

# Michigan Saves:

## Using Loan Performance Data to Inform Program Implementation

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# Michigan Saves Structure and Role

- Provide loss reserve for lenders
- Oversee authorized contractors
- Drive demand for energy efficiency through outreach and incentives
- Set program guidelines and provide quality control

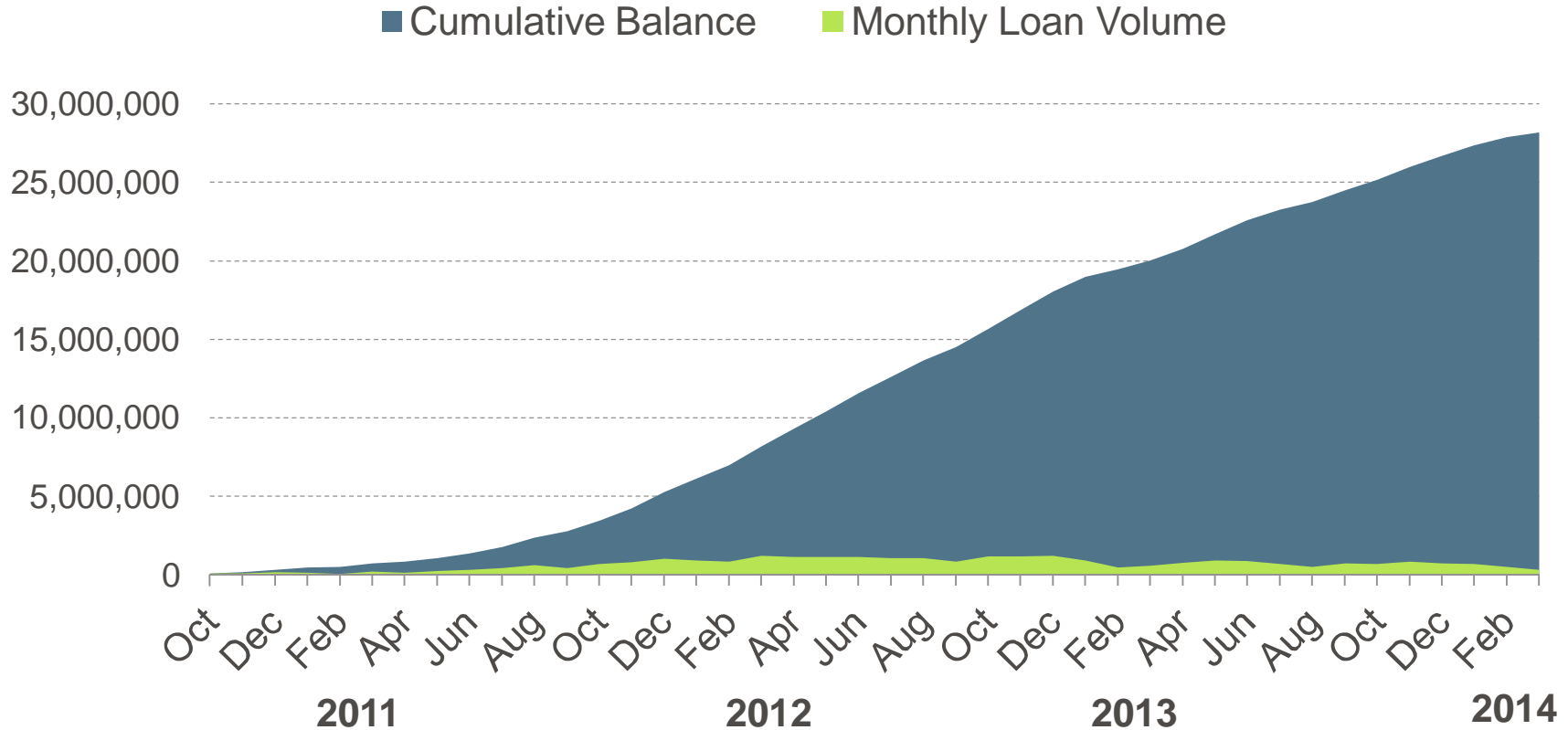


What data do we track?

More importantly, what do we do with the data we track?



