How to: Register, Quote, Close, and Deliver a Green Mortgage Loan

Job Aid Contents

A. Green Financing Overview
Fannie Mae Multifamily Green Mortgage Loans provide financial incentives to borrowers strategically investing in Property improvements that reduce energy and water use and improve the Property's quality and cash flow. All Green Mortgage Loans must be underwritten according to Fannie Mae's Multifamily Selling and Servicing Guide, and disclosed as a Green Mortgage Backed Security (Green MBS).

A Green MBS has the same benefits as a traditional DUS MBS with the same Fannie Mae guaranty and appeals to sustainability-focused investors.

B. Contact the Green Financing Team
The Fannie Mae Green Financing Team can be reach via email at green_financing@fanniemae.com. Product term sheets and more can be found at: www.fanniemaeegreenfinancing.com.
C. **How to determine whether your HPB Report approval is delegated**

Approval is delegated when an experienced Lender reviews a report prepared by a Pre-Qualified Consultant.

- **Experienced Lender**: Lender has delivered Green Rewards Mortgage Loans that include a minimum of 8 HPB Reports. Contact your NAM to verify eligibility.
- **Pre-Qualified Consultant**: Consultant is pre-qualified when it has delivered 5 HPB Reports to Fannie Mae meeting quality standards. Pre-qualified consultants are listed on www.fanniemaegreenfinancing.com.

<table>
<thead>
<tr>
<th>START HRF</th>
<th>Is Lender delegated to approve HPB Reports?</th>
<th>Was HPB Report completed by a Pre-Qualified Consultant?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lender reviews and scores HPB Report</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Fannie Mae reviews and approves the HPB Report</td>
<td>Fannie Mae reviews and approves the HPB Report</td>
</tr>
</tbody>
</table>

D. **How to determine if Pre-Review is required for a Green Rewards Mortgage Loan**

A Green Rewards Mortgage Loan requires Pre-Review under certain conditions. Note that a Green Rewards Mortgage Loan may also require Pre-Review for other reasons unrelated to the Green financing component.

<table>
<thead>
<tr>
<th>Green Rewards Mortgage Loan requires Pre-Review if:</th>
<th>Green Rewards Mortgage Loan does not require Pre-Review if:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deal is accessing greater than 5% in additional loan proceeds as a result of underwriting projected cost savings</td>
<td>Deal is not underwriting any projected cost savings</td>
</tr>
<tr>
<td>Deal is underwriting projected cost savings, but not receiving greater than 5% additional loan proceeds</td>
<td>Deal is accessing additional loan proceeds but only as a result of using a Green Grid pricing</td>
</tr>
</tbody>
</table>
E. HPB Report Cost Reimbursement

Fannie Mae reimburses 100% of the cost of the High Performance Building (HPB) Report (or the incremental cost of the HPB Module over the cost of the base Property Condition Assessment when the HPB Report is delivered as part of the PCA) for all Green Rewards Mortgage Loans and Green Preservation Plus Mortgage Loans. To receive reimbursement for an HPB Report:

1. Request an invoice from the HPB Report vendor with the HPB Report listed as a separate line item from any other report costs. Fannie Mae will not reimburse other costs such as fees for expediting a report.

2. Any time after the Mortgage Loan Origination Date, complete Form 4829 with Lender information, either Fannie Mae commitment number or Fannie Mae loan number, Property information, wiring instructions, and indicate the HPB Report cost as “Other”. Fields related to servicing may be left blank.

3. Manually sign or e-sign Form 4829 and scan or save as a PDF file.

4. E-mail the signed PDF Form 4829 and HPB Report Invoice to HPB_Reimbursement@fanniemae.com.

Fannie Mae processes reimbursement requests once a month. Depending on when the Mortgage Loan was delivered and when Form 4829 and the HPB Report Invoice were received, reimbursement may be received by Lender up to 2 months after the purchase of the Mortgage Loan by Fannie Mae.

F. Mortgage Loan secured by a Property with a Green Building Certification: How to register, quote, close, and deliver

<table>
<thead>
<tr>
<th>DUS Gateway: Select Green Financing Type in Deal Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Go to Deal Detail → Deal Overview section</td>
</tr>
<tr>
<td>Select Green Financing Type = Green Building Certification</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DUS Gateway: Indicate Property has a Green Building Certification on Property Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Go to Property Page → Information section</td>
</tr>
<tr>
<td>Select Green Building Certification = Yes</td>
</tr>
</tbody>
</table>

*Non-Delegated deals only*

<table>
<thead>
<tr>
<th>DUS Gateway: Select Green Financing Type in Loan Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Go to Loan Options → Standard Pricing section</td>
</tr>
<tr>
<td>For Green Building Certification quotes, select Green Financing Type = Green Building Certification</td>
</tr>
</tbody>
</table>
If requesting for a pricing waiver to consider the Green Building Certification
Waiver Comments: List the level and type of the Green Building Certification
(i.e., “Fannie Mae Green Level 2, LEED Homes Gold”)

Acquisition Systems: Indicate Green Building Certification Type
C&D: Go to Collateral tab → Collateral record → Property Data section
Select the correct Certification from the Green Building Certification drop down menu
MSFMS: Go to Collateral tab → Collateral record → Property Data section
Select the correct Certification from the Green Building Certification drop down menu
*Note: Do not select a Green Financing Type on the Loan tab in either system*

DUS DocWay: Upload Green Building Certification with Folder II delivery package
Upload to the Compliance/Certification tab with Doc Type “Green Building Certification”

Close Loan

Deliver Loan
G. Green Rewards Mortgage Loans: How to register, quote, close and deliver

Register Loan

DUS Gateway: Select Green Financing Type in Deal Overview
Go to Deal Detail → Deal Overview section
Select Green Financing Type = Green Rewards

“Non-Delegated deals only”
DUS Gateway: Select Green Financing Type in Loan Options
Go to Loan Options → Standard Pricing section
For Green Rewards quotes, select Green Financing Type = Green Rewards

Lender reviews and scores HPB Report. Return to Consultant if corrections are needed.

