



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

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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.

Mortgage Loans secured by a Property with a **Green Building Certification**

Green Rewards
Mortgage Loans

Green Mortgage Loans result in **Green MBS**

B. Contact the Green Financing Team

The Fannie Mae Green Financing Team can be reached via email at green_financing@fanniemae.com. Product term sheets and more can be found at: www.fanniemae.greenfinancing.com. Find the latest version of this Job Aid at [this link](#).



C. Pre-Review

In certain circumstances, a Green Mortgage Loan may require Pre-Review approval before the Lender can enter into a Rate Lock. Depending on the reason for Pre-Review, that approval may come from either the Multifamily Credit Team or the Green Financing Team.

1. How to determine if your Green Rewards Mortgage Loan requires Pre-Review Approval from the Multifamily Credit Team

The Multifamily Underwriting Standards (Form 4660) specifies when any Mortgage Loan, including a Green Rewards Mortgage Loan, must be submitted for Pre-Review prior to Rate Lock. In these circumstances, the Pre-Review approval must come from Multifamily Credit.

Green Rewards Mortgage Loan requires Pre-Review from Multifamily Credit if:

- Deal is accessing greater than 5% in additional loan proceeds as a result of underwriting projected cost savings (excluding impact of Green pricing)
- Deal is qualifying as Green Rewards due to installation of a renewable energy generation or storage system, such as a photovoltaic/solar panel system
- Deal does not with any requirement of Part III, Chapter 4 of the Multifamily Selling and Servicing Guide

Green Rewards Mortgage Loan *does not* require Pre-Review Approval from Multifamily Credit if:

- Deal does not include any projected energy or water cost savings in the calculation of Underwritten Net Cash Flow
- Deal is accessing less than 5% in additional loan proceeds as a result of underwriting projected cost savings (excluding impact of Green pricing)

For each item requiring Pre-Review Approval from Multifamily Credit, a non-delegated Pre-Review item must be added for that Mortgage Loan in DUS Gateway.

- For deals accessing greater than 5% in additional loan proceeds as a result of underwriting projected cost savings (excluding impact of Green pricing):
 - Category: Pre-Review (Guide Requirements)
 - Sub-Category: Green Mortgage Loans
 - Descriptor: Green Rewards – Loan Amount (greater than 5% proceeds)
- For deals qualifying as Green Rewards due to installation of a renewable energy generation or storage system, such as a photovoltaic/solar panel system:
 - Category: Pre-Review (4660)
 - Sub-Category: Products and Features
 - Descriptor: Green Rewards (Solar)



- For deals that do not comply with all requirements of the Green Chapter of the Guide:

Category: Pre-Review (Guide Requirements)

Sub-Category: Green Mortgage Loans

Descriptor: Green Mortgage Loans – Other

2. How to determine if your Green Rewards Mortgage Loan requires Pre-Review Approval from the Green Financing Team

A Green Rewards Mortgage Loan requires Green Financing Team Approval prior to the Lender entering into a Rate Lock if:

- The Lender determines that the HPB Consultant has not fully complied with all of the requirements of Section 5.08 of [Form 4099](#) – Fannie Mae Multifamily Instructions for Performing a Multifamily Property Condition Assessment
- The approval for the HPB Report is not delegated to the Lender (see Section D of this Job Aid)

For each item requiring Pre-Review Approval from the Green Financing Team, a non-delegated Pre-Review item must be added to DUS Gateway:

Category: Pre-Review (Guide Requirements)

Sub-Category: Green Mortgage Loans

Descriptor:

- Green Mortgage Loans – Other
- Green Rewards – Completion Timeline
- High Performance Building Report – Approval
- High Performance Building Report – Data

D. Property Condition Assessment (PCA) and HPB Report

1. Property Condition Assessment and HPB Report Requirements

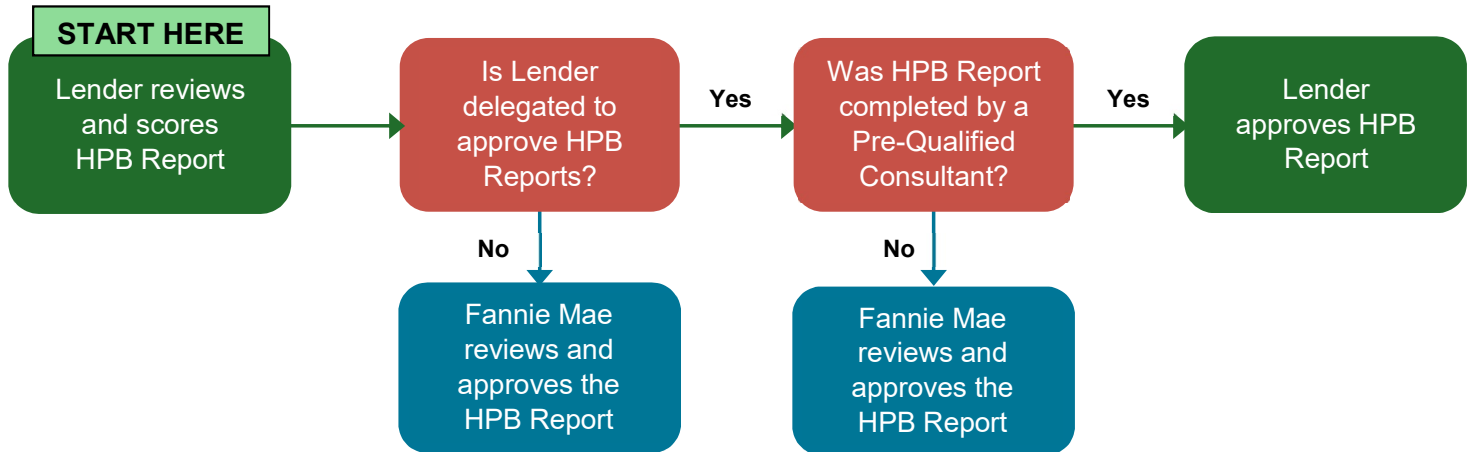
The Lender must confirm the PCA Consultant (or HPB Consultant, if the HPB Report is ordered separately from the PCA) has complied fully with Section 5.08 of Form 4099 – Instructions for Performing a Multifamily Property Condition Assessment. If the Lender determines that the Consultant did not fully comply with the instructions in Form 4099, the Lender must contact the Green Financing Team before entering into a Rate Lock.



