

Article published Sep 18, 2008

House-warming loans available through state

By [Peter Hirschfeld](#) Vermont Press Bureau

MONTPLIER — Cash-strapped Vermonters seeking to button up their homes before winter now have access to \$2 million in low-interest loans.

The home-energy improvement loans offer residents of all incomes up to \$5,000 to complete weatherization projects, including whole-house air sealing, increased attic insulation and installation of new furnaces or boilers.

"This is one additional arrow in the quiver of options that we, at the state level, are trying to make available to Vermonters," State Treasurer Jeb Spaulding said Wednesday.

Whereas other state-subsidized weatherization programs in Vermont offer cut-rate loans only to low- and middle-income residents, the so-called "Warm and Weatherized Loan Program" is being made available to any Vermonter, regardless of income. The five-year loans will be disbursed to applicants by TD Banknorth.

"I think it adds another attractive option to a segment of the population that might not have had an opportunity to take part in the food and fuel initiatives the Legislature and governor have put together," Spaulding said.

Spaulding said the loans won't cost taxpayers a dime. The Treasurer's office will deposit \$21 million in funds it manages to TD Banknorth, which will leverage its earnings on the deposit to support the loan program. Spaulding said the state has been guaranteed a competitive rate of return on its deposit.

"We're not taking discounted rates of return on deposits at Banknorth in order to let them give out these low-interest loans," Spaulding said. "We get an attractive rate, and they're able to take advantage of the volume of funds and can turn around and issue home equity or commercial loans."

The \$2 million loan fund could weatherize up to 800 homes in Vermont, according to Spaulding. The minimum loan amount is \$2,500, and applicants are required to have their homes assessed in advance by a contractor with an "Energy Star" certification from Efficiency Vermont.

Once the contractor assesses the home and recommends energy-savings improvements, according to Spaulding, the homeowner can submit a loan application package to one of TD Banknorth's 35 Vermont locations.

Through March 29 of next year, Efficiency Vermont will pay 10 percent — up to \$500 — of any "comprehensive" improvement projects.

"Comprehensive home energy efficiency projects can cut energy bills by 20 percent or more," Blair Hamilton, director of Efficiency Vermont, said in a statement.

Spaulding noted that applicants will need to meet the bank's underwriting standards in order to qualify, but said "if you've got a decent credit score and a low income, you shouldn't have a problem securing one of these loans."

Loan applications will be available starting Oct. 1. The program runs through June 30, 2009, or until the money runs out.