# Home Energy Loan Program to Date



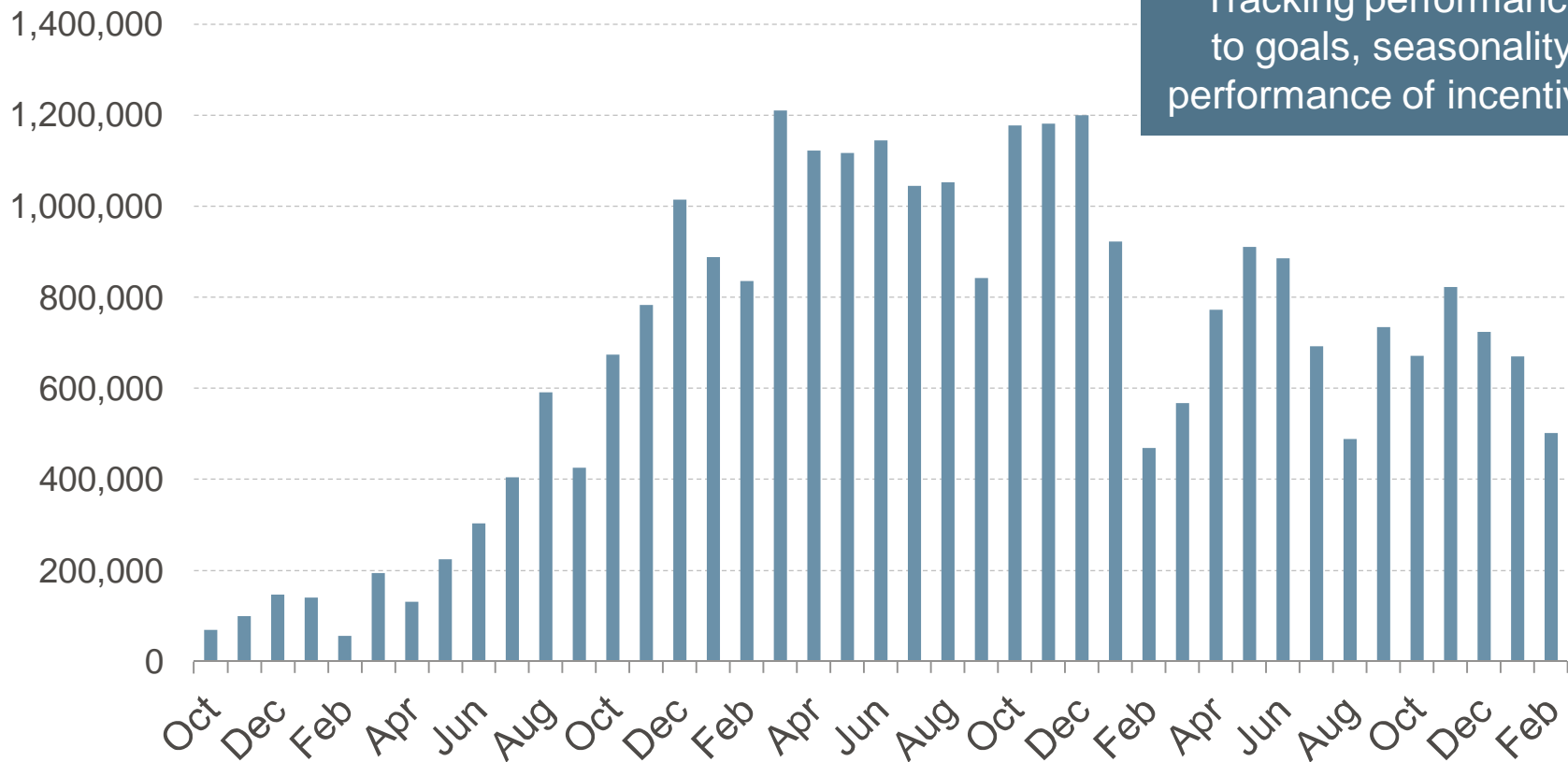
Losses paid: 51 (1.5%) through Feb

Monitoring to perform better than national average of 3–4%

# Monthly Loan Volume



Tracking performance to goals, seasonality, performance of incentives



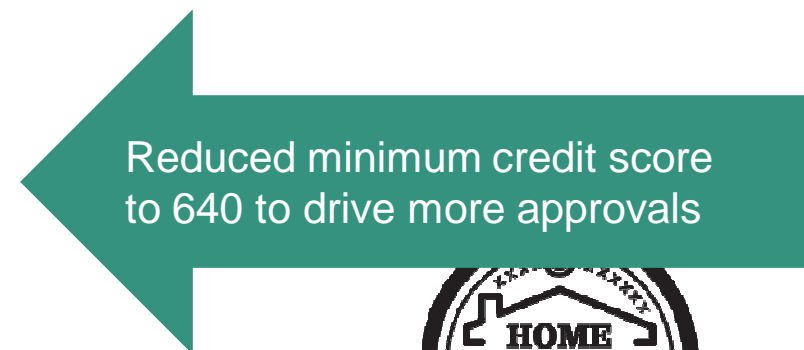
# Approval Rates

Decision	Count	% of Total	Avg Income	Avg Credit Score
Approved	3,466	60.04%	\$76,036.29	740
Denied	2,286	33.56%	\$57,019.80	630
Pending	211	3.32%	\$55,411.34	699
Recommend Denied	218	3.08%	\$56,632.70	626
<b>Grand Total</b>	<b>6,181</b>	<b>100.00%</b>	<b>\$67,615.88</b>	<b>696</b>

## Loan Approvals (LSI Report)

Taking a deeper look at the last 6 months:

	Approved	Denied	% Approved
Oct	93	69	57%
Nov	77	58	57%
Dec	59	47	56%
Jan	61	61	50%
Feb	67	35	65%
Mar	76	38	66%



# Customer Satisfaction: **Likes**

- **Easy, fast process**
- Contractors
- Professionalism
- Customer service
- Home Improvement/new equipment
- Saving money



“It was a really good deal. And we love our new windows—they’re a big improvement over what we had before.”

— Steve McMullen



# Customer Satisfaction: Needs Improvement

- Lower interest rates
- More local lenders
- More marketing
- Contractor oversight
- Contractor education



“The difference was immediately noticeable ... the temperature is much more even throughout the house.”

— Brian Catlett



# Leveraging Customer Feedback

- Build off of satisfied customers
- Utilizing contractor ratings in online database
- Seeking more local lenders in underserved areas
- Talking to current lenders about rates



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Jobs that are financed ...

are **230%** larger

have **29% more** measures

save **37% more** energy

... than cash jobs

Analysis of more than 2,500 jobs, 35% financed and 65% cash (889 financed and 1,655 cash).

Average project size of  
financed jobs:

**\$10,130**



Average project size of  
non-financed jobs:

**\$4,365**



# Contacts

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