

Borrower Procedures

Pre-Qualified Projects

1. Obtains project application forms (Form 1, 2 [include supplemental form(s) accordingly: 2.1 Siding, 2.2 Roofing, and/or 2.3 Window/Door], 3, 4, 7, 8, 9, and 20) by downloading the form from the Nebraska Department of Environment and Energy's (NDEE) web site located at www.neo.ne.gov or by obtaining paper copies from the NDEE, lender, energy supplier, contractor, or others who have the application forms on hand.
2. Obtains bids for labor and materials on selected projects plus copies, when applicable, of supporting documentation required in support of the project(s), completes applicable information on the project(s) and energy supplier(s) on the application form(s), signs and dates.
3. Submits completed application form(s), Form A (United States Citizenship Attestation) if an individual, or, in the case of a business, a sole proprietor, and Form B (Project Start Notification), along with bid documentation for all project(s) selected to a Nebraska lender with the lender's loan application.
4. If applicable, submits completed Utility Records Release(s) (Form 35) for utility accounts in the name of someone other than the applicant.

Technical Analysis Loans (not a requirement for Technical Analysis Projects)

Obtains a technical analysis loan application (Form 30) and a technical analysis cost estimate (Form 31) in the same manner as the project application forms for pre-qualified projects (step 1 under PRE-QUALIFIED PROJECT above). Completes the technical analysis loan application and has a Professional Engineer or Architect, Certified Energy Manager, Certified Lighting Efficiency Professional, or Certified Home Energy Rater, as appropriate, complete the technical analysis cost estimate. Submit completed forms to a Nebraska lender with the lender's loan application, same as steps 3 and 4 under PRE-QUALIFIED PROJECTS above.

Technical Analysis Projects (may only be used for projects that are not pre-qualified)

1. Obtains energy saving improvement analysis forms (Forms 32 and 33) or waste minimization project summary form (Form 36) for a self-prepared technical analysis in the same manner as the project application forms for pre-qualified projects or hires a professional engineer, architect, or other licensed or certified technician to complete a technical analysis.
2. Submits completed and signed self-prepared technical analysis on applicable forms, and if applicable, a technical analysis completed and signed by the professional analyst and the completed and signed Analyst No-Interest Statement with Utility Records Release signed by the owner (Form 34) to the NDEE for technical review along with Forms A and B as outlined in step 3 under PRE-QUALIFIED PROJECTS, and Form 35 as outlined in step 4 under PRE-QUALIFIED PROJECTS, if applicable.

Borrower/Lender Procedures

3. Awaits the NDEE review of the technical analysis. If there are problems, the office contacts the person who prepared the technical analysis for more information. If, or once, the technical analysis is determined to be acceptable and the project is eligible for the program, the NDEE completes and sends a signed Technical Analysis Acceptance (Form 6) to the borrower's designated participating Nebraska lender.

4. Borrower meets with the lender, selects the project or projects on Form 6 which are to be made, signs and dates the form, and provides any additional bid documentation or information required by the NDEE as a part of its acceptance to be submitted with their loan application.

New Home Construction Loans for Pre-Sold Homes

1. Download Nebraska Energy Efficient Housing Application (Form M) the Energy Efficient Housing Application Guidelines (Guidelines), and the United States Citizenship Attestation (Form A) from the NDEE's web site located at neo.ne.gov or by obtaining a paper copies from the NDEE, lender, contractor, rater, or others who have the application forms on hand. Follow the instructions on page 2 of the form for submitting plans for approval.

2. Await the NDEE's review. Once it has been determined the plans comply, apply for a construction loan through a Nebraska lender.

Lender Procedures

New Project Loan Application

1. Receive and process program loan application from borrower. Borrower must submit appropriate project application form(s) and bid documentation to lender.

