Fannie Mae Green Measurement and Verification Service Frequently Asked Questions (FAQs)

Green Mortgage Loan Borrowers

Q1. What is the Fannie Mae Green Measurement and Verification Service?
Fannie Mae has launched the Fannie Mae Green Measurement and Verification (M&V) Service for Borrowers and DUS® Lenders to streamline and simplify the verification and annual energy and water reporting process for Green Mortgage Loans. Launched in 2018, this service was an exclusive, no-cost benefit for Fannie Mae Green Mortgage Loan Borrowers in 2019 and will continue to be in 2020. To learn more about Fannie Mae’s Green Financing options, please visit: www.fanniemaegeenfinancing.com.

Q2. Who supports the Fannie Mae Green M&V Service?
Bright Power is a national energy and water efficiency firm chosen by Fannie Mae to support the Fannie Mae Green M&V Service. Bright Power has extensive expertise implementing and evaluating energy and water efficiency improvements and benchmarking multifamily properties. After completing the initial Measurement Property Setup Form, each property will be assigned a Bright Power Measurement team member to collect the information needed to access utility data to complete Fannie Mae’s Measurement reporting. Bright Power has a team of Engineering Partners, one of which will be assigned to perform a Verification Site Visit at Green Rewards properties.

Q3. What is involved in Measurement and Verification, and which loans have to comply?
Measurement is the collection and reporting of annual energy and water consumption and cost data to Fannie Mae. All Fannie Mae Green Mortgage Loans must do Measurement Service. This includes both Green Rewards Mortgage Loans and Green Mortgage Loans secured by a Property with a Fannie Mae-recognized Green Building Certificate. Through Measurement, you’ll have access to Bright Power’s EnergyScoreCards, a premiere online platform to track energy and water consumption and spending in multifamily portfolios. This will enable you to understand how your building compares to peers and where it may have further opportunities for savings. This also allows investors and Fannie Mae to quantify the impacts of Green Mortgage Loans. For more information about Measurement, see Borrower Guide for Measurement.

Verification is the inspection of the energy and water efficiency measures (EWEMs) installed at the property as agreed to by the Borrower in its Loan Agreement for a Green Rewards Mortgage Loan. For more information, see Guide to Green Loan Verifications.

Q4. When does M&V start and how long does it take?
For all Fannie Mae Green Mortgage Loans, Measurement begins after loan closing. The first step is for you to answer Bright Power’s initial outreach asking you to complete the Measurement Property Setup Form. For Green Rewards Mortgage Loans, Verification begins after the EWEMs are installed. The first step is for you to answer Bright Power’s initial outreach asking you to complete the Pre-Site Visit Form. For more information, see the Green Measurement & Verification Service Expectations and Timelines for Borrowers.
Q5. **What other benefits will I receive from the Fannie Mae Green M&V Service?**

In addition to Bright Power’s assistance on the annual energy and water performance reporting requirement, access to EnergyScoreCards, and a site visit from a qualified Engineering Partner, Borrowers will receive hands-on assistance, trainings, and online educational resources. These include workshops, webinars, and guides, and are available exclusively to Fannie Mae Green Mortgage Loan Borrowers.

Q6. **Who do I contact if I have additional questions?**

If you have questions after reviewing the FAQ, please contact FannieMae@brightpower.com.

**Frequently Asked Measurement Questions**

Q7. **How do I report my annual energy and water data to Fannie Mae to satisfy my annual Green Mortgage Loan requirements?**

Bright Power will report your annual energy and water data to Fannie Mae on your behalf. However, Borrowers should work with Bright Power’s Measurement team to facilitate the collection of data needed to complete this process. Bright Power will ask for owner-paid and resident-paid utility data as well as Property information through forms, emails, and phone calls. Please work with Bright Power to streamline the Green Mortgage Loan reporting requirements or enlist a staff member to manage communications.

Q8. **How do I ensure the Measurement process goes smoothly for my Green Mortgage Loan properties?**

To ensure the Measurement requirements are completed easily, please respond promptly to requests from Bright Power for utility and property information. Identify the team member(s) best suited to provide information on utility accounts and data access and inform them that Bright Power is working with you to complete Fannie Mae’s annual reporting requirement. If you have questions at any point, please reach out to FannieMae@brightpower.com or contact your Servicer.

