

BeSMART Energy Efficiency Home Loan

<https://dhcd.maryland.gov/energy>

GENERAL QUALIFICATIONS:

Who is eligible?

Maryland homeowners who meet the following eligibility standards:

- Credit score of **640** or greater
- Debt-to-income ratio that does not exceed **50%**

The BeSMART loan is an unsecured loan based on verification of credit and ability to pay.

Up to **25%** of the energy measure costs can go towards health and safety improvements if related to the energy project.

Loan Terms

Amount	Rate	Term
\$30,000 (maximum)	4.99% (APR 4.99)	10 years

Eligible Measures

- Insulation and air sealing
- Lighting and controls
- Health and safety measures related to the energy improvements
- ENERGY STAR^(R) furnaces, boilers, hot water heaters, and appliances
- Geothermal heat pumps
- (limited) solar photovoltaic
- ENERGY STAR^(R) windows, doors, and roofing
- Ceiling and ventilation fans
- Programmable and smart thermostats

APPLICATION PROCESS

1

Submit the application

Include 30 days of financial information, copy of valid ID for all applicants, and most recent mortgage statement and the *Application Signature Page*

DHCD

If qualified, we return a pre-approval letter

2

Send audit and scope of work

Send a scope of work from a qualified contractor and energy audit completed by a BPI certified auditor (only if home is in SMECO, Potomac Edison, PEPCO, Delmarva Power or BGE area)

DHCD

If scope is eligible, we send loan documents

3

Sign, Notarize and Return Loan Docs

Once DHCD receives the finalized loan commitment, agreement, draw schedule, and other documents by e-mail **and** mail, the loan is closed

DHCD

We request 50% draw of funds

4

Complete the project

Once the project is complete, notify DHCD to schedule and inspection. The final payment will be processed after the inspection. All draws will take up to **5 weeks** to arrive at the borrower's mailbox.

DHCD

A state inspector reviews the project and final draw



Please return application and supporting documents by mail, e-mail, besmarthome.dhcd@maryland.gov OR Fax: 1-240-334-4881

DHCD qualifies contractors based on their insurance and relevant licenses, but makes no representation for their capabilities or the status of their license at the time of the borrower's project.

Special Terms and Conditions BeSMART Guidelines and American Recovery and Reinvestment Act

Be SMART Funds are provided through the Department of Energy's (DOE) Better Buildings/Energy Efficiency and Conservation Block Grant program and are authorized through Section 544 of the Energy Independence and Security Act of 2007. Funds available through this program are to be used only for installation of measures that directly and significantly improve the energy efficiency of a building. All installed materials and equipment must be new. Eligible measures are those that will result in an improvement of energy efficiency and include:

- Whole house air sealing measures (interior and exterior), including use of sealants, caulks, insulating foams, gaskets, weather-stripping, mastics and other building materials.
- Attic and crawl space insulation, including sealing of air leakage between the attic and the conditioned space, addition of at least R-19 insulation to existing insulation and other significant insulation improvements.
- Wall insulation that results in significant energy savings.
- Duct sealing or duct replacement and sealing that result in significant energy savings and /or replaces and seals at least 50 percent of a building's distribution system.
- Skylight replacement that meets the most recent ENERGY STAR standards.
- Installation of energy efficient lighting.
- Replacement of heating systems (gas/propane/oil burner/furnace) and water heaters with new units that meet the most recent ENERGY STAR specifications. (Installation of a solar hot water heater is an eligible measure as long as it significantly reduces the amount of electricity or fuel needed to heat the water.)
- Replacement of air source air conditioner or air source heat pump with a new unit that meets the most recent ENERGY STAR specifications.
- Installation of ENERGY STAR ceiling fans, ventilating fans, dampers and programmable thermostats. Installation of energy monitoring devices.
- Health and safety measures and other improvements (such as asbestos removal, lead paint removal, ADA compliance and other similar activities) that are incidental to carrying out the eligible Be SMART activity may be eligible as long as the total cost of health and safety measures is not equal to more than 25% of the total project cost.
- Replacement of appliances (refrigerator, dishwasher, clothes washer) with new units that meet the most recent ENERGY STAR specifications.
- Metal or asphalt "cool roofs" that meet the most recent ENERGY STAR specifications (to be approved on a case-by-case basis by the Maryland Department of Housing and Community Development).
- Installation of renewable energy measures (such as qualified geothermal systems, photovoltaic systems or wind turbines) may be eligible on a case-by-case basis, as approved by the Maryland Department of Housing and Community Development
- Projects related to regular maintenance and repairs are not eligible.
- Energy Efficient windows and doors are eligible pending Historic Preservation review approval.
- Other measures may be eligible based on the results of an approved energy audit and discussions with DHCD Be SMART program staff.



