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Green Building Certification Financing

Permanent Loans on Green Certified New or Existing Properties

Green Building Certification Financing (GBC) offers several financial incentives for new and existing multi-family properties that have been awarded a green building certification, including but not limited to LEED, Enterprise Green Communities, and Passive House. GBC is one of three products in MHP's suite of Green and Healthy Housing Programs.

Green Financing Benefits:

- 10 to 35 basis point reduction in the permanent loan interest rate, depending on the type of certification achieved – see attached Green Building Certification Chart.¹
- Up to \$15,000 reimbursement for fundamental systems commissioning services (must include the commissioning of HVAC systems and controls, domestic hot water systems, lighting and daylighting controls, and, if applicable, renewable energy systems).
- Free energy performance benchmarking services through WegoWise or BrightPower for the first two operating years after the closing of the loan.

Green Certification

Requirement:

Prior to permanent loan closing, borrower must demonstrate that it has a Green Building Certification recognized by MHP (see attached).

Loan Type:

MHP permanent first mortgage on a recently completed and stabilized new multi-family property or a refinancing or acquisition of an existing property using any of MHP's capital sources, including bank financing, Fannie Mae or FHA Risk Sharing. MHP underwrites and services all loans regardless of capital source.

Eligible Property Types:

Minimum property size is five units, and the property must meet MHP's minimum affordability requirements (at least 20% of the units affordable to households at 50% of Area Median Income (AMI), 40% of the units affordable to households at 60% AMI, or 25% of the units affordable to households at 80% AMI provided that the maximum rents are at least 10 percent below comparable market rents).

¹ MHP may limit the total interest rate discount received under the suite of Green and Healthy Housing programs to the basis point equivalent of \$20,000 in year one benefits.

MHP's GREEN BUILDING CERTIFICATION CHART

GREEN BUILDING CERTIFICATION	AWARDING ORGANIZATION
ZERO ENERGY CERTIFICATIONS (35-basis-point rate reduction)	
<ul style="list-style-type: none"> • PHIUS+ Source Zero 2021 	Passive House Institute US (PHIUS)
<ul style="list-style-type: none"> • ILFI Zero Energy Certification 	International Living Future Institute
<ul style="list-style-type: none"> • Enterprise Green Communities (2020), Achieving Zero Energy² 	Enterprise Community Partners
PASSIVE HOUSE CERTIFICATIONS (25-basis-point rate reduction)	
<ul style="list-style-type: none"> • Certified Passive House 	Passive House Institute
<ul style="list-style-type: none"> • PHIUS+ Core 2021 	Passive House Institute US (PHIUS)
<ul style="list-style-type: none"> • EnerPHit Certified Retrofit 	Passive House Institute
GREEN AND HEALTHY CERTIFICATIONS (15-basis-point rate reduction)	
<ul style="list-style-type: none"> • Enterprise Green Communities (2020) 	Enterprise Community Partners
<ul style="list-style-type: none"> • Combine a Comprehensive Green certification below with a Healthy Housing Certification under MHP's Healthy Housing Financing Program 	Eligible Healthy Housing Certification certifying organization plus a certifying organization listed below
COMPREHENSIVE GREEN CERTIFICATIONS (10-basis-point rate reduction)	
<ul style="list-style-type: none"> • LEED: Residential Building Design and Construction (Version 4 or 4.1), minimum Gold certified 	U.S. Green Building Council
<ul style="list-style-type: none"> • LEED for Homes Multifamily (Version 4), minimum Gold certified 	U.S. Green Building Council
<ul style="list-style-type: none"> • LEED Building Operations and Maintenance (Version 4 and 4.1), minimum Gold certified 	U.S. Green Building Council

² Properties must comply with Criterion 5.4, Achieving Zero Energy, as part of their Enterprise Green Communities 2020 certification in order to qualify under this category.