



Residential PACE Programs in Ohio – What You Need to Know



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National Consumer Law Center
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PACE

- Mortgage loans offered through home improvement contractors
- Failure to pay on taxes or increased mortgage payments puts home at risk of foreclosure
- Stories in NCLC Material

Problems We've Seen

- Contractor misrepresentation
- Poor and unnecessary work
- High cost, high balance loans
- Homeowners without the ability to repay

Ohio's Proposed Consumer Protection

- To make the program safe, we need:
 - Third party verification/documentation of consumer's income and debt
 - Reasonable debt to income ratio/ability to repay standards
 - A right to rescind/cooling off period

Ohio's Proposed Consumer Protection

- To make the program safe, we need:
 - Specified contractor requirements and ways to monitor compliance
 - Clear and explicit consumer remedies

NCLC PACE Material

- Residential Property Assessed Clean Energy (PACE) Loans: The Perils of Easy Money for Clean Energy Improvements
 - https://www.nclc.org/images/pdf/energy_utility_telecom/pace/ib-pace-stories.pdf
- Comments – ANPR to the CFPB PACE
 - https://www.nclc.org/images/pdf/energy_utility_telecom/pace/nclc-nhlp-pace-comments-%20may2019.pdf

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