Special Terms and Conditions (continued) ***BeSMART Guidelines and American Recovery and Reinvestment Act***

Historic Preservation

Before work begins to alter any historic structure or site using Be SMART funds, DHCD and the contractor/subcontractor must ensure that the work is in compliance with Section 106 of the National Historic Preservation Act (NHPA). Section 106 applies to historic properties that are listed in or eligible for listing in the National Register of Historic Places, or are located in or contribute to a National Register Historic District. Certain undertakings may be exempt from review and approval by the Maryland State Historic Preservation Office. If the undertakings for a particular project are not exempt, the contractor must notify DHCD and the State Historic Preservation Officer (SHPO) to coordinate the Section 106 review outlined in 36 CFR Part 800. In these cases where projects are referred to the SHPO for approval, work may not begin on these projects until documented approval has been received. DHCD will retain sufficient documentation (to be provided to DOE upon their request) from the contractor and SHPO for individual projects, in order to demonstrate that the required approval was received from the SHPO or THPO for the project. DHCD will report annually to DOE on the disposition of all historic preservation consultations by category.

Restrictions on Use of Funds

None of the funds provided through Be SMART may be expended, directly or indirectly, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

Whistleblower Protection

All recipients of Be SMART funding are required to comply with the Whistleblower Protection requirements of the Recovery Act, Section 553 of Division A, Title XV, Public Law 111-5, which provides protection for non-federal employees (including contractors and subcontractors) making specified disclosures relating to possible fraud, waste or abuse of Recovery Act funds. Recipients of Be SMART funding shall display a poster at their job sites. The poster can be downloaded from: <http://www.oig.doc.gov/Pages/Hotline.aspx>.

Borrower Responsibilities for Be SMART

Borrowers participating in a Be SMART program will agree, as part of their participation, to release to the Maryland Department of Housing and Community Development 24 months of historical utility data and 24 months of utility data following completion of the project. The borrower will release this information to the Maryland Department of Housing and Community Development by signing a one-time release of information that will allow DHCD to access their energy consumption data directly from the provider. This information will be provided for confidential use in calculating energy savings estimates, and will also be used by the U.S. Department of Energy's (DOE) and DHCD's program research staff for program evaluation purposes. DHCD and the U.S. Department of Energy will protect the confidentiality of this information the same as it does for their own customer or other confidential information.

Borrowers will also agree to permit a quality assurance inspection within 30 days after completion of the Be SMART work.



Please return application and supporting documents by mail, e-mail, besmarthome.dhcd@maryland.gov OR Fax: 1-240-334-4881

BeSMART Energy Efficiency Home Loan APPLICATION

PART 1: PERSONAL INFORMATION

	APPLICANT	CO-APPLICANT (if applicable)
Name		
Email		
Telephone		
SSN		
Date of Birth		

Yes, MD Department of Housing & Community Development is authorized to obtain my credit report

PROPERTY INFORMATION

Street Address			
City		State	Maryland
Zip		County	

EMPLOYMENT INFORMATION

	APPLICANT	CO-APPLICANT (if applicable)
Name of Employer		
Address of Employer		
Position/Title		
Years on Job		
Name of Supervisor		
Telephone		



Please return application and supporting documents by mail, e-mail, besmarthome.dhcd@maryland.gov OR Fax: 1-240-334-4881

If less than 2 years, provide previous employment information:

	APPLICANT	CO-APPLICANT (if applicable)
Name of Employer		
Address of Employer		
Position/Title		
Years on Job		
Name of Supervisor		
Telephone		

PART 2: HOW DID YOU HEAR ABOUT US?

