

# MASS SOLAR LOAN DETAILS AND DISCLOSURES

The Mass Solar Loan Program offers Massachusetts residents below-market loans to finance their purchase of solar panel systems that generate electricity for their homes. Naveo Credit Union supports and participates in the Mass Solar Loan Program for the geographic areas we serve: cities and towns in Middlesex and Suffolk counties and the following cities and towns in southern Essex county: Peabody, Lynn, Salem, Nahant, Lynnfield, Saugus, Swampscott and Marblehead.

The Mass Solar Loan Program was developed by the Massachusetts Department of Energy Resources and the Massachusetts Clean Energy Center (MassCEC), in consultation with financial institutions, installers and other stakeholders in clean energy. The purpose of this loan program is to encourage homeowners in the Commonwealth to purchase solar panel systems for their homes instead of leasing the systems or entering into other non-ownership arrangements. MassCEC has determined that ownership is the most financially advantaged way for homeowners and for the Commonwealth.

The current interest rates for Mass Solar Loans range from 4.50% APR\* to 6.00% and will be fixed for the life of the loan. See rate table below.

## RATES

### TIER 1: CREDIT SCORE 720+

LOAN AMT.		\$5,000 - \$20,000	\$20,001 - \$35,000	\$35,001 - \$60,000	PAYMENT
YEARS	3 TO 5	4.50% APR*	4.50% APR*	4.50% APR*	\$186.43 <sup>1</sup>
	5+ TO 10	5.00% APR*	5.00% APR*	5.00% APR*	\$106.07 <sup>2</sup>
	10+ TO 20 <sup>4</sup>	5.75% APR*	5.75% APR*	5.75% APR*	\$ 70.21 <sup>3</sup>

### TIER 2: CREDIT SCORE 680 TO 719

LOAN AMT.		\$5,000 - \$15,000	\$15,001 - \$25,000	\$25,001 - \$60,000	PAYMENT
YEARS	3 TO 10	5.50% APR*	5.50% APR*	5.50% APR*	\$108.53 <sup>2</sup>
	10+ TO 20 <sup>4</sup>	6.00% APR*	6.00% APR*	6.00% APR*	\$ 71.64 <sup>3</sup>

### TIER 3: CREDIT SCORE <680

LOAN AMT.		\$5,000 - \$10,000	\$10,001 - \$25,000	\$25,001 - \$60,000	PAYMENT
YEARS	3 TO 10	5.75% APR*	5.75% APR*	5.75% APR*	\$109.77 <sup>2</sup>
	10+ TO 20 <sup>4</sup>	6.00% APR*	6.00% APR*	6.00% APR*	\$ 71.64 <sup>3</sup>

NO LIEN

UCC-1 LIEN

MORTGAGE

## HOW DOES THE MASS SOLAR LOAN WORK?

The process for obtaining a Mass Solar Loan from Naveo Credit Union usually starts with you as the homeowner submitting a loan application and providing the Technical Confirmation ID # that was issued by MassCEC. You can start the application online by clicking [here](#). You can also submit a loan application by visiting one of our branches in Somerville or Cambridge ([see locations here](#)), or by calling our Mass Solar Loan Specialist Elizabeth Cabral at 617-702-5101.

You also have the option of requesting a pre-approval for your loan before MassCEC issues your Technical Confirmation ID #. Please be advised, however, that the loan cannot close or be funded until you receive the Technical Confirmation ID # and provide it to Naveo Credit Union.

**Your Mass Solar Loan will require two separate loan transactions.** The first disbursement will be for 35% of the expected total cost of the system or 35% of a total loan amount you choose that is less than the project cost. This amount will be disbursed jointly to you and to the installer and will fund the initial construction costs for your solar panel system. Until the system is fully installed and operational, you will make interest-only payments each month to Naveo Credit Union. This phase should be concluded within 12 months.

After the installation is complete and your system is fully operational, your system installer will submit documentation to MassCEC. MassCEC will review the documentation and inform Naveo Credit Union when the remaining 65% of the project costs can be disbursed. Naveo will then contact you to arrange a time for a new loan closing that funds the full loan amount. This second loan will also be disbursed jointly to you and to your installer. Your regular monthly payments of principal and interest will start approximately 30 days after this loan closing.

In order to reduce the interest cost of your Mass Solar Loan, you may want to pay down on your outstanding loan balance. For example, you may want to apply your tax refund from the Federal or State government (if applicable) toward your loan. And if you are eligible for an Income-Based Loan Support from the MassCEC, we will apply those funds toward your loan. In either case, if you ask us, we will be happy to recalculate your monthly payment if your loan reduction is at least 20% of the original balance.

## DISCLOSURES:

\*APR = Annual Percentage Rate (APR). Minimum loan amount \$5,000.00. Maximum loan amount \$60,000.00. Up to 12 months interest-only payments during construction period. All loans are subject to meeting Mass Solar Loan Program guidelines. Financing available on 1-4 family primary residences and vacation homes located in Massachusetts only. Financing is subject to credit approval. Additional terms and conditions may apply. Borrowers must be eligible for membership with Naveo. Loans secured by mortgages and UCCs are subject to closing costs. All individuals listed on deed must be present at both closings for loans secured by mortgages and UCCs.

**MassCEC's Income-Based Loan Support eligible borrower rates will be at 1.5% below rates in matrix above.**

**Installations in the following Naveo CRA communities are eligible for rate reductions of 0.25%: Somerville, Cambridge, Medford, Malden & Everett**

Non-owner occupied property: Rate at 6.00%, Max 180 Months, Max LTV 75%. Other restrictions may apply.

<sup>1</sup> Payment is based on 60 months for \$10,000 loan.

<sup>2</sup> Payment is based on 120 months for \$10,000 loan.

<sup>3</sup> Payment is based on 240 months for \$10,000 loan.

## HOW CAN I BECOME A MEMBER

You can become a member of Naveo Credit Union by opening a savings account with just \$5.

## WHO CAN JOIN NAVEO?

Membership at Naveo is open to anyone who lives, works or goes to school in Middlesex and Suffolk Counties and the municipalities of Peabody, Lynn, Salem, Nahant, Lynnfield, Saugus, Swampscott, and Marblehead in Essex county within the Commonwealth of Massachusetts, their immediate family members, and organizations of our members.

## WHAT DO I NEED TO OPEN AN ACCOUNT?

To open an account, you will need two forms of government issued identification, one being a primary form such as a Passport or driver's license, along with proof of address.

In compliance with the USA Patriot Act, Naveo has established a member verification

procedure. In order to safeguard your accounts, we will be asking for photo identification and a signature to be stored with your account information.