

Our C-Change Discounts



Ecology Building Society was rated as an ethical Best Buy for our mortgages, ISAs and savings accounts by Ethical Consumer magazine in its product guide rankings.



“ The increasing level of greenhouse gases in the atmosphere is fuelling a climate and ecological crisis ”

Our homes currently produce 20% of UK greenhouse gas emissions.*

By increasing the energy efficiency of our homes we can make an immediate impact on CO₂ emissions and begin to protect our future environment.

To help you do this and contribute to combating climate change, we have developed two discounts from our standard mortgage pricing:

- **C-Change Sustainable Homes**
- **C-Change Retrofit**

These discounts are available on our residential, buy-to-let and part residential mortgages.

Your property may be repossessed if you do not keep up repayments on your mortgage.

Ecology's C-Change Discount may be withdrawn and/or the discount rate applied may be removed or changed at any time.



*Source: <https://www.theccc.org.uk/publication/uk-housing-fit-for-the-future/>

C-Change Sustainable Homes

Our sustainable homes discount is ideal if you are building a new eco home. It can also apply if you are planning a deep retrofit involving extensive remodelling and changes to the shell of the property, in line with the EnerPHit methodology from the Passivhaus Institute.

There are various levels of discount from our Standard Variable Rate (SVR), based on properties attaining the standards set out in the two tables below. The first table includes a range of practical standards, while the second table focusses on the Passivhaus family of standards.

| General standards | |
|--|-------------------|
| Standards | Discount from SVR |
| EPC B (Sap rating 85-87) <small>Applies to conversion & shared ownership products. Any self-build products completed before June 2021 may also be eligible.</small> | 0.50% |
| EPC B (SAP rating 88-91) | 0.50% |
| EPC A (SAP rating 92-99) | 0.75% |
| EPC A+ (SAP rating 100-109) | 1.00% |
| EPC A++ (SAP rating 110+) | 1.25% |
| AECB Carbonlite building standard | 1.00% |

Because it has been demonstrated that properties designed using the methods set out in the Passivhaus family of standards are most likely to achieve the specified energy performance, our sustainable homes discounts give them pride of place. This route is set out below:

| Passivhaus standards | |
|--|-------------------|
| Standards | Discount from SVR |
| • Passivhaus (PHPP Modelled) • EnerPHit | 0.75% |
| • Passivhaus (Classic, Plus and Premium) • EnerPHit or EnerPHit+1 | 1.50% |



The Standards

Passivhaus is one of the leading international low energy design standard, with around 65,000 buildings certified to date¹.

The **EnerPHit** Standard has been developed for retrofits where the existing architecture and conservation issues mean that meeting the Passivhaus standard is not feasible. EnerPHit recognises the difficulty of achieving a full Passivhaus standard in existing buildings and has slightly relaxed requirements for airtightness and space heating demand. Buildings that have been refurbished using certified Passivhaus components and largely with exterior wall insulation can be certified to the **EnerPHit** standard.

The designation **EnerPHit⁺** is used if more than 25% of the exterior surfaces (excluding glass) have interior insulation.

For both new build and refurbishment projects the energy balance of the building must be verified using the Passive House Planning Package (**PHPP**). It is important to understand that to achieve Passivhaus certification, your project needs to follow the process and methods set out in the Passivhaus standards.

¹Source: passivhaustrust.org.uk



C-Change Retrofit

If the refurbishment project cannot be completed in one phase, the project can still qualify for an interim discount as per EnerPHit (**PHPP modelled**) standard. The works must have been modelled using this standard. The higher level of discount can then be attained upon full completion of the refurbishment.

More information on **Passivhaus** and **EnerPHit** can be obtained from the UK Passivhaus Trust –

(passivhaustrust.org.uk) or by visiting the website of the Passive House Institute (passivehouse.com).

The Energy Performance Certificate (EPC) provides current and potential ratings from A to G (A being the most efficient and G the least efficient) for:

- **Energy efficiency** – a measure of a home's overall efficiency
- **Environmental impact** – a measure of a home's impact on the environment in terms of carbon dioxide (CO₂) emissions.

The certificate also includes recommendations about how to improve the energy performance of the property.