Is approval of the HPB Report delegated? [see Job Aid Section C]

DUS Gateway: Create HPB Report Guide Requirement Waiver
Lender Delegated: Yes
Category: Guide (other)
Sub-Category: Green Mortgage Loans (Guide)
Descriptor: High Performance Building Rpt
Additional Details: List Borrower’s selected EWEM and HPB Report score

DUS Gateway: Create HPB Report Guide Requirement Waiver
Lender Delegated: No
Category: Guide (other)
Sub-Category: Green Mortgage Loans (Guide)
Descriptor: High Performance Building Rpt
Additional Details: List Borrower’s selected EWEM and HPB Report score

DUS Gateway: Update the "% Excluded from Scorecard Cap" to 100%

DUS Gateway: Upload HPB Report and 4099.H to Deal Documents
Document Category: Third Party Reports
Document Type: High Performance Building Rpt

Fannie Mae reviews and approves HPB Report
Green Rewards (continued)

Is the Green Rewards Mortgage Loan a Pre-Review Mortgage Loan? [see Job Aid Section D]

DUS Gateway: Create Green Rewards Pre-Review Reason
- Lender Delegated: No
- Category: Pre-Review (4660)
- Sub-Category: Financing Structures
- Descriptor: Green Rewards

Fannie Mae reviews additional loan proceeds

Close Loan

Deliver Loan

Acquisition Systems: Indicate Green Financing Type
- C&D: Go to Loan tab → Loan record → Loan Details section
  Select Green Financing Type = Green Rewards
- MSFMS: Go to Financing Options tab → MBS Loan record → Loan Details section
  Select Green Financing = Green Rewards

C&D only: Input ENERGY STAR initial data on Collateral page
- Go to Collateral tab → Collateral record → Property Data section
  Enter the following fields from tab Input-Utilities on Form 4099.H: ENERGY STAR® Score, ENERGY STAR® Score Date, Source Energy Use Intensity, and Source Energy Use Intensity Date
  *NOTE: an ENERGY STAR Score is not an ENERGY STAR Green Building Certification*

- Upload documents to “FNA/Engineer” tab with Doc Type = Property Condition Assessment

Request Reimbursement for HPB Report
- See Section E of this Job Aid

Fannie Mae reimburses the Lender directly via separated wire/ACH after loan delivery
H. Green Preservation Plus Mortgage Loans: How to register, quote, close, and deliver

**Register Loan**

DUS Gateway: Select Green Financing Type in Deal Overview
- Go to Deal Detail → Deal Overview section
- Select Green Financing Type = Green Preservation Plus

DUS Gateway: Select Green Financing Type in Loan Options
- Go to Loan Options → Standard Pricing section
- For Green Preservation Plus quotes, select Green Financing Type = Green Preservation Plus

DUS Gateway: Create Green Preservation Plus Pre-Review Item
- Lender Delegated: No
- Category: Pre-Review (4660)
- Sub-Category: Financing Structures
- Descriptor: Green Preservation Plus

**Lender reviews and scores HPB Report.** Return to Consultant if corrections are needed.

Is approval of the HPB Report delegated? [see Job Aid Section C]

**DUS Gateway: Create HPB Report Guide Requirement Waiver**
- Lender Delegated: Yes
- Category: Guide (other)
- Sub-Category: Green Mortgage Loans (Guide)
- Descriptor: High Performance Building Report
- Additional Details: List Borrower’s selected EWEM and HPB Report score

**DUS Gateway: Create HPB Report Guide Requirement Waiver**
- Lender Delegated: No
- Category: Guide (other)
- Sub-Category: Green Mortgage Loans (Guide)
- Descriptor: High Performance Building Report
- Additional Details: List Borrower’s selected EWEM and HPB Report score
Green Preservation Plus (continued)

**Deliver Loan**

- **Acquisition Systems:** Indicate Green Financing Type
  - **C&D:** Go to Loan tab → Loan record → Loan Details section
    Select Green Financing Type = Green Preservation Plus
  - **MSFMS:** Go to Financing Options tab → MBS Loan record → Loan Details section
    Select Green Financing = Green Preservation Plus

- **C&D only:** Input ENERGY STAR initial data on Collateral page
  - Go to Collateral tab → Collateral record → Property Data section
  - Enter the following fields from tab Input-Utilities on Form 4099.H: ENERGY STAR® Score, ENERGY STAR® Score Date, Source Energy Use Intensity, and Source Energy Use Intensity Date

  *NOTE: an ENERGY STAR Score is not an ENERGY STAR Green Building Certification*

- **DUS DocWay:** Upload 4099.H and HPB Report with Folder II delivery package
  - Upload documents to “PNA/Engineer” tab with Doc Type = Property Condition Assessment

- **Request Reimbursement for HPB Report**
  - See Section E of this Job Aid

- Fannie Mae reimburses the Lender directly via separated wire/ACH after loan delivery

**DUS Gateway:** Upload HPB Report and 4099.H to Deal Documents
- Document Category: Third Party Reports
- Document Type: High Performance Building Report

Fannie Mae reviews and approves HPB Report

Close Loan