

Fannie Mae Green MBS

Fannie Mae Green Bond Requirements

Requirements	Green Rewards	Green Building Certification
Eligibility	Property owner must commit to property improvements that are projected to reduce the whole property's annual energy usage by at least 15%, with combined energy and/or water savings totaling at least 30%.	Borrower's property must be awarded a valid green building certification recognized by Fannie Mae.
Verification of Eligibility	<p>Borrower must have a High Performance Building (HPB) Report completed on the property prior to the loan's delivery to Fannie Mae.</p> <p>The HPB Report must adhere to the requirements of an ASHRAE Level II Energy Audit and to additional requirements set forth in Fannie Mae Form 4099 "Instructions for Performing a Multifamily Property Condition Assessment (PCA)."</p> <p>The property must have a 1-100 ENERGY STAR Score and a 1-100 EPA Water Score completed with the HPB Report if the property is eligible to receive a score.</p>	Lender must submit a copy of the certification to Fannie Mae prior to the loan's delivery to Fannie Mae. Fannie Mae recognizes select certifications from organizations listed in Fannie Mae Form 4250 .
Management of Proceeds	<p>Funds for energy and water saving improvements are put in escrow at 125% of capital cost at time of loan close.</p> <p>Improvements must be made within 12 months of loan close.</p> <p>Funds are released from escrow by the loan servicer once evidence is provided that the energy and water saving improvements have been purchased and installed.</p>	Not applicable.
Annual Reporting	<p>Borrower must sign loan document committing to report to Fannie Mae the property's ENERGY STAR Score and Source Energy Use Intensity annually for life of loan.</p> <p>EPA Water Score and Water Use Intensity were required starting in 2019.</p>	<p>Borrower must sign loan document committing to report to Fannie Mae the property's ENERGY STAR Score and Source Energy Use Intensity annually for life of loan.</p> <p>EPA Water Score and Water Use Intensity were required starting in 2019.</p>
Disclosure	<ul style="list-style-type: none"> Fannie Mae disclosure as "Green Financing/Green Rewards" Bloomberg Green Bond Flag 	<ul style="list-style-type: none"> Fannie Mae disclosure as Green Building Certification/Name of Certification Bloomberg Green Bond Flag