



Energy Efficient Mortgage Comparison

PROGRAM NAME	OLD ENERGY EFFICIENT MORTGAGE	MYCOMMUNITYMORTGAGE EEM	EEM
COMMITMENT VOLUME	None specified, underwriting adjustment	Product in MyCommunityMortgage Suite	Full-fledged product
PROGRAM TERM	None	None	None
ELIGIBLE LOANS	15- or 30-year Adjustable or fixed-rate Purchase or Refinance	Same	Same
ELIGIBLE PROPERTY TYPES	1-4 unit Owner-occupied New construction or existing homes	One-unit	One-unit
FIRST MORTGAGE MAXIMUM LTV	95%	100%	100%
MAXIMUM CLTV	95%	105%	105%
TOTAL DOWN PAYMENT	5%		
MIMIMUM BORROWER CONTRIBUTION	5%	Lesser of 1% or \$500 for borrowers at 100% AMI or no income limit in FannieNeighbors® areas	3%
ADDITIONAL DOWN PAYMENT AND/OR CLOSING COSTS		Secondary financing must meet Fannie Mae's standard Community Seconds® Program guidelines	
VALUE OF ENERGY EFFICIENCY MEASURES, IMPACT ON LTV	For new homes or efficient "as is," the present value of the energy efficiency measures is added to the lesser of purchase price or appraised value. For retrofitted homes, the installed cost is added to the lesser of purchase price or appraised value The LTV calculation is based on the lesser of the adjusted value or the adjusted purchase price.	For new homes or efficient "as is," the present value of the energy efficiency measures is added to the appraised value. The LTV calculation is based on the lower of purchase price or adjusted value. For retrofitted homes, the installed cost is added to the purchase price and the appraised value. The LTV calculation will use the lower of the adjusted purchase price or the adjusted value.	For new homes or efficient "as is," present value of energy efficiency measures is added to the appraised value. The LTV calculation is based on the lower of purchase price or adjusted value. For retrofitted homes, the installed cost is added to the purchase price and the appraised value. The LTV calculation will use the lower of the adjusted purchase price or the adjusted value.



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ENERGY SAVINGS PRESENT VALUE	Calculated using the monthly equivalent of the mortgage rate for fixed rate mortgages or the fully indexed accrual rate for adjustable mortgages for a term not to exceed the weighted physical life (in months) of the energy improvements.	Calculated by the HERS rater using a <u>set</u> mortgage rate, <u>determined annually by Fannie Mae</u> , for a term not to exceed the weighted physical life (in months) of the energy improvements.	Calculated by the HERS rater using a <u>set</u> mortgage rate, <u>determined annually by Fannie Mae</u> , for a term not to exceed the weighted physical life (in months) of the energy improvements.
DU SOLUTION	N/A	DU Approve or MyCommunityMortgage Community 100 Plus guidelines; Energy savings are added to income in the “Other income” section. For new homes or energy efficient as is, add present value to the appraised value of the home. DU automatically uses the lower of the purchase price or adjusted appraised value. For retrofit homes, add installed cost to “alterations” section and it will be added to the purchase price. Also add the cost to the appraised value. DU will automatically take the lower of appraised value or purchase price.	DU available Energy savings are added to income in the “Other income” section. For new homes or energy efficient as is, add present value to the appraised value of the home. DU automatically uses the lower of the purchase price or adjusted appraised value. For retrofit homes, add the installed cost to the “alterations” section and it will be added to the purchase price. Also add the cost to the appraised value. DU will automatically take the lower of appraised value or purchase price.
MAXIMUM ALLOWABLE DEBT-TO-INCOME RATIOS	Depends on underlying product	41% single ratio N/A when DU Solution used	41% single ratio
ADDITIONAL INCOME SOURCES	None	Manufacturer appliance rebates can be used toward closing costs. Tax credits, where available, can be used toward borrower’s income.	Manufacturer appliance rebates can be used toward closing costs. Tax credits, where available, can be used toward borrower’s income.

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