



# Freddie Mac Green Advantage

## Better Pricing and Larger Proceeds for Energy Saving Properties

### Product Snapshot

- Works with the majority of Freddie Mac Multifamily Optigo loans.
- Options include Green Up®, Green Up Plus®, Green Certified, Green Rebate, or C-PACE.
- The Green Assessment® and Green Assessment Plus® show borrowers how they can save energy or water. Mac reimburses up to \$3,500 of the cost of the report when the borrower closes a loan.
- Eligible mixed-use properties are supported.

### GREEN UP

### GREEN UP PLUS

### Minimum Projected Consumption Reduction

30% of energy or water/sewer consumption for the whole property, with a minimum of 15% from energy, based on Green Assessment.

30% of energy or water/sewer consumption for the whole property, with a minimum of 15% from energy, based on Green Assessment Plus.

### Underwriting Approach

Recognize 50% of projected owner-paid energy and/or water/sewer savings based on Green Assessment.

Recognize 75% of projected owner-paid energy and/or water/sewer savings based on Green Assessment Plus.

### Loan Proceeds/Sizing

- Debt Coverage Ratio (DCR): -0.05x of policy-compliant DCR. Subject to lesser of 1.20x or program/product limit.
- **Max. LTV +5.0% of policy-compliant LTV.** Subject to greater of **85%** or program/product limit.

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### As-Is DCR/LTV

- DCR: -0.05x of policy compliant DCR.
- Subject to lessor of 1.20x or product limit.
- **Max. LTV +5.0% of policy-compliant LTV.**
- Subject to greater of **85%** or product limit.

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### Amortization As-Improved DCR/LTV (If Applicable)

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Must meet policy compliant DCR/LTV; no adjustments.</li> <li>• Based on As-Improved NOI and As-Improved appraised value.</li> </ul> | <ul style="list-style-type: none"> <li>• Must meet policy compliant DCR/LTV; no adjustments.</li> <li>• Based on As-Improved NOI and As-Improved appraised value.</li> </ul> |
|--|--|

### Time to Complete Green Improvements

|                      |                      |
|----------------------|----------------------|
| 2 years to complete. | 2 years to complete. |
|----------------------|----------------------|

### Escrow Requirements

|  |  |
|--|--|
| Funds for energy/water efficiency work will be escrowed at 125% of cost and released as work is completed. | Funds for energy/water efficiency work will be escrowed at 125% of cost and released as work is completed. |
|--|--|

### Required Third-Party Reports

|                   |                        |
|-------------------|------------------------|
| Green Assessment. | Green Assessment Plus. |
|-------------------|------------------------|

### Benchmarking Data Collection

Green Up and Green Up Plus loans require Borrowers to engage a third-party data collection consultant, prior to the origination of the loan, to collect, input and monitor actual energy and water usage through the term of the loan.

### ALREADY GREEN?

### Green Certified

We give discounted loan pricing for properties — if at least 20% of the property’s units are affordable rental units — and has one of these eight industry-standard green building certifications:

1. EarthCraft, Greater Atlanta Home Builders Association & South Face
2. ENERGY STAR® for Multifamily, EPA
3. ENERGY STAR® for Qualified Multifamily High-Rise, EPA
4. Green Communities, Enterprise Community Partners
5. Green Globes, Green Building Initiative
6. GreenPoint Rated, Build It Green
7. LEED, US Green Building Council
8. National Green Building Standard (NGBS), Home Innovation Research Labs

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## **Green Rebate**

If borrowers do not choose any of the above Green Advantage options, they can still receive \$5,000 from Freddie Mac for delivering an EPA ENERGY STAR Score®.

## **C-PACE**

Freddie Mac Multifamily can grant consent for Commercial PACE financing from qualifying Commercial PACE programs on loans in our retained portfolio. Additional requirements apply.