

CKenergy Electric Cooperative

CKEC Loan Program Parameters

CKenergy Electric Cooperative offers assistance to its member consumers by offering low interest (6%), short term (4-7 years), loans for energy efficiency measures for the home or small business.

The CKEC Loan Program finances the cost of:

- Electric Heat Pumps, Electric water heaters and Electric air conditioning
- Geothermal Heat Pump systems
- Generators
- Thermal Windows
- Ceiling Insulation
- Wall Insulation
- Floor Insulation
- Duct Insulation
- Pipe Insulation
- Water Heater Insulation
- Storm doors or Thermal doors
- Weather-stripping
- Caulking
- Clock thermostats
- Attic ventilation fans

The CKEC Loan Program was established to promote the efficient use of electricity by assisting the consumers of the Cooperative in financing energy conservation measures in structures served by the Cooperative.

The Cooperative will provide CKEC Loans subject to certain guidelines and procedures as outlined in the CKEC Loan Guidelines.

CKenergy Loan Guidelines

The Board of Trustees of CKenergy Electric Cooperative recognizing a need to assist the members of the cooperative to use energy efficiently adopted the CKenergy Electric Cooperative Loan Program which was established for CKenergy Electric Cooperative members to borrow money at a low interest rate of 6% for energy efficiency products.

Eligibility

- Loans will be made to members of CKenergy Electric Cooperative who own the structure to be improved.
- The Member must hold title to the structure being improved.
- The structure must be receiving electric service from CKenergy Electric Cooperative.

General Terms

- The member is in good credit standing with the cooperative and other creditors and pays his or her monthly electric account on a timely basis.
- A history of late (received after due date) payments, return checks, collection trips, disconnection of electric service for non-payment, or verified meter tampering will all or any be reason for loan denial.
- Members connected less than one (1) year must have a prompt pay history with the cooperative and other creditors. Specific board approval will be required for all loans in this category.
- Loans cannot be made to refinance earlier conservation obligations or structures to be built or under construction (This does not apply to add-ons or remodeling of existing structure).
- The member will complete and sign a loan application and financial statement which fairly represents their financial condition and repayment ability.
- The member must sign an agreement that if full payment is not made on the electric bill, the CKenergy loan payment will first be deducted.
- A CKenergy loan committee comprised of at least two CKenergy Electric Cooperative Trustees must review all loan applications over \$10,000.00 and make recommendation to the board and determine the security required for the loan.
- When Installation is made by the consumer, the loan will be limited to the cost of the materials.

- CKenergy Electric Cooperative will not advance funds to the consumer or the contractor without assurance that the work has been properly preformed.

Loan Terms and Conditions

- The Maximum amount of any CKenergy loan will be \$15,000.00.
- The maximum scheduled repayment will not exceed eighty-four (84) months.
- Interest rate on CKenergy loans will be 6%.
- The monthly payment requirement will be added to the member's electric bill.
- The first payment will be due at the same time of the month as the member's next electric bill after the advance has been made and the same time hereafter until the loan is paid in full.

Loan Security

- Loans will be secured with a mortgage on the real estate of which the equipment is installed or improvements are made. Mortgages will be filed at the county court house of the county of residence.
- Depending on the financial condition of the applicant additional security may be required in the form of cosigner or guarantor of the loan as determined by the loan committee.
- All CKenergy Loans will be secured.

Application Procedures

- Member may make application for the loan at CKenergy Electric Cooperative's Binger office.
- Member will furnish the cooperative with a current financial statement and adequate credit references.
- Member will furnish the cooperative a copy of their deed on the property that the improvements will be made.
- The cooperative will review member's payment history and financial statement.
- Cooperative will obtain credit report from credit bureau when necessary.
- Member will provide a detailed written estimate signed by the contractor for proposed improvements.
- Member will be notified by letter of the approval status after application has been review by Loan Committee.

- Upon completion of approved work a cooperative representative will inspect the work, submitted loan documents to member for signing and provide member with loan proceeds.
- The loan proceeds will be made payable in the name of both the Contractor and the Member.

Discrimination Statement

- CKenergy Electric Cooperative will not discriminate against any member because of race, color, national origin, marital status, sex, religion or citizenship.

Prior to Loan Funds Advancement

- Show proof of minimum of 25% equity in structure, after improvements.
- Submit abstract, when required, currently certified for title examination on real property where structure is to be improved. Member will pay for this examination. If the Board of Trustees requires the abstract to be brought up to date at any point, all fees will be paid by the member.
- Member will sign mortgage on real property (for secured loan) where structure is to be improved.
- Member will notify their insurance carrier (for secured loan) and list lender as mortgage on insurance certificate and provide CKenergy Electric Cooperative with a copy of insurance certificate.
- Member will sign promissory note and loan agreement.