

Ashton Pines Lowers Energy and Water Usage, Reducing Utility Costs



Property Name: Ashton Pines

Borrower: A repeat Fannie Mae Borrower

Property Location: Waterford, MI

Building Type: Low-Rise Multifamily

Units: 191

Rentable Area: 154,900 square feet

Loan Origination Date: March 28, 2018

Installation Completion Date: September 18, 2018

ENERGY STAR® Score:	91
EPA Water Score:	85
DUS® Lender:	Berkadia Commercial Mortgage LLC
Loan Amount:	\$10,575,000
Fannie Mae Program:	Green Rewards

Billing Overview: Electricity and natural gas are directly metered. Water and sewer are paid by the owner and billed back to tenants.

Highlights:

- Reduced tenant water costs by 20%
- Reduced owner energy costs by 18.7%
- Reduced owner water costs by 13%
- Owner payback period of 2.2 years

Energy and Water Efficiency Measure

Investment Amount: \$63,360

Energy and Water Efficiency Measures:

- Installed low-flow 1 gallon per minute (GPM) kitchen faucets
- Installed low-flow 1.25 GPM showerheads
- Installed low-flow 0.5 GPM bathroom faucets*
- Installed water-efficient 1.28 gallons per flush toilets

**Note that 0.5 GPM faucet aerators are no longer an accepted efficiency measure and do not meet the current WaterSense standard.*

The eligibility requirements for Green Rewards have changed since this loan was originated. For current program eligibility requirements visit www.fanniemae.com/green.



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Green Measurement
and Verification Service

While Ashton Pines was already an energy and water efficient property, the owner sought to further reduce energy and water usage to cut operating expenses and provide lower utility costs for tenants. Fannie Mae's Green Rewards program brought the plan to fruition, allowing the owner to select efficiency measures projected to **save 32% of water usage and 38% of energy usage.**

No stranger to making energy and water efficiency upgrades at its properties, the owner chose quick and easy-to-install upgrades from the High Performance Building (HPB) Report that would have an immediate impact. Tenants were not inconvenienced, as installations including low-flow bathroom and kitchen faucet aerators, low-flow showerheads, and water-efficient toilets, could happen while they were out of their apartments for the day.

The savings goals were verified post-installation by using the [Fannie Mae Green Measurement and Verification Service](#), offered as part of the Green Rewards program.* By measuring energy and water usage and costs both before and after the installation, it was easy to see if usage and costs decreased at Ashton Pines. The Service also allowed easy scheduling of Ashton Pines' Verification site visit, confirming property information prior to the Verification site visit, and providing data access with ease. Use of Fannie Mae's Verification Service eased the administrative burden from the property owner and allowed for easy compliance with loan agreement requirements. Although various factors impact year-over-year usage and cost trends, such as weather, supply rates, fuels, and occupancy, Ashton Pines still saw a decrease in annual usage and costs in 2019. Since installation, the improvements **saved 36% of tenant water usage and 27% in owner water usage** in 2019 compared to 2018. Ashton Pines also **saw a 20% decrease in tenant water costs** and a **13% decrease in owner water costs**. Ashton Pines will see a **return on its Energy and Water Efficiency Measure investment in just over two years**. While Ashton Pines was already in the top 15% of properties in the ENERGY STAR® Portfolio Manager, its **ENERGY STAR Score improved from 86 to 91** (of a maximum 100), and its **EPA Water Score increased from 55 to 85** (of a maximum 100).

The property's HPB Report and Fannie Mae Green Measurement reporting can save even more on future energy and water usage. Using the HPB Report, additional efficiency measures not selected for

Owner Energy Costs (annual)	• Pre-Improvement	\$36,910
	• Post-Improvement	\$30,010
Owner Energy Usage (mmBTU/year)	• Pre-Improvement	2,375
	• Post-Improvement	2,267
Owner Water Costs (annual)	• Pre-Improvement	\$82,620
	• Post-Improvement	\$71,890
Owner Water Usage Index (gallons/bedroom/day)	• Pre-Improvement	62
	• Post-Improvement	42
Tenant Water Costs (annual)	• Pre-Improvement	\$72,700
	• Post-Improvement	\$63,300
Tenant Water Usage Index (gallons/bedroom/day)	• Pre-Improvement	56
	• Post-Improvement	41

installation as part of the Green Rewards Loan can be implemented later, including upgrading to an energy-efficient central boiler and replacing all appliances with ENERGY STAR rated models. With potential efficiency measures already listed in the HPB Report, continuing to reduce energy and water consumption at Ashton Pines through future improvements is made easier.

For More Information

Contact FannieMaeGreen@brightpower.com or green_am@fanniemae.com.

*Learn more about Green Rewards loans and the Green Measurement and Verification Service at www.fanniemae.com/green.

For program questions and future green loan eligibility, contact your DUS® Lender.



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