

Green Colorado Credit Reserve

Colorado Housing Finance Authority, on behalf of the Governor's Energy Office

The Green Colorado Credit Reserve (GCCR) is a loan loss reserve created by the Governor's Energy Office (GEO) and funded by the American Recovery and Reinvestment Act (ARRA). It was designed to provide lenders with an incentive to stimulate safe and sound lending to businesses and homeowners in Colorado that are seeking to pursue and promote energy efficiency or renewable energy. The GCCR is administered by the Colorado Housing Finance Authority (CHFA) on behalf of the GEO.

How does the GCCR Work?

- Lenders interested in participating in the GCCR Program should submit an application to GEO/CHFA (please use the contact information at the bottom of this page if you have any questions).
- For each loan made by a participating lender, the GCCR will provide a loan loss reserve equal to 15% of the amount of the loan. For example, if a participating lender makes a loan for \$100,000, the lender will have \$15,000 available to cover any losses in case of loan default.
- The loan loss reserve encourages banks to close multiple loans, because the reserve aggregates as the lender makes more loans. For example, if a lender makes ten loans for \$100,000, the lender will have aggregated \$150,000 for any possible loan losses.
- A 15% loan loss reserve should, in theory, increase lenders' risk thresholds which will enable them to offer lower interest rates for loans that promote energy efficiency and renewable energy.

Eligibility

- Loans made for the purpose of promoting energy efficiency or renewable energy
- Equipment purchases, lines of credit, working capital, real estate, etc.
- Additional incentives for women/minority-owned businesses and businesses located in state Enterprise Zones
- Participating lenders may register residential loans made under GEO-accepted loan programs

Register your branch today! Advantages are:

- Lender participation is free
- Lenders underwrite, originate, close, and service the loans
- The reserve account is held at the participating bank's location (nonbank lender accounts held at a specific bank)
- The registration and claims process is streamlined; annual reporting is minimal
- Loans up to \$100,000.00 are eligible for registration

I think my business can benefit from the GCCR. Who do I contact to find out more information?

- Please contact the GEO Finance Manager (contact info below), CHFA (contact info below), or the participating lenders directly. [Click here](#) to see the current list of participating lenders. Also, if you have a lender in mind who you would like to work with but they're not currently registered in the GCCR, please encourage them to register.

Paul Scharfenberger, GEO Finance Manager
paul.scharfenberger@state.co.us (303) 866-2432

Tim Dolan, Senior Commercial Loan Officer
tdolan@chfainfo.com (303) 297-7318



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Frequently Asked Questions

Q *Will CHFA underwrite registered loans?*

A No. Only the registering lender will underwrite the loan. However, CHFA will check eligibility.

Q *What types of businesses are eligible?*

A Most businesses based on Colorado, including for-profit, nonprofit, and agricultural business.

Q *What types of loans are eligible?*

A Loans for working capital, equipment, lines of credit, and real estate.

Q *Does the program set the interest rate on registered loans?*

A No. The program will collect information on program loan performance, but GCCR's guidelines do not set maximum or minimum rates.

Q *How does a lender determine the fee?*

A The originating lender should consider what is normally charged for origination fees, their comfort with collateral, and risk level of the loan.

Q *Can residential loans be registered?*

A In some cases. If a lender has a specific residential loan program designed for energy efficiency, the lender may work with CHFA and GEO to get approved to make loans under that program. Please contact CHFA for details.

Q *How do I find a participating lender?*

A Visit GEO's website at www.colorado.gov/energy or CHFA's website at www.chfainfo.com for the list of participating lenders. Also, if you are interested in working with a particular lender but they are not registered in the GCCR program, please encourage them to register today!



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