



## Freddie Mac Announces GreenCHOICE Mortgages<sup>SM</sup> for Financing Energy-Efficient Home Improvements

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### Offering Will Help Facilitate Industry Standard Data Collection Processes

MCLEAN, Va., Nov. 16, 2018 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) today announced new enhancements to its GreenCHOICE Mortgages<sup>SM</sup> energy-efficient offerings, including broader financing options to help families with lower-incomes reduce home utility costs through energy-saving home repairs and improvements.

“Older homes tend to be more energy inefficient, which may raise the cost of homeownership and may make them more difficult to maintain,” said Mike Dawson, vice president of Single-Family Affordable Lending Strategy and Policy at Freddie Mac. “GreenCHOICE Mortgages is part of a multiyear initiative to facilitate energy-saving improvements that could help families better sustain homeownership. Freddie Mac is committed to making mortgage lenders and real estate agents aware of these products and the value they bring to the housing market.”

According to the US Department of Energy, the typical US family spends at least \$2,200 per year on [energy bills](#) —with nearly half of those expenses being used for heating and cooling. However, utility expenses typically are not factored into traditional mortgage underwriting methods, meaning that the value of energy efficiency has been overlooked in first lien financing.

GreenCHOICE Mortgages will enable Freddie Mac to better assess mortgage loan performance between homes with energy-efficient enhancements and those without. Additional research by Freddie Mac will help develop and design valuation guidance and uniform data collection mechanisms, as well as underwriting guidelines to account for energy-efficient features.

Freddie Mac has built strategic alliances with organizations such as the Rocky Mountain Institute, RESNET, the Institute for Market Transformation and the Department of Energy to increase understanding of energy-efficient features as well as to provide lenders, real estate professionals and borrowers with tools and education. This offering is the latest example of Freddie Mac’s ongoing initiative to address the demands of a fast-changing mortgage landscape, through education, innovation and efficiency, saving the [Borrowers of the Future](#) – and the lenders who serve them – time and money.

“With a deeper understanding of the value of energy efficiency, as well as an increased awareness of Freddie Mac’s solutions and underwriting requirements, lenders will have more opportunities to expand their green product offerings in the marketplace,” said Robert Sahadi, Senior Advisor to the Rocky Mountain Institute.

The initiative is part of Freddie Mac’s [Duty to Serve](#) plan, which focuses on supporting underserved markets by financing more rural and manufactured housing and preserving more affordable housing for homebuyers and renters nationwide. The plan includes increased loan purchases in these underserved markets as well as new products, ground-breaking research and expanded consumer education. The company is working with the mortgage industry, community nonprofits, all levels of government and other dedicated organizations to make a positive difference for households with very low-, low- and moderate-incomes.

### About Freddie Mac

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](#).

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