

The following are the current lender requirements  
for the NICCE program:

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Prior to Closing, the Borrower or the Borrower's representative, shall demonstrate the following to the satisfaction of the Improvement Lender:

1. The Improvement Loan does not exceed 100% of the cost of the Improvements (inclusive of all hard and soft costs) (the "Loan-to-Cost Threshold").
2. Borrower has completed an appraisal for the Project that indicates that
  1. the energy cost savings of the energy Improvements over the useful life of such Improvements will exceed the Improvement Loan amount of such Improvements (the "Savings-to-Loan Threshold");
  2. the projections must show that the energy cost savings of the energy Improvements in each year of operation will exceed the annual debt service of the Improvement Loan of such Improvements during such year (the "Savings-to-Debt- Service Threshold");
  3. the Improvements will increase the appraised value of the Property by a minimum of 5.0% (the "Improvements-to-Value Threshold");
  4. the annual repayment of the Improvement Loan will not to exceed 2.5% of property value after improvement (the "Payment-to-Value Threshold");
  5. the Improvement Loan amount is no more than 20% of the market value of the completed Property (the "Loan-to-Value Threshold");
  6. the aggregate of the Improvement Loan amount and all additional financing secured by the Borrower is no more than 90% of the market value of the completed Property (the "Debt-to-Value Threshold").
3. Borrower has delivered to the Improvement Lender all required permits to commence construction, the construction contract, and all other construction and development matters related to the Improvements;
4. Title, survey, zoning, engineering, environmental, and health and safety matters, including but not limited to environmental assessments, property condition and geological reports acceptable to the Improvement Lender;
5. Title insurance in the full amount of the Improvement Loan and customary legal opinion letters;
6. Proof that the Borrower is in good standing, including the following:
  1. Proof of legal ability to commit the property to a loan – done through normal title search, etc.
  2. The Borrower must not be in default, or have a history of default on the mortgage or non-payment of property taxes.

3. The Borrower must not have filed for bankruptcy in the past three years, nor have significant pending legal action, nor any involuntary liens or judgments.
7. Property and Liability insurance in favor of the Improvement Lender;
8. At the option of the Improvement Lender, a payment reserve escrow account deposit may be required to be included in the Loan amount;
9. The project will use established technologies with equipment warranties consistent with industry standards or better;
10. Evidence that the contractor and others working on the project have the appropriate licenses and credentials to do the work, with builder's liability insurance sufficient to indemnify the Improvement Lender and CRCS against any claims;
11. Performance monitoring for the first year following the completion of construction, and appropriate Operation and Maintenance of the Improvements for the term of the Loan (the costs of which may be included in the Loan amount);
12. Such other items as the Improvement Lender may require in connection with the Improvement Loan.

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