

Helping You Finance Smarter, Greener Property Improvements

Lower pricing, additional loan proceeds and a free Energy and Water Audit Report to finance smarter, greener property improvements. Eligible improvements include new ENERGY STAR® appliances, energy-efficient HVACs and water heaters, low-flow fixtures, solar-energy systems and more.

Availability of Additional Loan Proceeds

Up to 5% more than a conventional (non-green) DUS Loan

Energy and Water Audit Report

100% paid by Fannie Mae (Loan must close as Green Rewards)

Term

5 - 30 years

Interest Rate

Fixed and variable rate options available

Prepayment Availability

Flexible prepayment options available including yield maintenance and declining prepayment premium

Underwriting

75% of the owner and 25% of the tenant projected energy and water cost savings may be included in the Underwritten Net Cash Flow

Escrows

Costs for green improvements escrowed at 125%

Third-Party Reports

Standard third-party reports, including Appraisal, Phase I Environmental Assessment, and a Property Condition Assessment, are required. The Property Condition Assessment must include the High Performance Building module (Energy and Water Audit Report).

Asset Management

Property improvements must be completed within 12 months. Lenders will verify the completion of the agreed upon property improvements. Borrower must report the Property's annual Energy Performance Metrics, including ENERGY STAR score.

Benefits

- Lower interest rate
- Up to 5% more loan proceeds
- No minimum investment per unit
- Attract more investors with the market's only Green MBS
- Free Energy and Water Audit Report
- Increased Net Cash Flow by underwriting projected energy and water cost savings

Eligibility

- Borrower must commit to installing capital improvements that target a 30% or more reduction to the whole property's annual energy or water use
 - At least 15% of the targeted reduction must be attributed to savings in energy consumption
- Conventional and Affordable Housing
- Multifamily, Student, Military, and Cooperative
- Improvements must be installed within 12 months of loan origination
- Properties may be located anywhere in the U.S.

Case Studies



Mansion Grove Apartments | Santa Clara, CA

- 1,000-unit, Class A apartment complex built in 1998
- \$336,258,000 loan amount
- Annual water/sewer expenses reduced by a projected \$1,314,593



Crooked Oaks | Novato, CA

- 88-unit, Class B apartment complex built in 1998
- \$22,690,000 loan amount
- Annual water/energy expenses reduced by a projected \$57,101



Belmont Ridge | Lubbock, TX

- 97-unit, Class C apartment complex built in 1961 and 1973
- \$3,200,000 loan amount
- Annual water expense reduced by a projected \$6,450



The Polos | Gainesville, FL

- 560-unit, Class B student housing property built in 1994
- \$36,000,000 loan amount
- Annual water/energy expense reduced by a projected \$275,900