2. If program loan application is approved, complete, sign and date the applicable Commitment Agreement (Form 10) and a preliminary Loan Summary (Form 12, front side, preliminary box checked). Submit completed forms along with original project application form(s) completed by the borrower and copies of the required bid documentation to the NDEE. For Energy Saving Improvement or Waste Minimization projects, submit the original Technical Analysis Acceptance (Form 6) or, for new home construction, the NDEE's acceptance letter on the plans, along with any required supporting documentation.

3. Await NDEE review of the loan program paperwork. If the NDEE's review of the loan program application reveals there is missing information or problems, the lender will be contacted by the office requesting the needed information. If, or once, the application is complete and determined to be eligible, the NDEE sets aside funds for its share of the loan, signs the Commitment Agreement and returns it along with the original Loan Summary and copies of any of the project application forms which have been revised.

4. Upon receipt back of the signed Commitment Agreement (Form 10) from the NDEE, notify borrower to proceed with their project(s), unless project has already been completed with prior approval in an emergency situation.

5. Set up payment note for cost of project(s) and any applicable loan fees and have borrower(s) sign, not to exceed the maximum loan amount for that loan sector. Note may be set up and funds advanced prior to the completion of the project(s) or after, depending on the lender's policy. Verify completion of the project(s) by physical inspection or proof of purchase documentation and that any Form 1 appliance which has been replaced has been discarded or traded-in.

6. Once the note is signed, complete the applicable Participation Agreement (Form 11) and Final Loan Summary (Form 12, back side, final box checked). Submit to NDEE along with copy of signed note and Settlement Statement for any loan fees charged. Changes in loan or credit terms or the project(s) are to be noted in the Final Loan Summary. If there are changes in the project(s) or cost(s), copies of final paid invoices should be submitted along with the Final Loan Summary. Substantial changes in projects or their cost should be cleared with the NDEE ahead of time.

7. The loan participation agreement paperwork is reviewed by the NDEE upon receipt. If there are problems or missing information, the office contacts the lender. If, or once, the paperwork is complete, the office signs the Participation Agreement and returns it along with a copy of the Final Loan Summary and funds for the office's purchased share of the loan.

8. Upon receipt of state funds, record proper entries on its books showing the portion of the loan sold to the NDEE.

9. Collect payments from borrower and remit the NDEE's share of the principal payments received within three (3) months of receiving the payment from the borrower. Submit remittance for payments collected to the NDEE along with completed Loan Payment Remittance Report (Forms 14 and 14a) or a report of like format containing all the information requested in Form 14.

10. Submit Report on Loans in Default (Form 13) within thirty (30) days after the end of the calendar quarter on any loans in default (any loan where the scheduled payment is past due ninety (90) days or more).

11. On projects selected by the NDEE, make available to the agency, during lender's ordinary business hours, the borrower's loan file as it relates to the program loan, for the NDEE's review and arrange with the borrower for NDEE staff to make an on-site inspection or accompany NDEE staff on the inspection.

12. When borrower's loan is paid off or refinanced, check with NDEE on correct pay-off balance on the NDEE's share, include that amount in the next remittance, and cancel the old original Participation Agreement (Form 11) and return it to the NDEE.

Current Eligible Loan Fees

Fees paid to a non-affiliated third party for such things as an appraisal, title search, credit report, credit insurance, filing, etc.

Up to \$100.00 in total for indirect fees payable to the lender such as application, processing, documentation, etc.

Up to \$100.00 for the physical inspection of the completed project with the inspection report documented in the loan file.

Up to 1% of the financed project cost if term of the loan is at least 7 years but less than 10 years;
or,

Up to 2% of the financed project cost if term of the loan is at least 10 years, or if the loan is amortized at the required minimum monthly payment (or its equivalent if a different frequency such as quarterly, bi-weekly, or annually) of \$50.00 a month, or \$25.00 for household appliances.

Current Rates And Participation Levels

If the rate to the borrower for qualifying Nebraska Public Power District loans is no more than 1.5%, NDEE purchases 85% of the loan.

