

A reduced interest rate is available when loan proceeds will be used exclusively for the eligible improvements listed below, and when the borrower meets all other loan eligibility criteria. Bids and estimates for proposed improvements must identify product eligibility as indicated in the documentation column below.

NOTE: Homeowners can not complete the labor with this loan option.

Part I – Energy Conservation Improvements

Eligible Energy Improvement	Required Information in Bids/Estimates
Programmable Thermostat	Bid must reference Programmable Thermostat
Heating System Replacement^{1*} (Programmable Thermostat required): <ul style="list-style-type: none"> • Natural Gas or Propane Furnace: AFUE \geq 95 • Oil Furnace: AFUE \geq 85 • Natural Gas, Propane or Oil Hot Water Boiler: AFUE \geq 90 (ensure distribution system is compatible with a condensing boiler) 	Any one of the following: <ul style="list-style-type: none"> • Bid must reference AFUE rating of the furnace or water boiler to be installed. • Copy of the product specifications indicating the AFUE rating. • Print out of Excel or PDF list from www.energystar.gov indicating the to-be-installed Make and Model and its AFUE rating.
Air Source Heat Pump (Programmable Thermostat required) <ul style="list-style-type: none"> • Split ducted (central) system <ul style="list-style-type: none"> ○ SEER2 \geq 15.2 / SEER \geq 16.0 ○ EER2 \geq 10.0 / EER \geq 10.0 ○ HSPF2 \geq 8.1 / HSPF \geq 9.5 • Non-ducted (mini-split) system <ul style="list-style-type: none"> ○ SEER2 \geq 16.0 / SEER \geq 16.0 ○ EER2 \geq 9.0 / EER \geq 9.0 ○ HSPF2 \geq 9.5 / HSPF \geq 10.6 • Packaged systems <ul style="list-style-type: none"> ○ SEER2 \geq 15.2 / SEER \geq 16.0 ○ EER2 \geq 10.0 / EER \geq 10.5 	Any one of the following: <ul style="list-style-type: none"> • Bid must reference SEER2/SEER, EER2/EER, HSPF2/HSPF rating of the air source heat pump. • Copy of the product specifications indicating the SEER2/SEER, EER2/EER, HSPF2/HSPF rating. • Print out of Excel or PDF list from http://www.energystar.gov indicating the to-be-installed Make and Model and its SEER2/SEER, EER2/EER, HSPF2/HSPF rating.

¹If the homeowner is changing fuel source or system type, the material and labor cost to install the complete system (i.e., new duct work, new lines, etc.) is eligible if the applicable energy rating referenced above is met.

Eligible Energy Improvement	Required Information in Bids/Estimates
<ul style="list-style-type: none"> ○ HSPF2 ≥ 8.1 / HSPF ≥ 9.6 	
<p>A/C Replacement* (Programmable Thermostat installation required):</p> <ul style="list-style-type: none"> ● Package Systems: SEER ≥ 14, EER ≥ 12 (for equipment manufactured before 1/1/2023); SEER2 ≥ 13.4 (for equipment manufactured starting 1/1/2023) ● Split Systems: SEER ≥ 15, EER ≥ 13 (for equipment manufactured before 1/1/2023); SEER2 ≥ 14.3 (for equipment manufactured starting 1/1/2023) ● Mini-split systems: SEER ≥ 15, EER ≥ 13 (for equipment manufactured before 1/1/2023); SEER2 ≥ 14.3 (for equipment manufactured starting 1/1/2023) 	<p>Any one of the following:</p> <ul style="list-style-type: none"> ● Bid must reference SEER/SEER2 or EER rating of the A/C to be installed. ● Copy of the product specifications indicating the SEER/SEER2 or EER rating. ● Print out of Excel or PDF list from http://www.energystar.gov indicating the to-be-installed Make and Model and its SEER/SEER2 or EER rating.
<p>Water Heater Replacement:</p> <ul style="list-style-type: none"> ● Gas storage units ≥ 0.67 Energy Factor (EF) ● Gas tankless units ≥ 0.82 EF with 2.5 gpm @ 77°F rise ● Electric storage units = 0.95 EF ● Electric heat pump storage unit ≥ 2.0 EF 	<p>Any one of the following:</p> <ul style="list-style-type: none"> ● Bid must reference EF rating of the water heater to be installed. ● Copy of the product specifications indicating the EF rating. ● Print out of Excel or PDF list from http://www.energystar.gov indicating the to-be-installed Make and Model and its EF rating.
<p>Light Fixtures:</p> <ul style="list-style-type: none"> ● Must be ENERGY STAR (ENERGY STAR CFL fixtures replace less efficient incandescent fixtures, are hardwired and use pin-based lamps). 	<ul style="list-style-type: none"> ● Bid must reference ENERGY STAR light fixtures.
<p>Insulation:</p> <ul style="list-style-type: none"> ● Walls: Wall cavities must be filled with insulation (if the cavity is to be filled with blown-in insulation, the cavity must be dense packed to 3.5 lbs/ft³). 	<p>All of the following:</p> <ul style="list-style-type: none"> ● Bid must reference insulation requirements that wall cavities be filled with insulation and/or attic insulation have an R-value of 44 or greater, as applicable.

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<ul style="list-style-type: none"> • Attic: Final R-Value \geq R44 • Attic Air Sealing is a prerequisite for insulation; pre- & post-blower door testing is recommended to measure effectiveness of air sealing. 	<ul style="list-style-type: none"> • Bid should also reference that attic air sealing be undertaken to the greatest extent feasible. • If wall cavities are filled with blown-in insulation, bid must reference the cavity will be dense packed to 3.5 lbs./ 3ft.
<p>Windows:</p> <ul style="list-style-type: none"> • Must be ENERGY STAR qualified under federal guidelines (patio doors are eligible) 	<ul style="list-style-type: none"> • Bid must reference ENERGY STAR windows.
<p>Heat Recovery Ventilation System or Energy Recovery Ventilation System</p>	<ul style="list-style-type: none"> • Bid must reference the system’s maximum rated sensible recovery efficiency (SRE) is at 0°C of 65% or more.
<p>Solar Panels</p>	<ul style="list-style-type: none"> • Only eligible under the secured Incentive Rate Energy Conservation loan.

Part II – Basic Accessibility Improvements

Eligible Accessibility Improvement	Required Information in Bids/Estimates
<p>Ramps:</p> <ul style="list-style-type: none"> • Construction of entrance ramp <p>House Modifications:</p> <ul style="list-style-type: none"> • Widening interior or exterior doors and/or hallways • Moving electrical outlets and switches • Installing handrails, grab bars or stairway lifts • Modifying hardware, doors or bathrooms <p>Safety:</p> <ul style="list-style-type: none"> • Installing or modifying fire alarms, smoke detectors and other alerting systems <p>Other Improvements:</p> <ul style="list-style-type: none"> • For other Accessibility improvements not listed above, the Fix Up Loan Accessibility Evaluation Form must be used to document the accessibility needs of the Borrowers(s) and must be submitted to Minnesota Housing for prior approval. 	<p>Bid must clearly specify design criteria or product specifications that will validate the accessibility function of the improvement.</p>