

# Cambridge Green Condo Lending

## Financing Your Condo Building's Energy Improvements

### Cambridge's new program for apartments and condos

This spring, the City of Cambridge launched the **Cambridge Multi-Family Energy Pilot** to help apartments and condos become more efficient and access opportunities for solar. Any building with 5+ units can get started with a **no-cost** energy efficiency and solar assessment. The resulting Energy Action Plan enables buildings to access incentives for cost-saving measures like insulation, heating, and lighting upgrades. Visit **CambridgeEnergyAlliance.org/save** to learn more and sign up.



### Financing your association's energy improvements

The City of Cambridge has reached out to local banks to identify financing opportunities for condo associations. **An association loan** can be a viable alternative to special assessments or use of reserve funds. Since energy efficiency and solar projects save money, an association loan can be a useful, cost-effective way of financing investments in building upgrades while controlling operating expenses.

The banks on the next page communicated that they offer condo association loans as of November 2017. (Please note that this does not constitute an endorsement of any bank or product, and you may find other options available.)

### Applying for an association loan

While the application can vary from bank to bank, most buildings can expect the following general steps:

- A conversation with the lending officer about the project, the building, and association
- An application that includes deed information, current financials, historic financials, and federal tax identifier
- Receiving a proposal from the bank; this is typically expected within a few business days
- Signing of a commitment letter as an association
- Review of legal documents by bank and association; this can take two to four weeks
- Receipt of the funds needed, either in a lump sum or as a line of credit

### Questions?

Contact Nikhil Nadkarni, Energy Planner at the City of Cambridge, at [nnadkarni@cambridgema.gov](mailto:nnadkarni@cambridgema.gov) or 617.349.6434; for questions specific to a bank, reach out using the contact information below.



## Brookline Bank

Brookline Bank has been providing condo associations with lending for 20 years, working with several hundred associations in the Boston area today. Brookline Bank is ready to work with trustees and property managers to identify the appropriate solution for their building.

Criteria:	Associations of 10 or more units. Loans typically \$50,000 or larger.	Term:	Treated as a line of credit. Typically 5-10 year term length.
Application specifics:	Reserve study is generally not required. An account history at the bank is not required; reserve funds will need to be held at the bank, but not operating funds.	Rates:	Currently starting at 4.25% for a 5-year loan, ranging up to 5.25% for a 10-year. Fixed for the length of the term. (Rates are subject to change.)

For more information, contact Wesley Blair, Senior Vice President, at [wblair@brkl.com](mailto:wblair@brkl.com) or 617.927.7974.



## Cambridge Savings Bank

Cambridge Savings Bank has been working with condo association lending for over 10 years. Cambridge Savings has worked with condo boards on a variety of projects to identify suitable financing solutions.

Criteria:	Loans typically a minimum of \$100,000. Owner occupancy needs to be 70% or higher.	Term:	Generally treated as a line of credit. Terms of up to 5 years.
Application specifics:	No account history at bank required. Reserve criteria are flexible. CSB provides references to attorneys if needed.	Rates:	Approximately 4.25%. Fixed for the length of the term.

For more information, contact David Holt, Vice President, at [dholt@cambridgesavings.com](mailto:dholt@cambridgesavings.com) or 617.441.4237.



## East Cambridge Savings Bank

East Cambridge Savings Bank, founded in 1854, works with owners, condo associations, property managers, and trustees to provide financing solutions.

Criteria:	Minimum loan amounts are typically \$50,000 or larger.	Term:	Terms of up to 10 years.
Application specifics:	Project review and current reserves. Additional documentation as required by the Lender.	Rates:	Approximately 4 to 5%. Fixed for the length of the term. Contact ECSB for more information.

For more information, contact J. Scott Rielly, Vice President, at [srielly@ecsb.com](mailto:srielly@ecsb.com) or 617.551.2312.



## Leader Bank

Leader Bank offers condo association lending and has worked with numerous projects in Cambridge.

Criteria:	No minimums regarding building size or loan amount.	Term:	Terms of up to 10 years.
Application specifics:	Review of project and current reserves. Loans under \$250k are disbursed as work is completed; larger loans are provided a one-year window to draw down.	Rates:	Floating and fixed rates are available. Contact Leader for further information.

For more information, contact Matthew Pierce, Senior Vice President, at [mpierce@leaderbank.com](mailto:mpierce@leaderbank.com) or 781.646.3900.

*This list was compiled based on Cambridge and Boston-area banks that responded to an inquiry from the City of Cambridge. Other banks may also provide association lending. If you represent a financial institution that would like to be listed here, please contact [outreach@cambridgeenergyalliance.org](mailto:outreach@cambridgeenergyalliance.org). Last updated December 2017.*