If the rate to the borrower is 0% to 3.5%, the NDEE purchases 65% of the loan.

If the rate to the borrower is over 3.5%, the NDEE purchases 50% of the loan.

For qualifying public school districts, the permitted rate is no more than 1% and the NDEE purchases 90% of the loan.

Other Procedures

EMERGENCY SITUATION LOAN APPLICATION

1. Emergency situation occurs. Heating equipment quits working, is red-tagged, or deemed unsafe by energy supplier or qualified technician at any time from September through May. Cooling equipment ceases to work and its replacement is critical for medical reasons verified in writing by a doctor at any time from April through October.

2. Borrower applies to lender for program loan and provides lender with information required on Form 3 for the old and new units and any documentation necessary to support the emergency. Borrower signing Form 3 also must provide the lender with a United States Citizenship Attestation form (Form A) to be submitted to the NDEE along with the emergency request.

3. If willing to make a loan, the lender contacts the NDEE with the information on the old and new units and the reason for the emergency. In an emergency situation involving the heating system, a replacement of the cooling and/or water heating systems may be included in the prior approval request, if the borrower desires to make those replacements at the same time. This holds true for the heating and water heating systems in an emergency situation involving the replacement of the cooling system.

4. Lender facsimiles required Form 3 information to the NDEE, along with any documentation required to support the emergency, for the office to determine the eligibility of the project(s).

5. If eligible, the NDEE gives the lender prior written approval to allow the borrower to precede with the work before the NDEE signs the Commitment Agreement with the lender. Lender indicates in the appropriate spot on the Loan Summary

(Form 12) that prior emergency approval was given by the NDEE, who gave it, and the date of the approval.

6. Lender follows up with the submittal of a completed and signed Commitment Agreement (Form 10) and preliminary Loan Summary (Form 12, front side, preliminary box checked) for the loan along with the original application form(s) and required bid documentation.

7. The remaining steps for an emergency situation then parallels steps 3 through 12 for the New Project Loan Application. If the lender is comfortable skipping step 6 above, they have the option to proceed with making a loan for the emergency project. If so, they would then follow steps 5 through 12 for the New Project Loan Application.

Refinance Or Loan Consolidation

1. Lender refinances a program loan with a balloon payment or consolidates two or more existing program loans into one loan. (Note: Term of new loan cannot extend beyond the maximum loan term for the original loan in the case of a refinance, or beyond the maximum loan term of the first loan made in a consolidation of loans.)

2. Lender submits a Participation Agreement (Form 11), final Loan Summary (Form 12, front side, final box checked), and a copy of the signed note and Settlement Statement, if applicable, covering any loan fees charged for the new loan along with its remittance for the NDEE's share of the loan being refinanced or the loans being consolidated. To avoid delays in processing the new loan, lender should verify the correct pay-off figures on the NDEE's share of the old loan(s) with the NDEE and remit the pay-off balance(s) to the NDEE.

3. The NDEE reviews the loan paperwork. If there are problems, the office contacts the lender for more information. If, or once, it is determined the paperwork is complete, the office signs the Participation Agreement and returns it along with a copy of the final Loan Summary and funds for the office's purchased share of the program loan.

4. At this point, the remaining steps parallel steps 8 through 12 under a New Project Loan Application.

Borrower/Lender Procedures

Loan Modifications

1. Borrower requests or lender decides to modify the original terms of a program loan. (Modifications could include such things as the subordination of the collateral position, the release or substitution of collateral, skipping of scheduled payments and adding them on to the end of the loan, release of a signer or guarantor, etc.)
2. Lender submits a loan modification request signed by an authorized official to the NDEE for prior written acknowledgment.
3. The NDEE signs the acknowledgment and returns it to the lender.
4. Upon receipt of the acknowledgment signed by the NDEE, lender proceeds with the loan modification and provides the NDEE with copies of any documentation related to the modification which has been requested by the NDEE in the acknowledgment.