



Professional design, installation and service of solar energy systems

A Few Notes Regarding PACE

1. The first step of the PACE program is to have an **energy audit** with a participating energy advisor
2. To qualify for a PACE loan, the energy improvements proposed must meet at least **25% overall home energy savings**
3. Money rolls out from Efficiency Maine beginning **April 4th, 2011**
4. Homeowner must have as much **equity** in their home as they are asking to borrow – i.e., if you want to borrow \$10,000.00, the homeowner must have at least that much money in equity in their home
5. **Minimum** loan is \$6,500; **maximum** loan is \$15,000
6. You can participate in both **HESP** and PACE
7. Loan terms are **5, 10 and 15 years** (homeowner choice)
8. Interest rate **4.99%** (fixed)
9. No **penalties** for pre-payment, no closing fees, origination fees
10. The **loan moves with the property**, not the homeowner – so if you take on a PACE loan and sell your home three years later, the loan moves to the new homeowner
11. First payment from EM to homeowner is **30%** - homeowner contracts directly with energy improvement company (i.e., us, energy auditor, etc). Once work is complete and test-out audit confirms 25% improvements, remaining **70%** is transferred to homeowner (via direct deposit or paper check)
12. **Rental property** owners can apply (up to four units)
13. **Applications** will be available via the EM website
14. **Monthly payments** – a \$10,000 loan = roughly \$80 payment/mo.
15. Can start **applying** for PACE loan before having an audit
16. Closing takes roughly **2-3 weeks**
17. **Three-day rescission** period available to homeowners
18. **\$20 million** to give out – incoming revenue from existing PACE loans goes back into the system to encourage more loans
19. Cost of the initial **audit** can be rolled into the PACE loan
20. If you participate in HESP, the **\$1,500 rebate** from EM will go toward the principle of your PACE loan

JJA, 3.30.2011

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Maine PACE to launch April 4th, 2011

Secured to property value with junior mortgage.

Maximum Loan to Value of 100%

Maximum Debt to Income Ratio of 45%

Loan values \$6,500 to \$15,000

Up to 15 year term (5,10,15 year terms)

4.99% fixed interest rate with fixed monthly payment.

No pre-payment penalty

No application, closing or origination fees.

Mortgage is assumable.

\$10,000 = roughly \$80 per month

Must be a resident of a town that has passed a PACE Ordinance

Maine PACE Towns



41% of Population
496,000 people
180,000 homes

Albion

Alfred

Arrowsic

Arundel

Auburn

Augusta

Bangor

Bath

Belfast

Biddeford

Bowdoinham

Bradley

Brewer

Brooksville

Bucksport

Cape Elizabeth

China

Cumberland

Dayton

Dover-Foxcroft

Falmouth

Fayette

Fort Kent

Freeport

Gray

Hallowell

Hampden

Harpswell

Houlton

Kennebunk

Lewiston

Lincoln

Lisbon

Mechanic Falls

North Haven

Old Town

Orono

Phippsburg

Portland

Presque Isle

Richmond

Rockland

Saco

Scarborough

South Berwick

South Portland

Strong

Topsham

Vassalboro

Vinalhaven

Waterboro

Waterville

West Bath

Westbrook

Winslow

Winthrop

Yarmouth

57 Towns PASSED so far

Many more known to be in
process including:

Brunswick, Eastport, Unity,
Buckfield, York, Old
Orchard, Kittery,
Windham, New
Gloucester...

Maine PACE Implementation



- **Municipalities and Participating Energy Advisors will be provided marketing materials and TV media before April 4th.**
- **The EM 866 number or the AFC 800 number will be available for applicant information or follow up on loan process. Applications will also be available online.**
- **Closing services will initially be provided by a closing agent going to the home, as bank branches are brought into the program, closing services may be performed at local banks.**
- **HESP is the core base for PACE. To be eligible for a PACE loan, homeowners must meet HESP criteria, currently 25% expected savings.**
- **Any incentives due to the homeowner from Efficiency Maine will be used to offset the loan amount.**
- **Monthly billing of the homeowner for the PACE loan will occur in a separate bill issued by Efficiency Maine Financing. Maine PACE loan payments will not be incorporated into property tax billing in any municipality.**

Maine PACE Implementation



- Homeowners can call about getting approved for a PACE loan at anytime prior to work being done.
- All contractors and subcontractors working on a PACE project must be registered with Efficiency Maine Finance.
- To become a “Registered Vendor”, Contractors must providing contact information and proof of \$500K liability insurance.
- Loan funds will be provided to the homeowner to pay contractors. 30% of project cost will be disburse to the homeowner 3 days after closing to be used as a down payment on the project. Remaining 70% will be released to the homeowner after test out and final sign off by homeowner and auditor.
- Prior to release of final loan amount to the homeowner, job completion form must be completed by Participating Energy Advisor and lien waivers must be provided by all contractors and subcontractors on the project.
- While EM aims to make the process as quick as possible, it hinges in part on the speed at which audit reports, work quotes and financial information is submitted.