

FNMA & FREDDIE MAC GREEN PROGRAM 2018 UPDATE

	2017		2018
GREEN PROGRAM MATRIX	FNMA Green Rewards	Freddie Mac Green Assessment	FNMA & Freddie Mac Green 2018
Minimum Consumption Savings	20% for energy OR water	15% for energy OR water	25% for energy OR water
Minimum Improvements	N/A escrowed to 100%	\$350 per unit, escrowed at 125%	None
Underwriting Impact	75% of owners and 25% of tenants projected savings included in NCF up to 5% higher proceeds.	Underwrite up to 50% of owner-paid projected savings up to 85% as is Value and 1.20x dsc or program limit.	TBD **No minimum spend requirement for green improvements, nor a minimum age for eligible properties

****THE 2018 MULTIFAMILY LENDING CAP WILL BE \$35 BILLION FOR FREDDIE MAC AND FANNIE MAE. AS IN PRIOR YEARS, FHFA WILL REVIEW ITS ESTIMATES OF THE MULTIFAMILY LOAN ORIGINATION MARKET SIZE ON A QUARTERLY BASIS AND MAY INCREASE THE CAPS IF NECESSARY. LOANS IN CERTAIN AFFORDABLE AND UNDERSERVED MARKETS CONTINUE TO BE EXCLUDED FROM THE CAP.**

****ADDITIONALLY, FNMA & FREDDIE MAC ARE ADDING ANOTHER TIER OF AFFORDABILITY, "EXTREMELY HIGH COSTS MARKETS", TO ADDRESS THE CRITICAL SHORTAGE OF MIDDLE-INCOME HOUSING. UNITS AT RENTS AFFORDABLE TO THOSE AT OR BELOW 120 PERCENT OF THE AREA MEDIAN INCOME IN EXTREMELY HIGH-COST MARKETS WILL BE ELIGIBLE FOR EXCLUSION FROM THE CAP ON A PRO-RATA BASIS.**