgrades  
and accessibility  
improvements




kitchen and  
bath  
remodeling;  
electric and  
plumbing



## focus: energy efficiency



- thermostat
- furnace
- air conditioner
- water heater
- windows
- light fixtures
- insulation
- and more



How many  
homes in  
Minnesota have  
inadequate  
insulation?

400,000+



## the benefits

- **Reduced interest rate of 4.99%**
- **Higher loan-to-value ratio than traditional products**
- **Longer repayment terms**

## the benefits

- **No income limits**
- **Secured and unsecured**
- **Value now, value later**
- **Additional money-saving rebates** (Furnace up to \$400; Central A/C up to \$200)

## the benefits: ROI

ENERGY STAR appliances:  
Save **\$750** over life of  
product

Sealing and insulating: Save up  
to **\$250/year**



Programmable  
thermostat: Save **10%**  
per year on energy  
costs

Low-flow faucets and  
showerheads: Water  
savings of **25-60%**.

ENERGY STAR heating  
and cooling equipment:  
Save up to **\$115/year** on  
energy costs

## the example

	Secured Energy Loan	Unsecured Energy Loan
Loan Amount	Attic insulation: \$2,000 ENERGY STAR fixtures: \$1,500 Air sealing: \$1,500 ENERGY STAR A/C: \$5,000 ENERGY STAR furnace: \$5,000 <b>Total Loan: \$15,000</b>	Attic insulation: \$2,000 ENERGY STAR fixtures: \$1,500 Air sealing: \$1,500 ENERGY STAR A/C: \$5,000 ENERGY STAR furnace: \$5,000 <b>Total Loan: \$15,000</b>
Repayment Term	10 years	10 years
Interest Rate	4.99%	4.99%
Monthly Pmt	\$ 159.02	\$ 159.02

## the example

	Secured Energy Loan	Unsecured Energy Loan
Current Property Value	<b>\$115,000</b>	N/A
Current Mortgage	\$119,000	N/A
½ of Proposed Project	\$7,500	N/A
Proposed Project Cost	\$15,000	\$15,000
After Improved Value %	109.38%	N/A
<b>Max. After Improved Value: 110.00%</b>	<b>Works in negative equity situation</b>	



**50%**  
of home  
improvements  
over **\$5,000**  
are financed

our partnerships

**Lenders**

**Contractors**

**Utility Companies**

**Homeowners**

1. Help **you** increase your business
2. Help **homeowners** decrease energy costs

for more information

**Cal Greening**

651.296.8843

cal.greening@state.mn.us

[www.mnhousing.gov](http://www.mnhousing.gov)