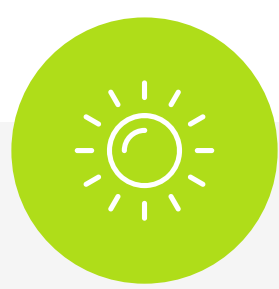


Texas Solar Boom Shines Light on Energy Independence

A regional case study of green mortgage trends and advantages



Texas is the 4th sunniest state by total hours of sunlight.¹



7th state in the U.S. for average annual peak sunlight hours, with 5-6 hours daily.²



9th state in the U.S. with the highest solar radiation striking the group.



About 210,000 Texas homes use solar power.³



Solar Installation is Soaring in Austin, Houston and Dallas⁴

A drop in installation costs and demand for energy cost savings fueled growth in solar adoption in Texas cities:

- Austin:** Ranked 21st among U.S. cities with greatest amount of solar capacity.
- Houston:** Among top 20 cities that quadrupled solar power installation.
- Dallas:** Ranked among top 45 U.S. cities for new panels per resident.

Advantages of Energy Efficient and Green Mortgages

Borrowers can secure bigger mortgages under more flexible financing terms:

- Loan amount based on home value after energy improvements are complete.
- Higher debt-to-income (DTI) ratio requirements.
- No maximum limit on area median income (AMI).
- Can be used with low down payment options for borrowers earning below 80% of AMI.

Energy Efficient Mortgages vs. Home Equity Loans

A Case Study of Texas Metropolitan Statistical Areas (MSA)

| | Austin-Round Rock | Dallas-Fort Worth-Arlington | Houston-The Woodlands-Sugar Land |
|--|------------------------------|------------------------------|----------------------------------|
| Median Home Value ⁵ | \$387,470 | \$305,390 | \$280,810 |
| Estimated Median Area Cost for Solar Panel Installation ⁶ | \$13,300 | \$13,700 | \$13,000 |
| Federal Tax Credit | (26% as of 2021): \$3,458 | (26% as of 2021): \$3,562 | (26% as of 2021): \$3,380 |
| Cost After Tax Credit | \$9,842 | \$10,138 | \$9,620 |
| Annual Utility Cost Savings Post-Installation | \$1,300 | \$1,500 | \$1,500 |
| Yearly Payment for Energy Efficient Mortgage ⁷ | \$18,185 | \$14,714 | \$13,543 |
| Yearly Payment for Mortgage + Home Equity Loan ⁸ | \$19,180 | \$15,290 | \$14,089 |