Headquarters
4300 Boniface Parkway
Anchorage, Alaska
907-338-6100

Mailing Address
PO Box 101020
Anchorage, AK 99510-1020

Internet Address
http://www.ahfc.us

06-11

Dear Applicant:

Enclosed is information on the AHFC Second Mortgage Program for Energy Conservation and how to apply. The maximum loan amount available for this program is $30,000.

Prior to application, borrowers obtain an energy rating/audit as the basis for making cost-effective energy improvements. Borrowers then select from the list of energy upgrades included with the rating. Typically borrowers are allowed up to twelve months to complete the project. During this period, it is important to budget both project costs and time in order to complete the project.

For borrowers who are also participating in the *Home Energy Rebate Program* please note the following: The rebate received by the borrower will be applied toward the outstanding balance of the Second Mortgage for Energy Conservation. Find more information about the rebate program at http://www.ahfc.us/energy/weatherization_rebates.cfm.

Construction or renovation must be made to meet current International Residential Code requirements, and no health and safety hazards may exist upon completion. If the construction of your home began after January 1, 1992, the Alaska Building Energy Efficiency Standard (BEES) applies and the project must meet the Standard. If the construction of your home began after July 1, 1992, the project must meet Minimum Construction Standards for the State of Alaska.

Information in this letter is general and brief; therefore other restrictions may apply.

When your package is complete, mail it to:

Alaska USA Federal Credit Union
Real Estate Telephone Loan Center (RETLC)
P.O. Box 196613
Anchorage, AK 99519-6613

If you need help completing your application, call:

In Anchorage:	907-786-2800
Outside Anchorage:	1-888-425-9813

Minimum Qualifications:

- Loan funds must be used for **only** those improvements listed in the initial energy rating and may include materials, freight, and third-party labor costs, as well as the initial energy rating. **(Borrower or borrower's family may not be paid for their own labor).**
- Owner-occupied properties are limited to single family (includes condos), duplex, tri-plex, and four-plex
- **Project** must improve the energy efficiency of the structure
- **Project** must be 100% complete when loan is fully disbursed
- Loan-to-value cannot exceed 90% of value for single family or duplex, and 80% for tri-plex or four-plex properties; (the amount of existing debt on your property plus the new loan amount, divided by the value of your property after the improvements have been made)

Example:	Existing debt	$114,000		
	New loan	$ 30,000		
		$144,000		
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	Value	$160,000	=	90%

Loan Terms:

- Maximum loan amount: $30,000.
- Term: Maximum 15 years
- Payment frequency: Monthly (Minimum of a $100.00)
- Collateral: Deed of Trust on the subject property
- Interest Rate: 15 year Taxable Program or Rural Program, plus .375%