

L A N D L O R D S

A Guide to Resilient Rentals

*Don't leave
money on the
table!*



SUSTAINABLE
MIDDLEBOROUGH

ENERGY EFFICIENCY: Benefits for Landlords

Even though you may not be the one paying the energy bills, making your buildings more energy efficient offers lots of financial benefits that you may not have considered.

- ✔ **Qualify for rebates, tax credits, and financing that will put money in your pocket and shorten the payback period on improvements and replacements**—some you may need to do anyway. Many federal tax credits expire in December 2025 or June 2026. Take advantage of these incentives before they're gone.
- ✔ **Reduce maintenance and repairs.** A well-insulated property will retain heat longer when the power goes out or a tenant leaves the heat off, which can save you costly repairs such as frozen pipes.
- ✔ **Reduce capital expenditures.** Heating/cooling systems last longer in well-insulated properties because they run less often. When the time comes to replace, you may be able to use a smaller HVAC system, saving you on both upfront and operating costs.
- ✔ **Decrease turnover costs.** This is a huge benefit that is often overlooked. Lower energy bills, comfortable temperatures, and fewer maintenance disruptions can all help you retain good tenants and avoid real estate finders' fees.
- ✔ **Increase property value.** Updated, energy-efficient properties can result in better cash flow, retain their market value, and achieve greater appreciation—all money in your pocket when the time comes to sell. Here in Middleborough, we have very stable and comparatively low electric rates, while natural gas and oil prices always go up in winter and are more volatile. We expect the differential will be even greater in coming years. Investing in electrification is a good way to



increase your property's resale value.

- ✔ **Prepare for coming building codes.** As Massachusetts moves toward a goal of net zero carbon by 2050, building codes and consumer demand will require more energy-efficient homes. This guide for landlords can help you take advantage of incentives and resources that can assist in this transition and spread out necessary expenditures.

By investing in energy-savings improvements, you can increase the value of your property, protect against costly repairs such as frozen pipes and ice dams, and make your rental more attractive for retaining good tenants.



Learn More on our Website!



Get a free energy assessment

This is your key to many financial incentives as well as information you need to make energy improvements. Anyone who pays a Middleborough Gas & Electric utility bill can get a free assessment by signing up here:



[ene.org/
sustainability/hea](https://ene.org/sustainability/hea)
888-772-4242

If your tenants pay the bills, you'll need to coordinate with them.

To qualify for local rebates, a building must have had an assessment within the past three years. The assessor can tell you about the payback and cost savings of energy improvements, as well as inexpensive measures that you or your tenants can do yourselves. Not to worry—it's not an inspection. The energy assessor will be looking only to give you info on

energy savings, and you don't have to do anything till you're ready.

Energy New England manages assessments and rebates for Middleborough Gas & Electric. Living in one of four towns in the state that operate their own municipal utility for both gas and electricity, Middleborough residents do not qualify for MassSave assessments, rebates, or loans.

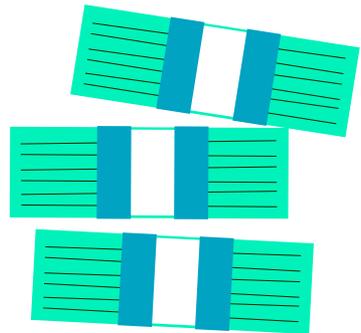
If you need help interpreting your assessment, putting it into action, or coordinating with tenants, contact our Weatherization Navigator:



**774-419-5250,
navigator@
sustainablemiddleborough.org**

2 Federal tax credits

For now building owners can still get **30% dollar-for-dollar federal tax credits** on many energy-efficiency improvements. We expect these tax credits will end in December 2025 or June 2026. If you installed improvements between 2022-25 and did not claim a credit, you can file an amended return.



[irs.gov/credits-deductions/
home-energy-tax-credits](https://irs.gov/credits-deductions/home-energy-tax-credits)



Consult your tax or financial professional to see if you will qualify for any of these:

45L Tax Credit:

\$500-\$5,000 per unit for major residential renovations (50%+ residential for mixed use).

179D Tax Deduction:

Sliding scale for 25%+ efficiency improvement in buildings with 4+ units (requires third-party documentation).

Energy Efficient Home Improvement Credit (Owner-Occupants):

Yearly credit of \$1,200 or 30% of cost (whichever is less), plus up to \$2,000 for heat pumps (max \$3,200/year).

Clean Energy Property Credit (Owner-Occupants):

30% of cost for clean energy systems (geothermal, solar, battery storage).

Business Energy Investment Tax Credit (Commercial/Rental):

30% of clean energy system cost.

