

FANNIE MAE DUS®

Green Building Certification Preferential Pricing

BENEFITS

- Lower interest rate.
- Eligible certifications available for new construction, major renovations, and existing properties.
- Attract more investors with a Green MBS.

ELIGIBILITY	<ul style="list-style-type: none"> • Property must have a Green Building Certification recognized and approved by Fannie Mae per Form 4250. • The certification must: <ul style="list-style-type: none"> • apply specifically to the Property and not to a larger development site that includes the Property; • cover all residential units of the Property and all buildings or spaces considered common areas; • have been awarded within five (5) years prior to the Mortgage Loan Origination Date; • be current at the time of Rate Lock (or the Mortgage Loan Origination Date, if using the Streamlined Rate Lock option); and • not apply to “Existing Buildings Only” if the building is less than 3 years old. • All certifications require Lender review and approval prior to Rate Lock (or the Mortgage Loan Origination Date, if using the Streamlined Rate Lock option). • Cannot be combined with Credit Facilities and Bulk Deliveries.
EXECUTION OPTIONS	Green MBS.
TERM	5 - 30 years.
INTEREST RATE	Fixed and variable rate options available.
LOAN AMOUNT	No minimum or maximum.
MAXIMUM LTV AND MINIMUM DSCR	Varies by product type.
PREPAYMENT AVAILABILITY	Flexible prepayment options are available, including yield maintenance and declining prepayment premium. Mortgage Loans may be voluntarily prepaid upon payment of the required prepayment premium per the Loan Documents.
RATE LOCK	30- to 180-day commitments. Certifications must be current and approved by the Lender at the time of Rate Lock. If using the Streamlined Rate Lock option, certifications must be current and approved by the Lender by the time of Mortgage Loan Origination.
ACCRUAL	30/360 and Actual/360
RECOURSE	Non-recourse execution is available, with standard carve-outs for “bad acts” such as fraud and bankruptcy required.
THIRD-PARTY REPORTS	Standard third-party reports, including Appraisal, Phase I Environmental Assessment, and a Property Condition Assessment, are required.
ASSUMPTION	Mortgage Loans are typically assumable, subject to review and approval of the new borrower’s financial capacity and experience.
ASSET MANAGEMENT	Borrower must report the Property’s annual whole property energy and water data to Fannie Mae for the life of the Mortgage Loan.
ADDITIONAL INFORMATION	For more information about Mortgage Loans secured by a Property with a Green Building Certification, please see How to Review and Approve a Green Building Certification Job Aid .