The challenge we face and our strategy for impact

Safe, affordable housing is at the foundation of economic well-being for individuals and families. However, building, heating, cooling, and powering single-family and multifamily homes have undeniable environmental consequences. In fact, roughly 20% of greenhouse gas (GHG) emissions in the United States stem from residential households.¹

Fannie Mae is leveraging our leading role in the mortgage finance market to encourage property owners and developers to make environmental improvements to their properties. In parallel, we offer a transparent and high-quality investment opportunity to global investors seeking to accelerate the transition to a low-carbon economy.

How it works

Our Green Bond Business supports the single-family and multifamily housing markets by purchasing mortgages backed by properties that meet our criteria for energy and water efficiency and/or renewable energy generation.

Multifamily Green Bonds

We offer two Green Multifamily Financing products:

- **Green Rewards Mortgage Loan:** Provides incentives for borrowers to make property improvements that target specific reductions in energy and water use and/or generation of renewable energy.

- **Green Building Certification (GBC) Mortgage Loan:** Offers incentives for borrowers with multifamily properties that possess an eligible, nationally recognized green building certification.

A loan that uses our Green Financing products is eligible to be securitized as a Fannie Mae Green Bond, which we issue as:

- **Multifamily Green Mortgage-Backed Securities (MBS):** Through our Delegated Underwriting and Servicing (DUS®) model, a Multifamily DUS MBS is generally backed by one green mortgage loan on one property.

- **Green Guaranteed Multifamily Structures (Fannie Mae GeMS™):** A resecuritized pool of Multifamily Green MBS is structured as a Real Estate Mortgage Investment Conduit (REMIC), providing greater collateral diversity to investors.

Single-Family Green Bonds

We issue:

- **Single-Family Green MBS:** Comprises pools of single-family mortgage loans backed by newly constructed single-family homes with certifications that meet or exceed the national program requirements for ENERGY STAR Certified Homes, Version 3.0.

We partner with a third party to verify the green building certification achieved by the properties collateralizing the Single-Family Green MBS.

Impact from Fannie Mae Green and Social Bonds

All impact performance numbers are based on one-year projected environmental and social impacts of the loans backing the green bonds, although many of these benefits may continue to be realized beyond the year of green bond issuance. Numbers reflect both Single-Family and Multifamily issuances unless otherwise noted.

ENVIRONMENTAL

11.8B
projected kilo British Thermal Units (kBtu) of source energy saved

9.1B
projected gallons of water saved

759K
projected metric tons carbon dioxide equivalent (MTCO₂e) of GHG emissions prevented

SOCIAL

1.0M
housing units retrofitted or green building-certified

$159M
projected utility cost savings by multifamily tenants, or an average of $187 per family per year

$235
projected average homeowner utility cost savings per single-family home per year

71.6K
affordable multifamily units at ≤ 50% AMI financed (58.0% restricted and 42.0% unrestricted units)

155.5K
affordable multifamily units at ≤ 60% AMI financed (65.7% restricted and 34.3% unrestricted units)

86.1K
number of pads in Manufactured Housing Communities financed

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1 Multifamily Green Bonds only.
2 Multifamily Green Bonds backed by Green Rewards mortgage loans only.
3 Single-Family Green Bonds only.
4 Fannie Mae Multifamily Social Bonds from 2021-2022. Number of units are at-issuance sum of restricted affordable and unrestricted affordable. Unrestricted affordable includes securities issued on or after May 1, 2022 backed by properties with a minimum of 80% of units affordable to households earning no more than 60% of Area Median Income (AMI) based on rent rolls submitted at acquisition. Please refer to the Fannie Mae Sustainable Bond Framework for additional information.

Refer to Fannie Mae’s Green Bond Impact Methodology for more information on our impact methodology.

This document is for general information purposes only. The information presented in this document is neither an offer to sell nor a solicitation of an offer to buy any Fannie Mae security mentioned herein or any other Fannie Mae security. The projected energy, emissions, and water usage savings are Fannie Mae’s estimates of the potential savings at the related mortgaged properties that may result from the implementation of the efficiency improvements required by the indicated green financing programs. There can be no assurance that any particular savings will be achieved at any given mortgaged property. Fannie Mae disclaims any liability for the failure of any mortgaged property to achieve any particular energy-emissions- or water usage savings. The estimates are solely as of the date hereof and Fannie shall have no obligation to provide updated estimated or actual savings information.