3 State & local incentives

Weatherization Assistance Program

If half or more of your tenants meet low-income qualifications for fuel assistance, the building could get 100% of weatherization paid for. Households with seniors, people with disabilities, children under 6, and high-energy users are given priority.



sscac.org/weatherization
508-747-7575 X6240

You'll need to work with your tenants to coordinate the application for this program.

Our Weatherization Navigator can help facilitate those conversations:

774-419-5250 or navigator@sustainablemiddleborough.org

“

My husband and I rent a house in town and are on fuel assistance. We had \$6,000+ of weatherization done to the house through South Shore Community Action Council at no cost to us or our landlord. He did have to agree not to raise our rent or ask us to move for a year—a pretty nice bonus. Not gonna lie, the process took a year and a half but so worth it.”

————— **Middleborough tenant on North Street**



Middleborough Gas & Electric

Our local utility offers heat pump and weatherization rebates for multifamily buildings up to 5 units—one of the few municipal utilities that does. Multifamily weatherization rebates are 50% of project cost, with a cap of \$1,000/unit, \$5,000 total maximum. Heat-pump rebates are \$500/ton up to \$2,000 per unit, \$10,000 total maximum.

mged.com/375/, 508-947-1371,
smartenergy@mged.com

Home Efficiency Rebates (HER)

The state Department of Energy Resources has received federal funding for rebates ranging from \$2,000 to \$8,000 for residential buildings in municipal utility towns like ours. The program is expected to launch in 2026 and will likely be retroactive, we're told. The size of the rebate depends on residents' qualifications as low or moderate income—which is higher than you might think—and a projected energy savings of 20% or 35%. Insulation, heat pumps, hot water heaters,



electric panels and wiring, and more can be part of the project.

mass.gov/info-details/doer-federal-funding-updates-information

Affordable Housing Decarbonization Grant Program

The past three years the state Department of Energy Resources has offered large grants from \$400,000 to \$6 million for deep



retrofits of existing large affordable housing complexes. In 2026 we are expecting to see a new program that will offer grants of \$10,000 to \$20,000 per unit for energy-efficiency improvements in smaller deed-restricted affordable-housing buildings or environmental-justice census blocks like Middleborough Center. This will be federally funded through the HER program.

mass.gov/info-details/affordable-housing-decarbonization-grant-program

Sustainable Middleborough is watching these expected programs closely and will update on our website:



sustainablemiddleborough.org

4 Sweet financing deals

Massachusetts Municipal Light Plant Zero-Interest Energy Efficiency Loans:

In fall 2025 the state Department of Energy Resources began accepting preapplications for 0% loans up to \$25,000 for energy improvements such as weatherization and heat pumps for customers of municipal utilities like ours. (Middleborough

households are not eligible for HEAT loans through MassSave). Owner-occupied buildings of up to 4 units are eligible. Loans are issued by private lenders, and interest is paid by DOER using federal and state funds.

mass.gov/info-details/massachusetts-municipal-light-plant-zero-interest-energy-efficiency-loan, sheila.comstock@mass.gov

Property Assessed Clean Energy (PACE) financing for large projects:

This financing tool from MassDevelopment allows owners of commercial buildings and multifamily buildings with 5 or more units to finance energy projects while keeping debt off your books. Mixed commercial-residential buildings, like many in Middleborough Center, are eligible, with no minimum on rental units.

Building owners still get financing through a PACE-eligible bank. The payback is set up as a betterment or lien on property taxes and can be transferred to new owners. The 20-

year projected energy savings must be greater than the cost. To achieve that, rehab projects are usually in the \$250,000 range or higher. New construction can also be eligible for up to 25% of cost, if the building is 100% electrified. Triple-paned windows, roofs, insulation, solar panels, heating-cooling, geothermal systems, and more are PACE eligible.

Sustainable Middleborough advocated for this, and in January 2022 Middleborough became one of the early towns in the state to opt in.

massdevelopment.com/products-and-services/financing/green-finance/pace/,
pace@massdevelopment.com, 617-330-2000

Energy Saver Home Loan Program, from the Massachusetts Community Climate Bank:

Landlords who live in owner-occupied buildings of 2-4 units, as their primary residence, can get loans with 0.5-2% interest for improvements that save 20% or more in energy. That can include insulation, HVAC, roofs, appliances, solar

panels, electric upgrades, even shade trees, & more. There are income qualification guidelines, but they're much higher than other programs, and only the income of those listed on the deed is counted.

masshousing.com/en/mass-community-climate-bank/energy-saver-home-loan, 413-303-0667

MassHousing's Rental Business Development Team:

The Massachusetts Community Climate Bank is also developing demonstration financing programs for rental housing owners and developers to decarbonize

multifamily affordable housing.

To learn more, contact **617-854-1810** or **RentalDevelopers@masshousing.com**.