Q9. **Why do some Green Mortgage Loan Borrowers need to collect data from tenants? What is the sampling requirement?**

Fannie Mae requires that Green Mortgage Loan Borrowers report whole property energy and water consumption and spending, separating owner-paid and resident-paid utilities. Bright Power may need to collect utility data from a sample of resident apartments to be able to report whole property energy and water data. This will require property staff to collect utility authorization forms from a sample of residents to allow Bright Power to request utility history from the utility provider.

The resident sampling rate for Measurement is aligned with Fannie Mae Form 4099. See [Resident Utility Data Collection Overview](#) for more detail and tips for success.
Q10. **We work with a third-party utility service provider who assists us with benchmarking our property/portfolio. Can we continue to work with that third-party utility service provider?**

Yes. Fannie Mae Green Mortgage Loan Borrowers are encouraged to continue working with third-party utility service providers of their choosing. In most cases, these third-party providers offer value in several ways, including assistance with bill payment, energy management dashboards, and compliance with municipal requirements.

If you have used a third-party provider, Fannie Mae asks that the Green Mortgage Loan Borrower connects the third-party provider to Bright Power. The best way to connect Bright Power with your third-party provider is to include their contact information on the Measurement Property Setup Form. If you already completed this form without providing this information, you can provide this information to Bright Power via email or during a phone call.

Bright Power will ensure that the third-party provider’s data collection aligns with Fannie Mae’s quality assurance process. The first step in the quality assurance process will be for you or the third-party provider to share the Property information with Bright Power through the ENERGY STAR Portfolio Manager tool. Bright Power will provide more information on how to transfer data.

If data issues are found, Bright Power will ask for clarifications from the third-party which may include access to utility billing data. If needed, Bright Power may return to the Borrower to request information not available from the third-party provider.

### Frequently Asked Verification Questions

**Q11. What types of Green Mortgage Loans are currently required to have a Verification Site Visit?**

Fannie Mae’s Green Rewards Mortgage Loans that commit to install energy and/or water improvements will receive a Verification site visit as part of Fannie Mae’s Green Measurement and Verification Service. All Properties with Green Rewards Mortgage Loans will have a Verification site visit after the installation of energy and water efficiency measures has been completed. Efficiency measures are typically required to be installed within 12-months after loan closing.

**Q12. How does the Verification process start?**

To start the Verification process, Bright Power will request the Borrower complete the Pre-Site Visit Form. This form requests primary and secondary contacts for the property, as well as information about when the efficiency measures were installed, the cost of the efficiency measures, and any changes from the expected scope committed to in the Loan Documents. After a Pre-Site Visit Form is completed for a property, Bright
Power will assign the property to its Engineering Partner, who will first review the loan documentation and property information, and then reach out to the property contacts provided to schedule a site visit.

Q13. **Who will be conducting the Verification site visit?**

Bright Power has a team of Engineering Partners that conduct Verification site visits including, Bureau Veritas, Nova Consulting, Abraxas, KOW, and E3. One of these Engineering Partners will be assigned to conduct a Verification site visit at your property and will coordinate directly with the contacts you’ve provided in the Pre-Site Visit form. A property staff member who can answer questions about the property and the EWEMs installed should escort the site inspector on the day of the site visit.

Q14. **We already had a site visit to verify the installation of our energy and/or water efficiency measures. Why do we need another?**

It is common for Lenders and Servicers to conduct site visits for a variety of reasons, including site visits after installation of property upgrades before releasing funds from escrow. While the timing of site visits may vary, one of Bright Power’s Engineering Partners will need to conduct a Verification site visit to ensure that the EWEMs have been installed according to the specifications from the High Building Performance (HPB Report) that was completed for your property.

Q15. **How can I get the results from my Verification Site Visit?**

Once a site visit is complete, your assigned Engineer Partner will send the inspection results to Bright Power where they will undergo extensive quality control checks. Each month, data on completed verifications is provided to Fannie Mae, who shares it with Servicers to share with Borrowers. Typically, site visit results will be shared with your Servicer the month following your site visit.

Q16. **Non-compliant measures were found on my Verification site visit. What’s next?**

If the Verification site visit identified one or more EWEMs installed incorrectly, your Servicer will send you a letter with the non-compliant EWEM. The next step will be for you and your Servicer to make a remediation plan with Fannie Mae to fix the problems that would have led to the non-compliance. Remediation plans are due to your Servicer in a timely manner, usually 15 to 30 days, and must have a completion strategy as well as a reasonable completion date. Correcting EWEM issues brings the property into compliance under the Green Rewards Mortgage Loan and ensures long-term benefits from the improvements you’ve made.