

Fannie Mae's Green Bond Business

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.

Read the report

Read the full Fannie Mae 2020 Green Bond Impact Report at fanniemae.com/greenimpact.

Or scan the QR code below.



Contact us

www.fanniemae.com/AskCM

Phone: 800-232-6643, select option 3

Sign up for the
Capital Markets notifications:
www.fanniemae.com/CMSignUp

¹ Benjamin Goldstein, Dimitrios Gounaridis, and Joshua P. Newell, "The carbon footprint of household energy use in the United States," *Proceedings of the National Academy of Sciences of the United States of America* (Aug. 11, 2020).

Our Environmental, Social, and Economic Impacts

All numbers are based on one-year estimated impacts and reflect both Single-Family and Multifamily issuances unless otherwise noted.

ENVIRONMENTAL

9.5B

kilo British Thermal Units (kBtu) of source energy saved

8.5B

gallons of water saved*

633K

metric tons carbon dioxide equivalent (MTCO₂e) of GHG emissions prevented**

SOCIAL

\$146M

utility cost savings by multifamily tenants, or an average of \$184 per family per year*

\$269

average homeowner utility cost savings per single-family home per year***

872K

units retrofitted or green building-certified

224K

well-paid jobs created or supported

ECONOMIC

\$9.5B

wages paid to construct or retrofit properties, contributing \$19.9 billion to U.S. gross domestic product (GDP)

\$410M

borrower investment commitment for energy and water efficiency measures on 3,696 properties through the Multifamily Green Rewards Mortgage Loans*

\$2.83

economic output per dollar invested

* Includes estimated impacts only from Fannie Mae Multifamily Green Bonds.

** Estimated Annual Emissions Savings have been updated to reflect the corrected gross living area of the property.

*** Includes estimated impacts only from Fannie Mae Single-Family Green Bonds. Estimated Annual Energy Savings have been updated to reflect the corrected gross living area of the property.