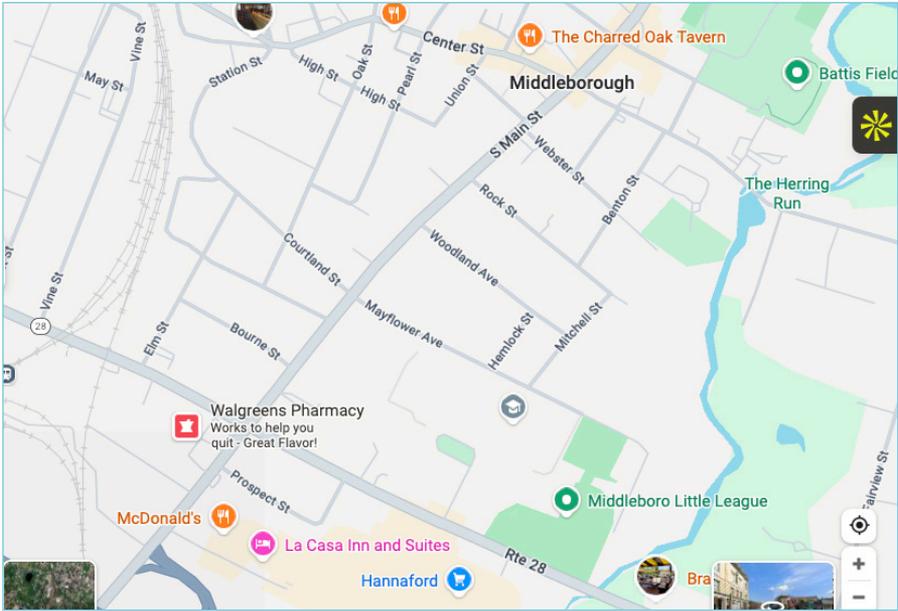
masshousing.com/en/mass-community-climate-bank/mccb-multifamily, masshousing.com/developers/climate-ready-housing, 617-854-1810

Green Energy Mortgages:

For now, the federal Environmental Protection Agency's EnergyStar program is continuing to offer this program you can add on to your standard mortgage or refinance. It

allows you to use the savings from energy-efficient improvements that may qualify you for better terms because your debt-to-income ratio may be lower.

energystar.gov/newhomes/energy-efficient-mortgages



The state has designated the Middleborough Center neighborhood roughly bounded by **Center Street**, the **MBTA tracks**, and the **Nemasket River** as an environmental-justice census block because of low/median income there. If your building is in that block, you may qualify or be given priority for several state funding programs, such as the *Massachusetts Community Climate Bank* or *Affordable Housing Decarbonization Grant Program*.



Use this QR code for links to all the resources mentioned in this guide.

Refinancing: Be sure to consult your financial professional or lender before refinancing or borrowing against equity, which can be risky. If your energy savings exceed the interest you'd pay, it may be worth looking into a cash-out refinance in order to pay for energy-efficient improvements.

5 Making a plan

If your property is due for a significant renovation, that is a good time to tackle energy-efficient upgrades. Most building codes in Massachusetts will soon require improvements in building performance during major renovations.

If your property isn't due for a renovation, it's still good to create a plan that can be implemented as replacements are needed. If you have a plan in place before the

water heater breaks, you won't have to scramble. You'll know exactly which high-performance water heater you want your contractor to install and how to get the financial incentives you're entitled to.

