

Canada Greener Homes Loan

Homeowner Stream - Further details Q&As

QUESTIONS ON THE EVALUATION:

Can I use the same pre-retrofit evaluation for both the grant and the loan application?

- Yes, the same pre-retrofit evaluation is used for both the grant and loan application. Your Pre-retrofit EnerGuide evaluation must be dated on or after April 1, 2020 to be eligible for the loan. Loan applications must be completed before any retrofit work commences.

How do I book my pre-and-post-retrofit EnerGuide evaluations required for the loan?

- To find out more about booking your pre-and-post-retrofit EnerGuide evaluations, please refer to the enrolment process for the NRCan grant or your provincial program if you are a resident of Quebec or Nova Scotia.
NRCan Canada Greener Homes Grant
Quebec - [Rénoclimat Program - Residential \(gouv.qc.ca\)](https://gouv.qc.ca)
Nova Scotia - [Canada Greener Homes - Efficiency Nova Scotia \(efficiencyns.ca\)](https://efficiencyns.ca)

GENERAL QUESTIONS ON THE LOAN:

Is the loan secured against my home?

- No. The loan is an unsecured personal debt obligation.

Will the loan be reported in my credit report?

- Yes, the loan, and its performance, will be reported to Equifax.

Is there a minimum and maximum loan amount?

- The minimum loan available is \$5000 to a maximum of \$40,000.

Is the loan administered directly by CMHC or through a financial institution?

- The delivery and the administration of the loan program will be conducted by CMLS acting on behalf of CMHC.

What happens if the loan does not cover all my costs?

- You are solely responsible for all additional costs associated with the retrofits that are NOT covered by the loan.

- In addition, we encourage you to benefit from other available provincial, territorial, or municipal programs and incentives to finance any additional costs or to obtain additional grants.

How do I know if I can get approved for the loan?

- In addition to meeting the borrower and property eligibility criteria, the Service Provider will review your credit history and assess your financial capacity to repay the loan and your other debt obligations.

Can I add more retrofits to my list once my loan agreement has been signed?

- Once your loan amount has been approved and the loan agreement signed, the loan amount cannot increase.

Do I need to have mortgage loan insurance from CMHC on my current mortgage to be eligible?

- No. Having mortgage loan insurance from CMHC or a private mortgage loan insurer is not a requirement.

Can I co-sign for my child's loan application if I have already requested a loan for my personal residence?

- There is no limit to the number of loans for which you may co-sign as long as you have the capacity and willingness to carry additional financial obligations. Being a co-borrower in your child's loan application does not preclude you from obtaining a loan for retrofits on your primary residence.

What if my circumstances change and I need to rent my home after getting the loan for the retrofits? Is this considered a breach of the loan terms and conditions?

- A change in occupancy, after the loan has been disbursed, does not trigger repayment of the loan, as you have already completed the eligible retrofits and the post-retrofit EnerGuide evaluation required to complete the loan process. You are still expected to meet your monthly repayment schedule until the loan is paid off in full.

Do all registered owners need to be on the loan?

- To apply for the loan, at least one borrower must be a registered owner of the property and must reside in the property (i.e., the property must be the primary residence of at least one of the borrowers).
- Where the property has more than one registered owner, at least one of the registered owners must be a borrower and must have received the consent of the other registered owners to undertake the retrofits of the property.

What if I had a loan to complete retrofits for my primary residence that was subsequently sold? Can I benefit a second time from a new loan for my new primary residence?

- Yes. You can benefit from the loan one additional time provided your previous loan has been paid in full.
- You will also need to register for the Canada Greener Homes Grant a second time and request a pre-retrofit EnerGuide evaluation for your new home. Only retrofits that are both eligible and recommended by an Energy Advisor are eligible for the loan.
- Please note that the sale of your home on which the retrofits are completed will trigger a requirement for you to repay the loan in full.

If I have a business on my property, am I eligible for the program?

- Yes, however at least 50% of the space must be deemed residential as the homeowner may only receive the grant/loan for the residential portion of the property. Energy Advisors can provide recommendations on a case-by-case basis.

If I own several properties, can I obtain a loan for each property?

- No. You will be able to apply for a loan for your primary residence only. Proof of ownership (i.e., property tax bill number) and proof of residence are required.

