

Green Loans – FAQs

Why should I apply for a loan as opposed to buying the solar panels and installation outright?

If you can afford to purchase solar panels without obtaining a loan you should consider this option. However, the HSBC Green Loan is ideal for people who do not have sufficient funds to purchase solar panels outright.

By obtaining a loan for the solar panels you can spread the cost of the purchase for up to 7 years. Depending on your situation you may be able to closely align your loan payments with your current electricity payments so the loan does not change your monthly budget.

You may wish to obtain a loan if your existing funds are earmarked for another purpose or are intended as your emergency fund (e.g. should you have an unexpected medical bill or you lose your job).

Does the bank require any collateral for the loan or is the loan secured in any way?

In most cases no collateral will be required for the loan. There may be some instances where the loan is very large (i.e. greater than \$50k) when we would request collateral however, this will only be in rare circumstances.

Do I need any special qualifications to be approved for a solar loan?

No – the loan application is assessed in the same manner as we assess standard loan applications.

Standard exclusions apply – you must be in full time employment and be able to afford the loan. Full details of the documentation required to apply can be found at [HSBC Loans](#)

Is a down payment required?

No – you can borrow 100% of the cost of the Solar Panels as long as you can afford the monthly repayments.

What is the interest rate and terms of the loan offered by HSBC?

Green Loans are priced at 6% variable interest rate for up to 7 years

If I borrow \$50,000 how much a month will I pay and what would be the total cost of the loan (interest + capital repayments).

If you borrow \$50,000 over 7 years at 6% interest rate the monthly payments would be \$730.43 and the total cost of the loan would be \$61,356.12.

You can use our loan calculator found [here](#) to calculate the monthly payments for any loan amount. (For green loans the variable interest rate is 6% and the maximum term is 7 years)

What is the difference between a home improvement loan for solar panels and a loan for, say, a new kitchen?

Our standard unsecured loans are priced at 7.75% variable interest rate and can be obtained over a maximum of 5 years. Green loans are less expensive (6% variable interest rate) and can be taken over a longer term (i.e. up to 7 years). By offering a lower interest rate and longer term for our Green Loans it is possible for customers to match the monthly loan repayments to the savings in energy costs closely. This may not always be possible as it depends on your individual circumstances.

Will my solar installer apply on my behalf, or this is a separate transaction I need to conduct directly with HSBC?

You will need to apply with HSBC yourself – your solar provider cannot submit the application on your behalf however, they should provide you with a quote for the cost of the product and installation.

Are loans available for personal homeowners or for small businesses as well?

This particular product is only available to individuals (not businesses). However if your business is interested in taking a loan for solar panels you should speak to your Commercial Relationship Manager and they will be able to discuss your options with you.

To apply for a Green Loan you can either

Talk to us in branch

Call 299 5959 to arrange an appointment

Visit www.hsbc.bm/greenloans