

<b>2023 Enterprise Multifamily Radon Policy</b>	
<b>Effective Date</b>	The requirements herein are applicable to all loans with applications executed after June 30, 2023.
<b>When Radon Testing is Required</b>	Radon testing will be required on every mortgage subject to the "Testing Considerations", "Exemptions" and "Deferral" sections below.
<b>Testing Considerations</b>	The Environmental Professional, as defined in 40 CFR § 312.10 (EP), will determine if radon testing is appropriate, subject to laws and regulations and disclosure of rationale any time testing is not deemed appropriate.
<b>Radon Reporting</b>	<p>Initial radon testing will be conducted in connection with the environmental site assessment process and be reported within the Phase I ESA Report, as defined in Fannie Mae Form 4251, or environmental report, as described in the Freddie Mac Multifamily Seller/Servicer Guide (<b>ESA</b>). The ESA will include the following from the EP:</p> <ol style="list-style-type: none"> <li>1) In the ESA's executive summary, a summary of the radon findings and recommendation, including estimated cost for any further testing and/or mitigation.</li> <li>2) Further details on the testing methods, canister locations, results, and additional testing/mitigation requirements.</li> <li>3) In the ESA's appendix, detailed radon findings.</li> </ol> <p>Testing and mitigation must comply with state and local regulations.</p> <p>First round testing expected to be completed by loan closing. Radon testing and mitigation may be completed post-closing subject to the Enterprises' loan documents.</p>
<b>Threshold for mitigation</b>	Any unit in which testing indicates radon concentrations of 4.0 pCi/L or greater.
<b>Testing Professional</b>	<p>The EP is required to manage the testing process.</p> <p>EP is responsible for overseeing the deployment and retrieval of radon testing canisters. EP may direct a property representative to place or retrieve the radon testing canisters as appropriate.</p> <p>Enterprise, state, and local requirements must be followed. If there appears to be a conflict between any requirements, the Lender should follow the most stringent standard, subject in all cases to compliance with state and local regulations.</p>

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<b>Exemptions</b>	<p>The loans and areas that are not subject to radon testing are:</p> <ol style="list-style-type: none"> <li>1) Refinances of properties with existing Enterprise debt that have undergone previous radon testing and mitigation (if applicable) compliant with this policy.</li> <li>2) Supplemental loans</li> <li>3) Cooperatives</li> <li>4) Manufactured Housing Communities</li> <li>5) Properties with no ground-contact residential units (including properties with ground-floor retail, first-floor amenities/leasing, or residential units above parking garage or over code-compliant ventilated crawl space)</li> <li>6) Upper-floor residential units</li> <li>7) Any improvements that are not part of the collateral</li> <li>8) Properties with property-wide radon mitigation systems and Operations and Maintenance (O&amp;M) plans in place</li> <li>9) New construction built with radon resistant measures</li> <li>10) When the EP concludes that testing or mitigation is not necessary and documents reasons supporting this conclusion.</li> </ol>
<b>Deferral</b>	<p>Small Mortgage Loans/Small Balance Loan (SBL) Mortgages, as defined in each of the Enterprises' Multifamily Guides, will be deferred from radon testing until 2024, at which point the Enterprises will reassess.</p>
<b>Testing Protocols</b>	<p>Testing of 25% of ground-contact units, with no fewer than 1 test per building. When testing is required, the canisters may be deployed or retrieved by the EP or someone acting at their direction.</p> <ul style="list-style-type: none"> <li>- Allowance for no more than 15% lost, faulty, inaccessible tests or EP discretion.</li> </ul> <p>Additional Testing Protocol: For all residential buildings that have at least 1 unit with elevated radon concentrations equal to or greater than 4.0 pCi/L after completion of initial radon gas screening, the EP to recommend one of the following:</p> <ol style="list-style-type: none"> <li>a. Additional testing of 25% of the ground-contact units within buildings with radon levels 4.0 pCi/L threshold or higher using either short- or long-term testing. Units that tested at 4.0pCi/L or greater during the first round of testing must be re-tested. If there are additional units that must be tested to meet the 25% threshold, the EP may select them at their discretion. OR</li> <li>b. Installation of a radon mitigation system in all buildings with radon concentrations of 4.0 pCi/L or above.</li> </ol> <ul style="list-style-type: none"> <li>- If proceeding with a second round of testing, remediation is required if the average of the two short-term tests or the result of the long-term test is 4.0 pCi/L or greater.</li> </ul>

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	Expectation to perform initial radon testing during due diligence and before loan closing. Follow-up testing and mitigation may either be completed during due diligence or as a post-closing obligation, based on programmatic requirements.
<b>State and Local Laws and Regulations</b>	Testing and mitigation must comply with state and local laws and regulations. The Enterprises will notify the lender if the Enterprises are notified of a specific instance when a loan has not been compliant with state laws pertaining to radon.
<b>Resident Notification / Testing Condition Verification</b>	<p>The EP or property management will provide notices to staff/tenants, including guidance on maintaining proper closed building conditions. Communications also to include training or direction to staff as needed.</p> <p>The tenant notices will include:</p> <ol style="list-style-type: none"> <li>1) Testing notifications, including dates and times for canister deployment and retrieval</li> <li>2) Instructions on how tenants can maintain proper testing environments</li> <li>3) Information on how to obtain federal or state radon health guidance, and</li> <li>4) Local contact information for inquiries.</li> </ol> <p>A non-interference agreement will not be required.</p>
<b>Mitigation Standards</b>	<ol style="list-style-type: none"> <li>1) After following the Testing Protocols outlined above, any unit that is required to be mitigated per the Testing Protocols must be mitigated.</li> <li>2) Mitigation will proceed as follows: <ul style="list-style-type: none"> <li>• Conducted in compliance with all applicable laws and regulations.</li> <li>• A qualified radon mitigation firm will determine the type of mitigation system required.</li> <li>• Additional considerations may include installation of a multi-unit mitigation system at the discretion of the engaged mitigation firm.</li> </ul> </li> <li>3) Mitigation systems will be managed under an O&amp;M plan, including periodic inspections by Borrower representative of all system components.</li> </ol>
<b>Ongoing Testing</b>	Not required during the loan term unless required under the O&M Plan.
<b>Certificate of Completion</b>	If mitigation or post-closing second round of testing is required, the Borrower will submit documentation from the EP stating what steps were taken, that the work was satisfactorily completed, and what further actions must be taken, if any. If mitigation was required, documentation must confirm that post-mitigation testing confirms radon concentration < 4.0 pCi/L.