Can I apply for a loan to complete resiliency measures only, or do I also have to complete other retrofits?

- Resiliency measures cannot be considered as a stand-alone, they must be combined with an energy efficiency retrofit to be eligible for the loan. Please consult the NRCan website for additional information on resiliency measures. [Eligible grants for my home retrofit \(nrcan.gc.ca\)](https://nrcan.gc.ca)

QUESTIONS ON LOAN CALCULATION:

How can I calculate my potential loan amount and payments?

- Before you can calculate your loan, you will need a list of recommended and eligible retrofits which you will find in your pre-retrofit evaluation and your Renovation Upgrade Report.
- Once you have a complete list of retrofits, you must obtain at least one cost estimate from a contractor for all retrofits you intend to complete. We recommend you obtain at least three (3) cost estimates when possible) and that you have a clear understanding of the cost associated with the retrofits.
- You will then be able to calculate the loan amount and payments, based on the estimated cost of retrofits and estimated grant amount by using the loan calculator. Tools, including a loan calculator, are currently being developed.

How is the loan amount calculated?

- At the time of the initial loan application, the loan amount is based on the estimated costs of the retrofits you intend to complete, less the estimated grant amount, to a maximum of \$40,000. The net minimum loan amount is \$5,000.
- It is important to note that after the initial loan application, the loan amount cannot be increased.
- Estimated cost must be consistent with market norms.
- After you have completed all your retrofits and provided final invoices/receipts to the Service Provider, the loan amount will be reviewed again based on the actual cost of the completed retrofits.
- If the actual costs of the completed retrofits are lower than the initial cost estimates and/or the recommended grant amount is higher than the estimated grant (i.e., higher energy efficiency achieved), the loan amount will be adjusted downwards.
- If the actual costs are higher than the initial cost estimate, the loan amount will NOT increase

What eligible costs are taken into consideration to calculate the loan amount?

- Only costs directly associated with the energy retrofits, recommended by an Energy Advisor and eligible for the Canada Greener Homes Grant, consistent with market norms may be considered in the loan amount.

QUESTIONS ON LOAN REPAYMENT AND DISBURSEMENT:

How will the loan repayment work?

- Your loan is repayable once funds have been fully disbursed to you. Your loan term starts on the first of the month following your loan disbursement with your first payment due the subsequent month.
- *Example:*
Your loan disbursement occurred on January 10th, 2021
Your loan Term Start Date is the 1st of the month following disbursement which corresponds to February 1st, 2021
Your first payment is due the 1st of the second month following disbursement, which corresponds to March 1st 2021
- You will receive an Advance Statement with your disbursement, which will provide all the applicable repayment terms.
- You will be expected to make equal monthly payments over the ten-year loan term. However, you will also have the ability to make full or partial payments at any time without penalty to enable faster repayment of your loan.
- Your loan is interest-free.

When will the loan be disbursed?

- The final loan advance will occur after you have completed all your retrofits and the post-retrofit EnerGuide evaluation of your home is available
- Steps after you have completed all your retrofits:
 - 1) You have booked a post-retrofit EnerGuide evaluation of your home.
 - 2) The Energy Advisor has completed and uploaded the post-retrofit EnerGuide evaluation of your home
 - 3) You have uploaded the final invoices from your contractors and requested your loan disbursement.
- Once the Service Provider has completed their review, they will disburse the funds.

What if I misplaced my invoices?

- For the loan to be disbursed, you must upload all invoices related to completion of all eligible retrofits. Without invoices, the loan cannot be disbursed. If you misplaced one or more invoices, we advise that you contact your contractor/supplier to request a replacement.

QUESTIONS ON LOAN ADVANCE:

Can I request an initial loan advance?

- An initial loan advance may be requested via the loan application process in order to pay for deposits or upfront costs required by the contractor.
- The initial loan advance must be used to pay for upfront costs and/or deposits required to commence work on the eligible retrofits, up to a maximum of 15% of the eligible cost of retrofits requiring an upfront payment. For properties located in northern and off-grid communities and for Indigenous group applicants, this amount is increased to 25%.
- The need for an initial loan advance must be evidenced in the cost estimates or contractor quotes.
- To find out if your property is located in a northern or off-grid community, please consult the Remote Energy Communities Database (<https://atlas.gc.ca/rced-bdece/en/index.html>).

