



## Freddie Mac: Benefits of Multifamily Green Improvements Go Beyond Environmental Impact

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### Green Program Projected to Save Tenants Nearly \$300 per Year

MCLEAN, Va., Dec. 11, 2019 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) today released a [white paper](#) detailing the important role green improvements play in preserving affordable, workforce housing. Freddie Mac analyzed data collected through its Green Advantage<sup>®</sup> program, finding significant reductions in energy and water consumption, and a projected average annual tenant utility cost savings of \$291 as a result. The program provides financing incentives to borrowers who agree to reduce energy and water consumption by a total of 30%.

"Green improvements to multifamily housing can help address the twin challenges of housing affordability and environmental stewardship," said Steve Guggenmos, vice president of Multifamily Research and Modeling at Freddie Mac. "Our analysis demonstrates there are a variety of cost-effective energy and water efficiency improvements that can be made to workforce housing to generate real savings for tenants while reducing the environmental impact of the multifamily housing stock."

Since program inception through the third quarter of 2019, Freddie Mac Multifamily Green Advantage provided over \$59 billion in financing through loans purchased on 583,000 units. The financed properties are garden-style apartments that are, on average, 34 years old. Eighty-five percent of financed units are affordable to households making 100% of area median income or less.

### Key Findings:

- Tenants are projected to save \$291 per unit per year and owners are projected to save \$80 per unit per year under the 30% consumption savings threshold.
- Annual cost-savings projections total over \$132 million, which averages roughly \$62,800 per loan per year and \$233 per unit per year.
- Water improvements are projected to save 6.1 billion gallons in water per year, and energy improvements are projected to save almost 2.8 billion kBtu per year.

The white paper, titled "2019 Analysis of 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. This is one of several papers related to Freddie Mac's Duty to Serve Initiative released by the Multifamily line of business in 2019.

Freddie Mac Multifamily is the nation's multifamily housing finance leader. Historically, more than 90% of the eligible rental units we fund are affordable to families with low-to-moderate incomes earning up to 120% of area median income.

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 and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](#).

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