

ENERGYSPARK

Please see the Home Advantage manual for all other terms and conditions that also apply to this feature.

PROGRAM DESCRIPTION

EnergySpark is a feature that is offered with the Home Advantage first mortgage program. If the borrower meets the requirements of Energy Spark, they may be eligible for up to a ¼% lower on their Home Advantage first mortgage rate. Please note: *The Commission may not be able to offer a .25% interest rate reduction on all days and on every rate. Conventional firsts must be under 80% area-median income (AMI). No Freddie Mac 1st mortgages.*

Listed below are additional requirements for Energy Spark:

Pre-Closing Compliance Package

New Construction:

- Certification provided by the home builder. Certification must have occurred within 3 years of the home purchase. Valid certifications are: NEEM/Energy Star Homes ® (formerly known as NW Energy Star), LEED ® for Home **Silver, Gold or Platinum**, Department of Energy Zero Energy Ready Home, Passive House, Built Green ® 3, 4, or 5 Star and National Green Building Standards: Silver, Gold, or Platinum.
-OR-
- Energy audit (HERS RESNET or EPS) that shows **the home exceeds Washington State building standards by at least 15%**.
-OR-
- Energy Score of 10 on Department of Energy's Home Energy Score

The Commission is aware that new certification programs may be possible and will review new certifications on an annual basis.

Existing Construction:

- HERS (Home Energy Rating System) RESNET (Residential Energy Services Network) Energy Audit (All Pages)
-OR-
- Energy Performance Score (EPS) Audit (All Pages)
-OR-
- DOE's Energy Home Energy Score that is A) improved by at least 2 points after efficiency improvements AND end score is a 7 or higher

*Post-Closing Compliance Package **

- Post-Closing HERS (Home Energy Rating System) RESNET (Residential Energy Services Network) Energy Audit report that documents the improvements with new score or usage
- Post-Closing Energy Performance Score (EPS) Audit that documents the improvements with a new score or usage
- Home Energy Score report as per above

**For existing construction, the post Energy Audit must document that the improvements made by the Borrower at, or after closing, improved the home's energy usage by at least 10% to be eligible for Energy Spark. Note: Receipts for work performed as specified in the pre-closing Energy Audit, will suffice in lieu of a post –closing Energy Audit.*

ENERGYSPARK ELIGIBILITY

1. The Borrower must meet all the guidelines of the Home Advantage first mortgage program and (if applicable) the downpayment assistance program.
2. Lender will administer and handle the escrow holdbacks for energy improvements per the underlying first mortgage type (if applicable) i.e., F.H.A. / V.A. Energy Efficient Mortgage or the Fannie Mae Energy Improvement Feature.
3. The two primary forms of certified energy audits in Washington State are the HERS RESNET and Earth Advantage's EPS score. The cost of a single audit ranges from \$300-\$600.00 depending on the auditor's individual costs and the travel time to reach the home. A prospective homeowner may contact multiple qualified energy auditors to obtain bids for the home energy audit.
 - To find a qualified HERS RESNET energy auditor home buyers may search online at: [Energy Raters](#)
 - To find a qualified EPS auditor, home buyers can refer to the list provided by WSHFC courtesy of Earth Advantage. Please refer to the Commission's web site for a list of Auditors.
4. Pre and Post Energy Audits must be completed by a third-party auditor that is not associated with the work completed by the contractor. If it is the same auditor performing both the Pre and Post Energy Audit, the Post-Audit may be a visual inspection of the work completed.
5. If the home is existing construction, an energy Audit can be submitted that documents the home **exceeds Washington State building standards by at least 15%**, without further energy improvements.
6. **Conventional 1sts OVER 80% AMI are not currently eligible for Energy Spark.**
7. **Must be Government or Fannie Mae 1st, Freddie not allowed.**

ENERGYSPARK DETAILS

Interest Rate - Up to a 1/4 % reduction to 30-year fixed rate based on daily posted pricing at time of reservation subject to availability. Please note not all rate and fee options will be offered every day.

Loan Delivery – Commission will allow for a 75-day reservation in order to have loan purchased by Master Loan Servicer.

FHA Energy Efficient Mortgages (EEM) - Approve/Ineligible findings are permitted when the cause of the “Ineligible” is due to the Energy Package. Manual underwriting is permitted for the Energy Package for the EEM only.

FHA EEM guidelines:

If the Mortgagee obtains an Accept or Approve on a mortgage application that does not include the financeable energy package:

- FHA will recognize the risk rating from TOTAL mortgage scorecard
- Permit the increase to the Mortgage Payment without re-underwriting or rescoring.