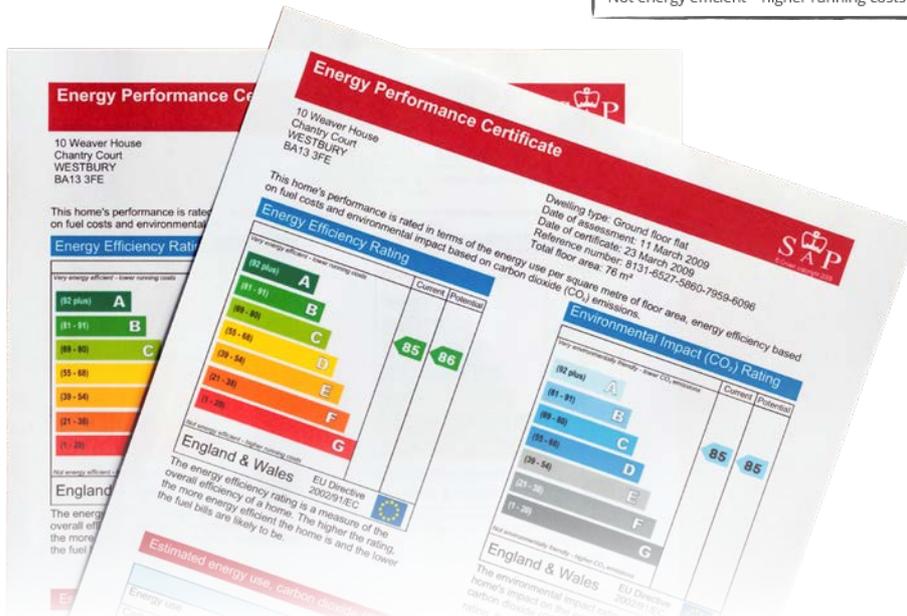
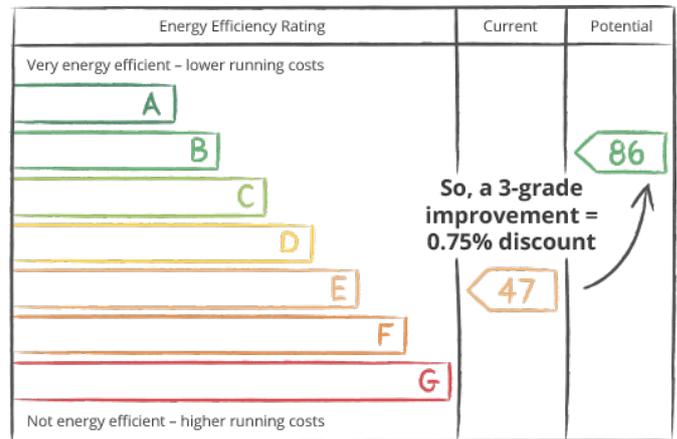
AECB (The Association for Environment Conscious Building) has produced a set of realistic and workable energy performance standards for both new build and retrofit. For further details visit aecb.net.

This discount has been designed for any existing home requiring extensive improvements. The level of discount available relates to enhancements achieved in the ratings quoted in the Energy Performance Certificate (EPC).

The biggest challenge our country faces in terms of reducing the contribution our homes make to climate change is to deal with our existing housing stock, built to low energy efficiency standards.

The average energy efficiency rating for the UK housing stock is D and many homes may be capable of achieving significant improvements depending on the amount spent².

A discount of 0.25% from our Standard Variable Rate will be available for each grade improvement in either the energy efficiency or environmental impact rating. For example, if either rating improves from E to B after the works to the property are completed, a discount of 0.75% will be available on the **whole of the mortgage for the duration of the loan.**



How the discounts work

C-Change Sustainable Homes

The relevant discount will be applied to the mortgage when we receive evidence that both the work has been completed and the Energy Standard rating required has been achieved.

C-Change Retrofit

If you wish to become eligible for this discount, we will require an Energy Performance Certificate (EPC) during the application process and on completion of the proposed works.

- If you are purchasing an existing home, an EPC should be available from the seller, or their agent.
- If you already own your own home, then you will need to commission one, or you can ask us to arrange this at the same time as the mortgage valuation.

You will then need to:

- review the EPC and decide which improvements you wish to embark on
- compile a schedule of the expected costs
- send these to us.

Initially, interest will be charged on your mortgage at our Standard Variable Rate.

When you have completed the works, send us your EPC. On receipt of the revised EPC, we will compare it with the initial one, apply the appropriate discount to your mortgage and let you know your revised mortgage payments.

This discount is applied to the whole mortgage and is not available alongside any other discount. However, subject to qualification, you may enhance this discount with future upgrades or replace it with a C-Change sustainable homes discount.

Will I be able to apply for more funds?

If at a later date you wish to install more energy saving measures or extend the property, then we'll be able to consider advancing further funds at the relevant C-Change discount rate, according to our usual assessment criteria.



Should I get advice about what measures I can take?

It might be that you have conducted your own research and have a good idea of what energy saving measures are required for your property. However, if you are unsure, or would like more expert advice, there are a number of organisations that can provide either general information or a specific plan for your home.

The **Energy Saving Trust** has a network of advice centres located across England, Scotland, Wales and Northern Ireland. These centres can provide you with impartial advice about saving energy in your home. Visit their website at energysavingtrust.org.uk.

A wide range of organisations that can provide advice and project support on a commercial basis can be found on aecb.net.

The **National Energy Foundation** (NEF) has details of renewable energy technologies on their website, including solar devices, heat pumps, and wood burning appliances. Visit nef.org.uk.

Remember – there is little point installing renewable energy generating technologies (which tend to be expensive with lengthy pay-back periods), until you have done everything you can to reduce energy use in your property. So it's far more important to insulate well and install efficient appliances before spending on photovoltaic technology, for example.

Representative example:

This is an illustration of a typical mortgage and its total cost. It looks at a mortgage of £225,700, paid over 25 years on a variable rate of 6.04%. This mortgage would need one monthly payment of £1,947.34 and 298 monthly payments of £1,461.81 to pay off. The total amount paid would be £438,990.72. This includes the loan amount (£225,700), interest (£211,866.72), a mortgage application fee (£799) and a valuation fee (£625). This illustration assumes the cost of the property is £350,000.

The overall cost for comparison is 6.3% APRC representative.



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