

Freddie Mac Green Advantage Loan

GREYSTONE



Description

When you commit to reducing energy or water (by at least 30%, with a minimum 15% from energy), you can get better pricing and more funding through the Green Up and Green Up Plus programs. If your property is already green certified, see what the Green Certified, Green Rebate, and C-PACE programs can do for your property.

	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	<ul style="list-style-type: none"> ▪ Debt Coverage Ratio (DCR): -0.05x of policy-compliant DCR. Subject to lesser of 1.20x or program/product limit ▪ Loan-to-Value (LTV) ratio: +5.0% of policy-compliant LTV. Subject to greater of 85% or program/product limit 	<ul style="list-style-type: none"> ▪ DCR: -0.05x of policy-compliant DCR. Subject to lesser of 1.20x or program/product limit ▪ LTV: +5.0% of policy-compliant LTV. Subject to greater of 85% or program/product limit
As-Is DCR/LTV	<ul style="list-style-type: none"> ▪ DCR: -0.05x of policy compliant DCR ▪ Subject to lessor of 1.20x or product limit ▪ LTV: +5.0% of policy compliant LTV ▪ Subject to greater of 85% or product limit 	<ul style="list-style-type: none"> ▪ DCR: -0.05x of policy compliant DCR ▪ Subject to lessor of 1.20x or product limit ▪ LTV: +5.0% of policy compliant LTV ▪ Subject to greater of 85% or product limit
As-Improved DCR/LTV (If Applicable)	<ul style="list-style-type: none"> ▪ Must meet policy compliant DCR/LTV; no adjustments ▪ Based on As-Improved NOI and As-Improved appraised value 	<ul style="list-style-type: none"> ▪ Must meet policy compliant DCR/LTV; no adjustments ▪ Based on As-Improved NOI and As-Improved appraised value
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

	Green Up®	Green Up Plus®
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.	

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

Green Rebate

Borrower can 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.

Full Term Interest-Only Adjustments

Full-Term IO or Full-Term IO during Fixed-Rate Period of Hybrid ARM

	Add to the Baseline	Maximum LTV
Top and Standard SBL Markets	0.15x	65%
Small and Very Small SBL Markets	0.10x	60%

Prepayment Provisions

Fixed Rate

	5-Year	7-Year	10-Year
Option 1	54321	5544321	5544332211
Option 2	32111	3322111	3332221111
Option 3	(YM or 1%)	(YM or 1%)	(YM or 1%)
Option 4	31000	N/A	N/A

Hybrid ARMs

	5+15 Year	7+13 Year	10+10 Year
Option 1	54321,1%	5544321,1%	5544332211,1%
Option 2	32111,1%	3322111,1%	3332221111,1%
Option 3	(YM or 1%), 1%	(YM or 1%), 1%	(YM or 1%), 1%
Option 4	31000, 0%	N/A	N/A

- Fixed rate yield maintenance (YM) – Higher of YM or 1% of the unpaid principal balance during the YM period
- Hybrid ARM yield maintenance (YM) – Higher of YM or 1% of the unpaid principal balance during the fixed rate period. Prepayment during the floating rate period is 1%

Note: Hybrid ARM consists of an initial fixed-rate period followed by a floating-rate period. During the floating-rate period the coupon is based on 6 month LIBOR +325 margin. Every six months, the floating rate may increase or decrease by 1%, never be less than a floor of the initial fixed interest rate and never be greater than a maximum lifetime cap of the initial fixed interest rate +5%.