



Comfort Plus Homes

**Comfortable, Energy
Efficient, and Affordable**



Program Design Criteria

- **Must Encourage & Reward Energy Efficiency**
- **Must Address Both New & Existing Homes**
- **Must Assess Energy Efficiency Level of Home**
- **Must Be Recognized by National Lending Groups**
- **Must Accurately Size Heating & AC Systems**
- **Must Provide List of Recommended Energy Improvements**
- **Must Involve Local Contractors**



A Comfort Plus Home ...

- ◉ **Is Certified Energy Efficient**
- ◉ **Offers Superior Comfort**
- ◉ **Provides Low Energy Bills**
- ◉ **Increases Affordability**
- ◉ **Enhances Resale Value**
- ◉ **Qualifies for Energy Efficiency Mortgages**
- ◉ **Qualifies for a Utility Incentive**



Certified Energy Efficient

- **Comfort Plus Homes Uses Certified Raters from Energy Rated Homes of Iowa (ERHI)**
- **ERHI Is Nationally Recognized Program**
- **Backed by the State of Iowa With Many Other States Adopting a Similar System**

Homes are Rated on a scale of

□□□ to □□□□□¹/₂



Raters Evaluate

- **Insulation Levels**
- **Door & Window Efficiency**
- **Air Tightness of the Home using a Blower Door**
- **Heating, Cooling, and Water Heating Equipment Efficiency**



Comfort Plus Homes

**New Construction
Program**



Qualifications

- ◉ **Receive Utilities form a Participating Municipal Utility**
- ◉ **Be a Single Family Detached Home**
- ◉ **Achieve a Rating of $\square\square\square\square\frac{1}{2}$**
- ◉ **Have Properly Sized Heating & Cooling Equipment**



Energy Efficient Mortgage

- ◉ **An Energy Efficient Home Usually Costs More to Build**
- ◉ **Lower Utility Bills Means the Borrower Has More Money Available for the Mortgage**
- ◉ **An Energy Efficient Mortgage (EEM) Allows the Lender to Stretch the Debt to Income Ratio 1-2% Allowing the Borrower to Borrow More Money for an Energy Efficient Home**



EEM Example

Typical Home	Component	Energy Eff Home
\$100,000	Home Price	\$105,000
\$10,000	Downpayment	\$10,500
\$90,000	Mortgage Amount	\$94,500
8%	Interest Rate	8%
30	Term (Years)	30
\$660	Monthly Payment	\$693
\$844	PITI	\$877
\$109	Monthly Energy Bills	\$72
\$953	Total Monthly Housing	\$949
\$3,013	Monthly Income Required	\$2,922
\$36,159	Annual Income Required	\$35,070



Program Steps

- 1) *Comfort Plus Homes* Application**
- 2) Utility Arranges Rating & Pays Costs**
- 3) Preliminary Rating & Equipment Sizing from Plans**
- 4) Final Rating Issued at Completion and Inspection**



Program Steps

- 5) If Home is Below $\$100,000\frac{1}{2}$,
Owner/Builder Provided with List of
Recommendations
- 6) If Home is Above $\$100,000\frac{1}{2}$, Utility Gives
Incentives to Owner



Comfort Plus Homes

**Energy Improvement
Mortgage Program**



Qualifications

- **Purchase or Refinance a Single Family Detached Home That Receives Utilities from a Participating Municipal Utility**
- **Agree to Implement all the Identified, Cost-Effective measures**
- **Install Properly Sized Heating & Cooling Equipment, if Shown Cost-Effective**



Energy Improvement Mortgage

- **Used to Increase a Home's Energy Efficiency at Time of Sale or Refinancing**
- **Allows the Purchaser to Borrow More Money**
- **Lender Escrows Money Until Improvements Are Made**
- **Energy Savings Offset Additional Mortgage Payment**



Example EIM

Typical Home	Component	Energy Improved
\$100,000	Home Price	\$100,000
\$10,000	Downpayment	\$10,000
\$0	Energy Improvements	\$4,000
\$90,000	Mortgage Amount	\$94,000
8%	Interest Rate	8%
30	Term (Years)	30
\$660	Mortgage Payment	\$690
\$844	PITI	\$873
\$120	Monthly Energy Bills	\$80
\$964	Total Monthly Housing	\$953



Program Steps

- 1) Home Buyer Selects Home to Purchase**
- 2) Lender or Real Estate Agent Informs Home Buyer about EIM Program**
- 3) Home Buyer Completes *Comfort Plus Homes* Application at Utility**
- 4) Utility Arranges and Pays for Rating**
- 5) Rater Rates Home & Produces List of Recommended Energy Improvements**



Program Steps

- 6) Home Buyer Review the Results of the Rating & Obtains Bids for the Improvements**
- 7) Home Buyer Presents Bids to Lender with Cost-Effectiveness Calculations**
- 8) Loan on Home is Closed. Additional Funds Held in Escrow**
- 9) Home Buyer Implements Improvements**
- 10) Escrow Funds are Released to Pay Contractors**



Possible Incentives

- **Rate Discount for a Period of Years Based on Level of Efficiency**
- **Lump Sum Payment Based on Level of Efficiency**
- **Rebates for Energy Efficient Equipment**



Comfort Plus Homes Goals

- **All New Homes Built in Participating Community to Be “Energy Efficient”**
- **All Homes Sold in Participating Community Will Be Voluntarily Brought up a Desired Level of Efficiency**



IAMU Responsibilities

- ◉ **Design Program for Local Community**
- ◉ **Train & Certify Raters for IAMU Program**
- ◉ **Conduct Local Lender Training**
- ◉ **Conduct Local Builder Training**
- ◉ **Conduct Local Contractor Training**
- ◉ **Design & Produce Marketing Materials for Program**



ERHI Responsibilities

- **Train & Certify Home Energy Raters**
- **Process and Issue Home Energy Ratings**



Utility Responsibilities

- **Overall Local Program Coordination**
- **Select Program Rater**
- **Commit Resources for Agreed Upon Incentives**



Contractor Responsibilities

- **Commitment to Program**
- **Types of Contractors Needed**
 - **House Tightening Contractor**
 - **Insulation Contractor**
 - **Heating & AC Contractor**
 - **Plumbing Contractors**
- **Attend Local Training Session**



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