<input type="checkbox"/> DHCD Website	<input type="checkbox"/> Utility website
<input type="checkbox"/> Friend, family or neighbor	<input type="checkbox"/> Utility printed material or bill
<input type="checkbox"/> Contractor: _____	<input type="checkbox"/> Other utility source: _____
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Event: _____

PART 3: CONTRACTORS AND AUDITORS (if known at time of submission)

	Company Name	Contact Name	Contact Number/Email
Auditor			
Contractor 1			
Contractor 2			



Please return application and supporting documents by mail, e-mail, besmarthome.dhcd@maryland.gov OR Fax: 1-240-334-4881

PART 4: PROJECT INFORMATION

The undersigned applicant(s) hereby makes application to DHCD for the BeSMART Home Loan, as follows:

Loan Amount Requested (\$):	
------------------------------------	--

MEASURES	Cost and details <i>(if known at time of submission)</i>	
	Type	Est. Cost (\$) Detail
ENERGY STAR ^(R) qualified HVAC repair or replacement		
ENERGY STAR ^(R) hot water heater		
Insulation and air sealing		
Duct sealing or replacement		
Lighting and controls		
Smart or programmable thermostat		
ENERGY STAR ^(R) Appliances		
ENERGY STAR ^(R) Roofing		
ENERGY STAR ^(R) Windows/Doors		
Ceiling fans		
Geothermal or solar hot water		
Solar photovoltaic*		
Ventilation fans		
Health and safety measures**		
Other		

*Solar photovoltaic funding is limited to a 1:1 match to cost of efficiency measures

** Health and safety measures is limited to those improvements that are related to the energy efficiency project or are required by local code or regulation. This includes asbestos, lead, mold, water intrusion, etc.



Please return application and supporting documents by mail, e-mail, besmarthome.dhcd@maryland.gov OR Fax: 1-240-334-4881

PART 5: FINANCIAL INFORMATION

GROSS ANNUAL INCOME			
	APPLICANT	CO-APPLICANT (if applicable)	TOTAL
Salary (Base Income)			
Pensions, Social Security, Annuity			
Alimony, Child Support			
Other _____			
TOTAL			

MONTHLY EXPENSES		
MONTHLY HOUSING EXPENSES	Balance (\$) (if applicable)	\$/month
First Mortgage (Principal and Interest)		
Other Mortgage(s)		
Utility Expenses		
Hazard Insurance/Taxes/Mortgage Insurance (if not included above)		
Homeowner Association Dues		
Other _____		
TOTAL		
OTHER LIABILITIES (10 months or greater)	Balance (\$) (if applicable)	\$/month
Installment Debts		
Automobile loans		
Other _____		
TOTAL		



APPLICANT CERTIFICATION AND SIGNATURE

Documents needed for Pre-Approval with Application:

- Copy of Driver’s License for all applicants
- Copy of latest Mortgage Statement
- Pay Stubs for the last 30 days (or 2 Yrs Tax Returns if self-employed)

Documents needed for Loan Closing:

- Copy of Itemized Proposal/Scope of Work
- Model Numbers for Energy Star Appliances/Products
- AHRI Number for HVAC Equipment

Please email all documents to besmarthome.dhcd@maryland.gov

Customer Consent to Obtain Energy Use Information

The Maryland Department of Housing and Community Development (DHCD) works with partners to finance housing opportunities and revitalize great places for Maryland citizens to live, work, and prosper. As part of this mission, DHCD has a number of energy efficiency programs that assist in making Maryland homes and businesses more comfortable, efficient, and affordable.

