

**Residential Loan Program
Update**



New York State Energy Research and Development Authority

To streamline the loan application process for customers and to facilitate a faster loan review NYSERDA will be implementing the changes below to the Residential Financing Program. These changes will become effective **September 5, 2019**.

1. Underwriting and Income Documentation for Applicants not seeking a reduced interest rate or NYSERDA program incentives based on income eligibility

- **Eliminate income documentation for applicants with credit scores of 720 and above.** These applicants will state their income on the application but will no longer be required to provide proof of income. However, if the applicant is seeking a reduced interest rate or incentive then he or she must provide proof of all stated household income, regardless of credit score or Debt-to-Income (“DTI”) ratio. DTI requirements will remain the same.
- **Eliminate income documentation for applicants with loans \$5,000 or less.** These applicants will state their income on the application but will no longer be required to provide proof of income. However, if the applicant is seeking a reduced interest rate or incentive then the applicant must provide proof of all stated household income, regardless of credit score or DTI ratio. DTI requirements will remain the same. If the final loan amount is above \$5,000 applicants will have to provide proof of income.

Updated Underwriting Criteria:

Credit Score	540-599	600-679	680-719	720-779	780+
Debt-to-Income (DTI)*	Up to 70%**	Up to 75%**	Up to 80%**	Up to 80%**	No limit
Documentation Required	DTI calculated on stated income; proof of all applicant/co-applicant income required.			DTI calculated on stated income only for program analysis purposes; no proof of income required unless seeking reduced interest rate or incentive***	

*Debt-to-income (DTI) ratio is a measure of your existing debt payment obligations (mortgage, auto loan, student loan, credit card payments, etc.) to your income.

**DTI ratio is up to 100% for applicants who qualify for the Assisted Home Performance with ENERGY STAR 50% discount and up to 80% for applicants who qualify for Affordable Solar Incentives or LMI Pellet Stove Incentives.

***Any applicant seeking reduced interest rate or incentive based on income eligibility must provide proof of all stated household income, regardless of credit score or DTI ratio.

2. Credit Affirmation Form

- **NYSERDA will no longer require a Credit Affirmation Form.** The language below will be added to the application form and the applicant will have to affirm he/she has read. This change will become effective for all applications received on or after September 5, 2019.

“I understand that the energy savings numbers provided to me by my contractor are estimates only and are not guaranteed. If the estimated energy savings are not achieved, or are less than what was estimated, my debt obligations as a percentage of my income may increase. Regardless of actual achieved energy savings, I will still be obligated to make my loan payments.”

Applicants using the PDF application must use [Version 9.9.2019](#). Applications received on or after September 9th that are not Version 9.9.2019 will not be accepted.



About NYSERDA

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