2. How to determine whether your HPB Report approval is delegated

Approval is delegated when an experienced Lender reviews an HPB 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 has delivered 5 HPB Reports to Fannie Mae meeting quality standards. Pre-qualified consultants are listed on www.fanniemae.greenfinancing.com.



E. High Performance Building (HPB) Report Cost Reimbursement

Fannie Mae reimburses 100% of the cost of the [HPB Report](#) (or the incremental cost of the HPB Module over the cost of the base Property Condition Assessment when the HBP Report is delivered as part of the PCA) for all Green Rewards 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. Within one month of the Mortgage Loan Origination Date, complete [Form 4829](#). Include 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.

Reimbursement requests must be submitted no later than one month after the date that Fannie Mae purchases the Mortgage Loan's. If the reimbursement request is not submitted prior to the cutoff date, the HPB Report will not be eligible for reimbursement. Depending on when the completed reimbursement request was submitted, reimbursement may be received by Lender up to 2 months after the delivery of the Mortgage Loan to Fannie Mae.



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

Green Building Certification

Register Mortgage Loan

DUS Gateway:

Select Green Financing Type in Deal Overview

Go to Deal Detail → Deal Overview section

Select Green Financing Type = Green Building Certification

Indicate Property has a Green Building Certification on Property Page

Go to Property Page → Information section

Select the certification from the Green Building Certification Type drop-down menu

Non-Delegated deals only Select Green Financing Type in Loan Options

Go to Loan Options → Standard Pricing section

For Green Building Certification quotes, select Green Financing Type = Green Building Certification

C&D™:

Indicate Green Financing Type

Go to Commitment tab → Pricing Attributes section

Select Green Financing Type = Green Building Certification

Indicate Green Building Certification Type

Go to Collateral tab → Collateral record → Short Property section

Select the correct Organization, Certification, Version and Level from the Green Building Certification drop down menus; see [Form 4250](#), and Job Aid: How to Review a Green Building Certification

Select Is Green Building Certification Final? = Yes to indicate that the Lender has obtained, reviewed, and approved the final certification document

If Lender uses the Streamlined Rate Lock (SRL), this step may be completed any time

Close Mortgage Loan

Deliver Mortgage Loan

DUS DocWay™:

Upload Green Building Certification with Folder II delivery package

Upload to the Compliance/Certification tab with Doc Type "Green Building Certification" (see [Form 6502](#): Multifamily Mortgage Loan Delivery Package Table of Contents)



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

Green Rewards

Register Mortgage 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 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.

Yes

No

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

DUS Gateway:

Create Pre-Review Item

Lender Delegated: No

Category: Pre-Review (Guide Requirements)

Sub-Category: Green Mortgage Loans

Descriptor: High Performance Building - Approval

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



Green Rewards (continued)

Yes **Does the Green Rewards Mortgage Loan require Pre-Review? [see Job Aid, Sections C]** No

DUS Gateway:
Create Pre-Review Item
 Lender Delegated: No
 Category: Pre-Review (Guide Requirements)
 Sub-Category: Green Mortgage Loans
 Descriptor: Select applicable description from list

Fannie Mae reviews additional loan proceeds

C&D:
Indicate Green Financing Type
 Go to Commitment tab → Pricing Attributes section
 Select Green Financing Type = Green Rewards
Upload Form 4099.H
 Go to Collateral tab → Collateral record → Green Financing Data section
 Select “Submit/View Green Data” button to access Multifamily Green Financing screen
 Select Green Financing File “Choose” button, and navigate to 4099.H file and upload
 Select File Submission Type of either Preliminary File (optional) or Final File
 Select “Submit” button to submit 4099.H file

If Lender uses the Streamlined Rate Lock, this step may be completed any time prior to Delivery

Any Mortgage Loan not using the Streamlined Rate Lock option must have a Final File uploaded prior to Commitment; Mortgage Loans using the Streamlined Rate Lock option must have a Final File uploaded prior to Delivery

Close Mortgage Loan

Deliver Mortgage Loan

DUS DocWay:
Upload HPB Report with Folder II delivery package
 Upload document to “PNA/Engineer” category with Doc Type = Narrative – High Performance Building Report (see [Form 6502](#))

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

Fannie Mae reimburses the Lender directly via separated wire/ACH after Fannie Mae’s purchase of the Mortgage Loan