



Freddie Mac Green Advantage® Program is Cutting Utility Bills for Hundreds of Thousands of Low- and Middle-Income Renters

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Seventh “Duty to Serve” White Paper Shows How Water and Energy Efficiency Incentives Are Helping Workforce Families Reduce Housing Costs

MCLEAN, Va., Dec. 10, 2018 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) today released a white paper on the impact of its Green Advantage® program, which provides incentives to multifamily housing borrowers to make water and energy efficiency improvements. The objective of the program is to lower expenses for workforce housing tenants. Freddie Mac has already used Green Advantage® to finance \$36 billion in loans that will be used to lower utility costs for 367,000 units nationwide.

The white paper, titled “[Green Improvements in Workforce Housing](#)”, is part of Freddie Mac’s three-year [Duty to Serve](#) plan to increase rental and homeownership opportunities in historically underserved markets throughout the nation. The Green Advantage paper is the seventh of [eight papers](#) the Multifamily line of business has released over the past two months.

“Workforce families don’t typically live in newly constructed apartment buildings that were built with water and energy efficiency in mind,” said Steve Guggenmos, vice president of Multifamily Research & Modeling. “The result is more water and electricity used per unit, and higher utility bills for tenants that can hardly afford it. Our Green Advantage® program is making energy and water improvements more cost effective for borrowers, while helping to lower utility expenses for renters. It’s a win-win for our borrowers and for tenants.”

Key Findings:

- **Green Advantage is financing upgrades to hundreds of thousands of units nationwide:** With over \$36 billion in loans purchased across nearly 367,000 units, broad borrower adoption has established the market for energy and water efficiency improvements for multifamily properties.
- **Green Advantage serves low- and middle-income families:** Freddie Mac Green Advantage loans serve workforce housing. Properties are mostly garden style apartments, on average 33 years old with 89 percent of units being affordable to households at 100 percent area median income or less.
- **Water improvements are projected to save 3.6 billion gallons in water per year:** This is enough water to fill 5,500 Olympic-sized swimming pools or the equivalent water usage for over 119 million loads of laundry. The most common water-saving improvements selected are showerheads, bathroom aerators, kitchen aerators and toilets. Borrowers met program requirements by pursuing water improvements on 77 percent of loans.
- **Energy savings are projected to save 1.4 billion kBtu per year.** This is enough energy to power roughly 40,000 homes across America or enough power for 8,600 football stadiums. The most common energy-saving improvements selected are LED lighting for interior, exterior and common areas and HVAC thermostats.
- **Improvements cost less than \$500 per unit.** The projected average cost for improvements selected by borrowers is \$470 per unit.
- **Improvements are projected to save on average \$220 per unit per year.** Loans average almost \$61,500 of savings per year or \$220 per unit.

Freddie Mac [Multifamily](#) is the nation’s multifamily housing finance leader. Historically, nearly 90 percent of the eligible rental homes we fund are affordable to families with low to moderate incomes. Freddie Mac’s [Duty to Serve](#) plan aims to expand affordability and address America’s most persistent housing problems.

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we’ve made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders, investors and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac’s blog [FreddieMac.com/blog](#).

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