

QUALIFICATIONS & INCENTIVES

To qualify for the free home energy rating and the *Comfort Plus Homes* Energy Improvement Mortgage program, a home buyer or owner must:

- 1) Purchase or refinance a single family detached home that receives utilities from a participating municipal utility,
- 2) Agree to implement all the identified, cost-effective measures, and
- 3) Install properly sized heating and cooling equipment, if shown to be cost-effective.

PROGRAM GUIDELINES

- The program will run from April 1, 1996, through June 30, 1997.
- One incentive per home buyer.
- One incentive per property.
- A maximum of ten free ratings during the initial program period.

Any decision to continue or discontinue the program will be determined by the West Bend City Council.

FOR MORE INFORMATION...

For an application, please contact West Bend City Hall by calling 515-887-2181 or stop by during working hours, Monday through Friday, 8 AM to 4 PM.

CITY OF WEST BEND
301 SOUTH BROADWAY, PO Box 348
WEST BEND, IOWA 50597-0348
TELEPHONE (515) 887-2181
FAX (515) 887-6412

NORTHWEST TELEPHONE COOPERATIVE
P.O. Box 186
HAVELOCK, IOWA 50546
TELEPHONE (800) 247-2776
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Residential Energy Improvement Mortgage Program



Comfort Plus Homes



Comfort Plus Homes

IOWA ASSOCIATION OF MUNICIPAL UTILITIES
6900 NE 14TH STREET, SUITE 27
ANKENY, IOWA 50021-8997
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*Comfortable,
Energy Efficient,
and Affordable*

COMFORT PLUS HOMES

Purchasing a home is one of the most important decisions you will ever make. Everyone is concerned about getting the best home for their money. For some, this means a big kitchen, for others it means a large family room. These things are nice, but unfortunately, they do not increase the comfort of the home or lower its operating costs.

To help you get the most home for your money, the Iowa Association of Municipal Utilities (IAMU) has teamed with your local utility, along with the lenders and real estate agents in your community to create the *Comfort Plus Homes* program. A *Comfort Plus Home*.

- 1) Is certified energy efficient,
- 2) Offers superior comfort,
- 3) Provides low energy bills,
- 4) Increases affordability,
- 5) Enhances resale value, and
- 6) Qualifies for a utility incentive.

But what if the home you are interested in is not currently a *Comfort Plus Home*? No problem. We can help bring the home up to *Comfort Plus Homes* standards and save you money in the process!

ENERGY IMPROVEMENT MORTGAGE

One aspect of the *Comfort Plus Homes* program is the Energy Improvement Mortgage (EIM). An EIM allows you to borrow more money at the time of sale or refinancing to make energy improvements to the home. These extra dollars are rolled into the new mortgage and spread over the mortgage term, typically 30 years. This can create a positive cash flow situation where the lower energy costs more than offset the additional monthly mortgage payment. You can be saving money from day one!

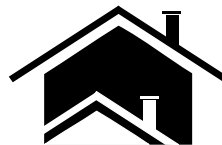
The following example illustrates how you can borrow \$4000 extra dollars to make your new home energy efficient and more comfortable, while lowering your total monthly housing cost by \$11 (\$964 - \$953).

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	Monthly Payment	\$690
\$167	Taxes	\$167
\$17	Insurance	\$17
\$844	PITI	\$873
\$120	Monthly Energy Bills	\$80
\$964	Total Monthly Housing	\$953

In addition to lower overall monthly payments, an energy efficient, well-insulated will also "insulate" you from future energy price increases!

It would be nice if all homes could be brought up to the *Comfort Plus Homes* level using the EIM process, but this is not always possible. Luckily, the *Comfort Plus Homes* EIM program does not require you to bring the home up to any recognized level of efficiency. Rather, you just have to show that the energy savings will be equal to or greater than your increased mortgage payment.

Not all homes can be *Comfort Plus Homes*, but the *Comfort Plus Homes* EIM program can increase the comfort and affordability of any home.



Comfort Plus Homes

IDENTIFYING ENERGY IMPROVEMENTS

To qualify for an EIM, you will need a home energy rating by a certified *Comfort Plus Homes* rater. Energy Rated Homes of Iowa (ERHI) has been selected to serve as the independent rating agency for the *Comfort Plus Homes* program.

Homes are rated on a scale of * to *****½, with *****½ being the highest rating. To reach the *Comfort Plus Homes* level, a home must receive a ***** ½ rating. The rating will also provide you with a list of recommended improvements to increase the energy efficiency and comfort of your home. A home energy rating typically costs \$250, but if you apply for the *Comfort Plus Homes* program, your local municipal utility will pay for the cost of the rating.

PROGRAM STEPS

- 1) Home buyer selects the home to purchase.
- 2) Lender or real estate agent informs the home buyer of the *Comfort Plus Homes* EIM program.
- 3) Home buyer or owner contacts the local utility to apply for the *Comfort Plus Homes* program.
- 4) Utility contacts a *Comfort Plus Homes* rater to perform a rating. The utility pays for the rating.
- 5) Rater rates home and develops a list of recommendations with cost and savings estimates. If the list includes heating or cooling equipment, a sizing calculation accompanies the rating.
- 6) Home buyer or owner reviews the results of the rating and obtains bids for the improvements.
- 7) Home buyer takes bids and estimates of savings to the lender.
- 8) Loan on the home is closed. The additional funds for the energy improvements are held in escrow until work is completed.
- 9) Home buyer or owner implements improvements.
- 10) Escrow funds are released to pay the contractors.