What happens if the initial loan advance does not cover the entire upfront costs (or the actual deposit amount) required to start the work?

- If the advance is not sufficient to cover the actual deposit amount or upfront costs required, you are expected to cover the difference.

If I live in a northern or off-grid community, am I eligible for additional flexibilities?

- If you live in northern and off-grid communities, you can receive an initial loan advance to pay for deposits or upfront costs required by the contractor, up to a maximum of 25% of the eligible cost of retrofits requiring an upfront payment. The

maximum loan amount remains the same (I.e., \$40,000 net of grant). You also have twenty-four (24) months, following the date of the loan agreement, to complete the retrofits, obtain the results of the post-retrofit evaluation and request your final loan advance.

- Additional flexibility is also being offered by extending the deadline to complete the retrofits to 24 months.
- For the loan, the North is defined as Yukon, Northwest Territories, Nunavut, Nunavik and Nunatsiavut. You can find out if your community is considered “off-grid” by consulting the Remote Energy Communities Database (<https://atlas.gc.ca/rced-bdece/en/index.html>).

QUESTIONS ON COMPLETING THE WORK (RETROFITS):

Can I perform the work myself?

- Yes, however for specific retrofits, licensed and trained professionals are required or recommended.
- For instance, a licenced and trained professional must install all mechanical and electrical systems, with the exception of thermostats.
- For more information and recommendations on retrofits required to be done by a licensed and trained professional please visit the NRCan website see: [LINK](#)

Do I need to complete all the retrofits recommended by the Energy Advisor to be eligible for the loan or can I choose which one I am interested in?

- To be eligible for the loan, you must select at least one of the recommended retrofits listed on the pre-retrofit EnerGuide evaluation of your home. Only retrofits that are eligible for the grant are eligible for the loan. The eligible cost of the retrofit(s) less the eligible grant must equal at least \$5,000.
- Find out which retrofits are eligible for this program: [Eligible grants for my home retrofit \(nrcan.gc.ca\)](#)

How much time do I have to complete the recommended retrofits once I have been approved for the loan?

- [The timeline is not established by work being completed.](#) You have twelve (12) months, following the date of the loan agreement, to complete the retrofits, obtain the results of the post-retrofit evaluation and request your final loan advance.
- If your property is located in northern and off-grid communities, as defined under the Canada Greener Homes Grant, you have twenty-four (24) months, following the date of the loan agreement, to complete the retrofits, obtain the results of the post-retrofit evaluation and request your final loan advance.
- If you are experiencing any delays caused by circumstances that are outside your control, such as restrictions arising from the pandemic, shortages of materials, and

location of the property, you may contact **(insert name of Service Provider and phone number)** to request an extension before the 12 month or 24 month completion deadline, as applicable.

If I move into a home that was previously retrofitted, can I continue to retrofit the home and have access to a loan?

- Yes, you can apply for a loan to continue to retrofit your newly purchased home under this program. If your home had an EnerGuide evaluation completed by the previous owner, you are required to obtain a new EnerGuide evaluation to be eligible for additional retrofits to be completed.

QUESTIONS ON ELIGIBLE RETROFITS:

Are all home retrofits eligible under the initiative?

- No. Some retrofits recommended by your Energy Advisor may not be eligible for reimbursement under this program.
- For a full list of eligible retrofits, please consult the NRCan website [Eligible grants for my home retrofit \(nrcan.gc.ca\)](https://nrcan.gc.ca)
- If the retrofit you seek is not listed on the website, it cannot be considered for the Canada Greener Homes Grant nor the Loan.

Why are only certain retrofits eligible for the loan?

- Eligible retrofits articulate the Government of Canada's best advice for improving energy efficiency and reducing greenhouse gas emission in Canada.
- To be eligible for the loan, the retrofits must be recommended by an Energy Advisor in the Renovation Upgrade Report (RUR) following a pre-retrofit EnerGuide evaluation.
- To obtain a pre-retrofit EnerGuide evaluation, you must register and apply for the grant and request an appointment for an energy evaluation of your home. EnerGuide evaluations provide you with expert advice on what retrofits make the most sense for your home.