WHY WE NEED A RELEASE – To continue to improve and support energy programs, DHCD needs to compare the energy use before and after the efficiency improvements have been installed to better evaluate how effective these measures are in reducing your energy consumption. In order to ensure program compliance DHCD may share with the utilities and fuel or energy suppliers providing your energy, the fact you participate in the BeSMART program, the name of your contractor(s) and the type of work done. This data will also be used by the U.S. Department of Energy’s (DOE) and our own program research staff for program evaluation purposes. We take the security and privacy of your information very seriously. We will never sell, rent, or otherwise release personal data to outside parties.

Please provide the building information requested below:

Heating Fuel Type	<input type="checkbox"/> Natural Gas <input type="checkbox"/> Oil <input type="checkbox"/> Propane <input type="checkbox"/> Electric <input type="checkbox"/> Other _____
--------------------------	---

Electric Utility		Heating Fuel Utility	
Electric Account Number		Heating Fuel Acct Number	
Name on Bill		Name on Bill (if different)	



Please return application and supporting documents by mail, e-mail, besmarthome.dhcd@maryland.gov OR Fax: 1-240-334-4881

ENERGY USE INFORMATION RELEASE – As the account holder, I hereby authorize and give permission to the above named utilities and fuel/energy suppliers to release energy use information (including my name, address, account number, and use and consumption information to DHCD, and DHCD authorized employees, contractors and agents who require the information for confidential use in connection with calculating energy savings estimates and evaluating the effectiveness of the program.

PROGRAM DATA RELEASE – As a participant in a DHCD program, I hereby authorize DHCD to access my program data and release it to authorized program partners for confidential use in connection with calculating energy savings estimates and evaluating the effectiveness of its program. **RELEASE PERIOD** – This authorization is for the period starting 24 months before the date below and ends 24 months after the date the project is complete. I understand I may revoke this authorization by written notice to Community Development Administration, Maryland DHCD, 7800 Harkins Road, Lanham, MD 20706.

CONSENT – I understand and agree that my account information (including my name, address, account number, use and consumption) will be provided to DHCD by the above-named utility(s) and fuel or energy supplier(s) for the sole and limited purpose of evaluating energy conservation measures. DHCD will protect the confidentiality of this information the same as it does for its own customer and other confidential information. By signing this release, I authorize the above-named utility(s) and fuel or energy supplier(s) to release my customer account and consumption information to DHCD and DHCD may release this information to authorized employees, contractors and agents. An electronic copy of this authorization may be accepted with the same authority as the original.

In accordance with Executive Order 01.01.1983.18, the Department of Housing and Community Development advises you as follows regarding the collection of personal information: The information requested by the Department of Housing and Community Development (the "Department") is necessary in determining your eligibility for a BeSMART Home loan. Your failure to disclose this information may result in the denial of your application for a loan. Availability of this information for public inspection is governed by the provisions of the Maryland Public Information Act, State Government Article, Sections 10-611 et. seq. of the Annotated Code of Maryland. This information will be disclosed to appropriate staff of the Department, the staff of the local administrator for the loan, and participating mortgage lender, if any, for purposes directly connected with administration of the loan and the loan program. Such information is not routinely shared with state, federal or local government agencies, but would be made available to the extent consistent with the Maryland Public Information Act. You have the right to inspect, amend or correct personal records in accordance with the Maryland Public

Information Act. Any person who knowingly makes, or causes to be made, a false statement or representation relative to this loan application shall be subject to criminal prosecution, a fine of up to \$5,000 and/or imprisonment up to two years and if a loan has been made, immediate call of the loan requiring payment in full of all amounts disbursed, pursuant to Housing and Community Development Article, Section 4-933, Annotated Code of Maryland. I/We authorize the Program or its agent to obtain credit information for the purpose of evaluating this application and disclose this same information to local agencies participating in the Program and/or a private lending institution agreeing to participate in the loan.



Please return application and supporting documents by mail, e-mail, besmarthome.dhcd@maryland.gov OR Fax: 1-240-334-4881

Have you frozen your credit? _____

Applicant Name (print)

Applicant Signature Date

Co-Applicant Name (print)

Co-Applicant Signature Date