

# Low-Income Multifamily Energy Loan

The Low-Income Multifamily Energy (LIME) Loan supports energy improvement projects for low- and moderate-income properties. Connecticut Green Bank has partnered with Capital for Change to provide unsecured multifamily energy financing for owners seeking to improve the energy performance, economics, and health and safety of their properties. Loans are repaid from energy cost savings for terms up to 20 years.

## Who is eligible

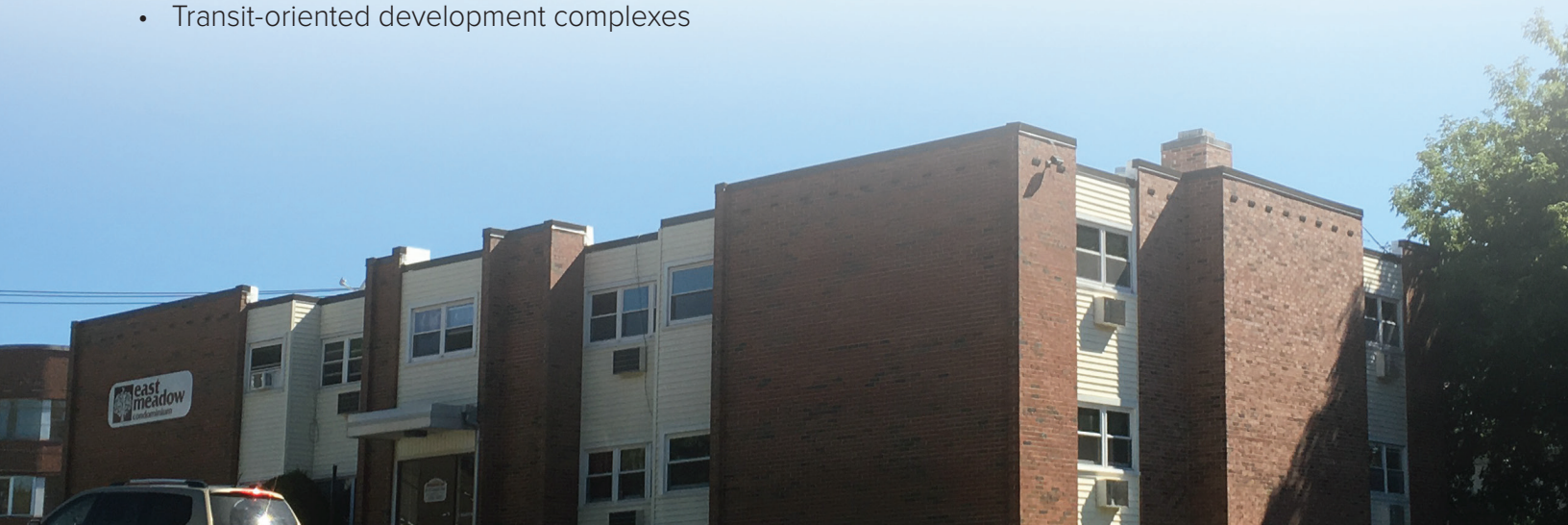
- Partnerships, trusts, LLCs, sole proprietors, public housing authorities, non-profits, condo/co-op associations
- Project sponsors who would, in turn, make a loan to an LLC or Partnership

## Eligible multifamily properties

- Must have 5 or more units; and
- At least 60% of units must be designated affordable to households at no greater than 80% of Area Median Income (AMI)

Preferred consideration is given to “high impact” properties such as:

- HUD-financed properties, including housing authorities
- CHFA-financed and FHA-insured developments
- Properties in low- or moderate-income geographies
- Transit-oriented development complexes



### Qualified uses

- Energy efficiency and renewable energy improvements as provided in a lender-approved scope of work
- Up to 25% of loan proceeds may be used for non-energy efficiency improvements (structural, health/safety, etc.), provided there are sufficient savings to carry the costs

### Project financing terms

Type	Affordable multifamily, unsecured
Rate	5-6%
Loan term	10-20 years
Criteria	1.3x or greater project energy savings coverage ratio 1.1x or greater energy savings ratio for solar-only projects

### Financial requirements/restrictions

Financing is unsecured, provided the minimum “Energy Savings Coverage Ratio” (ESCR) has been met (projected annual energy savings divided by debt service). If a property is currently rented, owner must demonstrate 12 months of positive net operating income prior to subject improvements (DSCR > 1.10X). Evidence of assets sufficient to pay six months’ worth of interest payments is also required.

Rent restrictions: A one-year freeze on rent increases greater than the CPI cost-of-living may be required for properties where tenants do not pay their own utility bills, and the units are not currently governed by rent restrictions.

### Estimated third-party costs

All fees may be rolled into the loan.

- \$1,000 - 3,000 for front-end review and energy underwriting
- \$500 for verification of proper installation
- \$500 for legal fees
- Additional costs may apply for life-of-loan monitoring

*For more information, contact John D’Agostino at [multifamily@ctgreenbank.com](mailto:multifamily@ctgreenbank.com) / 860.257.2333*



Connecticut Green Bank offers the LIME Loan in partnership with Capital for Change.

**Connect with us and get started today. [CTGreenBank.com/multifamily](https://CTGreenBank.com/multifamily)**

Connecticut Green Bank is the nation's first green bank. We're creating a thriving marketplace to accelerate green energy adoption in Connecticut by making green energy financing accessible and affordable for homeowners, businesses and institutions.