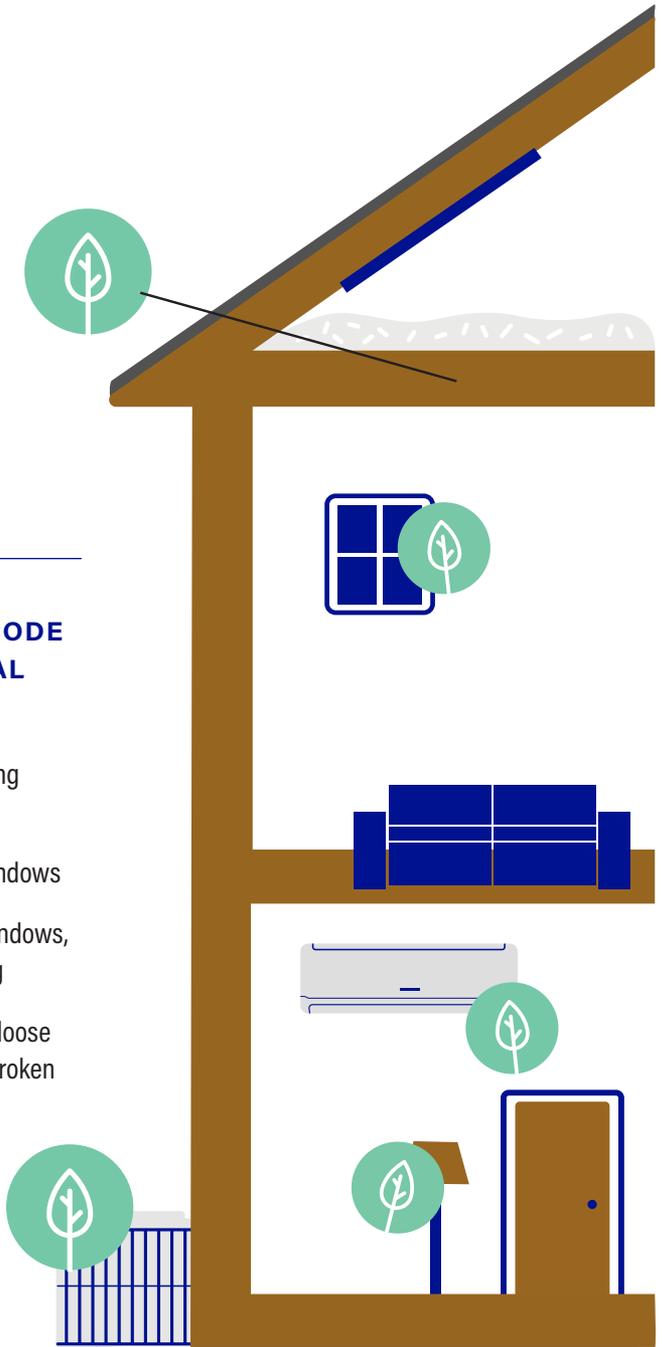
Even after you know what you want to do, energy-efficiency projects can take months to complete.



**THE STATE HOUSING CODE
REQUIRES THAT RENTAL
BUILDINGS:**

- ✓ are weathertight, including foundation and walls
- ✓ have caulking around windows
- ✓ have storm doors and windows, or good weatherstripping
- ✓ are free of holes, cracks, loose plaster, dampness, and broken window glass

If your property is due for a significant renovation, that is a good time to tackle energy-efficient upgrades



Our Weatherization Navigator can advise you along the way and help you make your plan with these four steps.

774-419-5250 or navigator@sustainablemiddleborough.org



Step 1. Identify a base line.

Make an inventory with the age of all major systems on the property.

Schedule a free energy assessment, or ask your tenants to do so. That will also help you determine how much life your systems have left.

ene.org/sustainability/hea/, 888-772-4242.

Step 2. Reduce.

Start with low-cost air-sealing measures to close gaps and cracks in the building envelope with caulk, weather stripping, low-emissivity film on windows, spray foam, and other sealants. Areas usually in need of sealing include door and window frames, chimneys, recessed lighting, attic spaces, foundations, and any wall penetrations, including plumbing, electrical, and duct work.

Add insulation as recommended in your energy assessment, which can be done in stages. Laying insulation batts in the attic is a good first step and often relatively easy. If the roof or siding needs to be replaced, add insulation while the building is exposed.

Step 3. Decarbonize.

Electric systems like heat pumps are becoming the most cost-effective upgrades, and we expect this will be even more true in the future. Electricity is the most sustainable path forward to a clean-energy future.

Natural gas and oil prices are volatile and rise every winter, while our municipal utility electric rates are both stable and comparatively low at about 15 cents/kWh. Switching to electric systems when the time comes to replace is a great investment here in Middleborough with its stable low electric rates, adding to your property's resale value.

Step 4. Produce clean energy.

Once you've reduced energy usage, you may want to explore clean, renewable options, such as solar panels.

sustainablemiddleborough.org

R E S O U R C E S

Sustainable Middleborough:

774-419-5250, navigator@sustainablemiddleborough.org

Middleborough Gas & Electric:

508-947-1371, smartenergy@mged.com

Energy New England:

888-772-4242, hea@ene.org

South Shore Community Action

Council: 508-747-7575 X6240

Massachusetts Municipal Light Plant Zero-Interest Energy Efficiency Loans:

sheila.comstock@mass.gov

Energy Saver Home Loan Program:

413-303-0667, energysaver@cetonline.org

Property-Assessed Clean Energy (PACE) financing:

617-330-2000,
pace@massdevelopment.com

MassHousing's Rental Business Development Team:

617-854-1810,
RentalDevelopers@masshousing.com



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**SUSTAINABLE
MIDDLEBOROUGH**

Contact:

Weatherization Navigator Hayden Kane:

774-419-5250 or

navigator@sustainablemiddleborough.org



Learn More!
sustainablemiddleborough.org

*Thanks to Cape Ann Climate Coalition, Mass
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writer Kimberly French, photographer Shirley
Ezerins, and graphic designer Katie Metz.*

**We're a volunteer-run local nonprofit.
Our services are free.**