

Optigo® Utility Efficiency

Reduce Energy and Water Usage. Increase Property Efficiency.

With our Utility Efficiency loan, you get sound financing and certainty of execution for multifamily housing properties that make improvements to help reduce utility costs for borrowers and renters — and ultimately increase property performance.

The Freddie Mac Difference

When it comes to multifamily finance, Freddie Mac gets it done. We work closely with our Optigo lender network to tackle complicated transactions, provide certainty of execution and fund quickly.

Contact your Freddie Mac Multifamily representative today — we're here to help.

Borrowers Who Want to Know More

Contact one of our Optigo lenders at mf.freddiemac.com/borrowers/.

Product Snapshot

- Available for fixed- or floating-rate loans with a 5, 7- or 10-year term
- The Green Assessment shows borrowers how they can save energy and water.
- We support eligible mixed-use properties.

Index Lock

Freddie Mac Multifamily's Index Lock allows borrowers to lock in the most volatile part of the coupon — the Treasury index. To learn about other ways you can get certainty of execution, see our [lock options](#) here.

► Conventional, Targeted Affordable: Utility Efficiency

Utility Efficiency	
Eligible Loans	<ul style="list-style-type: none"> Conventional loans and TAH cash preservation loans (excludes SBL, Seniors, Student, MHCs and supplementals) 5, 7- or 10-year term Fixed- or floating-rate execution At least 40% of the property's units must be affordable at workforce housing levels
Minimum Projected Consumption Reduction	<p>30% of energy or water/sewer consumption for the whole property, with a minimum of 15% from energy, based on Green Assessment</p> <p>Find additional energy- and water-efficient products at the Environmental Protection Agency's ENERGY STAR® and WaterSense program webpages</p>
DCR/LTV	Must meet policy compliant DCR/LTV; no adjustment
Time to Complete Utility Efficiency Improvements	2 years to complete
Escrow Requirements	Funds for energy-/water-efficiency work will be escrowed at 125% of cost and released as work is completed
Required Third- Party Reports	Green Assessment
Benchmarking Data Collection	Utility Efficiency loans require borrowers to engage a third-party data collection consultant, prior to the origination of the loan, to collect, input and monitor actual energy and water usage through the term of the loan
Utility Efficiency Certified	
Eligible Loans	<p>We recognize the following industry-standard building performance certifications:</p> <ol style="list-style-type: none"> 1. EarthCraft, Southface 2. ENERGY STAR for Multifamily Existing Buildings, High Rise, New Construction, EPA 3. Green Communities, Enterprise Community Partners 4. Green Globes, Green Building Initiative 5. GreenPoint Rated, Build It Green 6. Leadership in Energy and Environmental Design (LEED), US Green Building Council 7. National Green Building Standard (NGBS), Home Innovation Research Labs 8. Passive House Institute US (PHIUS) Certified 9. Passive House Institute (PHI) Certified <p>At least 40% of the property's units must be affordable at workforce housing levels</p>