

A photograph showing several construction workers in safety gear working on the roof of a building. The workers are silhouetted against a bright, cloudy sky. The building has two windows visible on its side.

**WE BELIEVE
IN OPPORTUNITY.
FOR ALL.**

**Staying Connected:
The CDFI Energy Efficiency in Multifamily Affordable
Housing Program and Transaction Database**

Tuesday, December 12, 2017 1:00 PM ET

Agenda

- Overview of the Sustainability in Affordable Housing Lender Learning Network
- Program and Transaction Database
- Next Steps
- Q&A

Presenters

- Jack Crane
Community Investment Corporation
- Josh Earn
National Housing Trust
- Yerina Mugica
Natural Resources Defense Council
- Natalie Patterson
National Housing Trust
- Lauren Stebbins
Opportunity Finance Network

Housekeeping

- This webinar is being recorded – the recording and powerpoint will be posted at ofn.org/webinars
- For the Q&A portion of the webinar, use the **raise your hand** feature in GoToWebinar and OFN will unmute you
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A collaborative, coalition-driven, 13-state campaign to increase energy efficiency in affordable multifamily housing



** Strong presence in Atlanta, Chicago, Kansas City, Los Angeles, Minnesota, New Orleans, New York City*



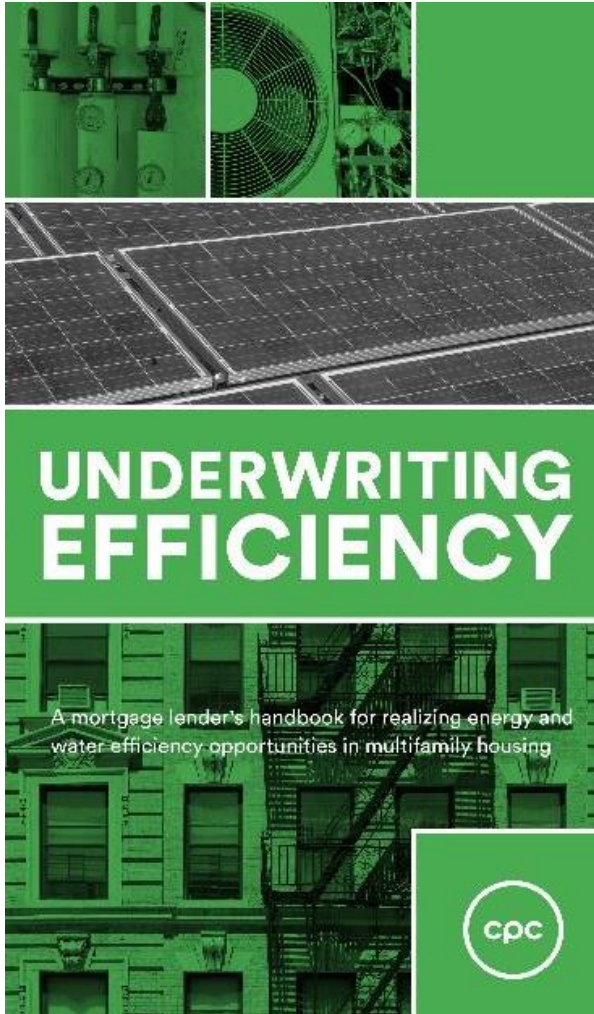
Our Long Term Vision: EEFA's success catalyzes equitable access to clean energy resources for healthier homes, reduced poverty, a cleaner environment and more climate-resilient communities

Sustainability in Affordable Housing Lender Learning Network

- Connecting the dots between multifamily housing affordability & efficiency
- We are a learning network of CDFIs that has gathered to share what has worked and explore opportunities for expanding and employing that knowledge.
 - Website with Resource Hub (coming soon!)
 - Webinar Series
 - Transaction Database



Webinars



First webinar series recently completed on the Underwriting Efficiency Handbook

- Understanding Efficiency
- Building Efficiency
- Integrating Efficiency

Recordings available at

<http://greenbanknetwork.org/webinars-and-videos/>

Program and Transaction Database

- Collaborative effort by Lender Learning Network members
- 50+ programs and 20+ transactions so far with detailed information to inform lenders interested in implementing similar programs or closing similar investments.
- Resource for:
 - Lenders already active in multifamily efficiency lending
 - Lenders interested ways to integrate efficiency into their lending
- Currently excel workbook format as database develops, but the public version will be in a more attractive, sortable format on the Lender Learning Network website
- We welcome feedback on the database structure and data contributions by lenders currently active in this space

Programs Information

- General Information and Structure
 - Lender
 - Lender type
 - Program name
 - Program overview
 - Jurisdiction
 - Year established
 - Eligibility Criteria
 - Type of lending program (e.g. mortgage, pre-dev, construction, PACE)
 - Loan size range
 - Type of improvements covered

Programs Information

- General Information and Structure
 - Lender – Community Investment Corporation
 - Lender type – CDFI
 - Program name – Energy Savers
 - Program overview – One-stop energy efficiency shop for multifamily building owners, Energy Savers is a partnership between CIC and Elevate Energy that connects technical expertise with creative financing for energy and water retrofits.
 - Jurisdiction – Chicago and suburbs, Illinois
 - Year established – 2008
 - Eligibility Criteria – Naturally occurring rental AH, 5+ units
 - Type of lending program – mortgage, construction
 - Loan size range – not specified
 - Type of improvements covered - energy efficiency, water conservation, renewable energy

Programs Information Cont.

- Financing Details
 - When is the product applicable?
 - Interest rate
 - Maturity
 - Security
- Results/Impact
 - Total number of loans issued per year
 - Total loan volume per year
 - Other impact metrics available
- Additional Information
 - Point of contact
 - Notes
 - Link to additional information

Programs Information Cont.

- Financing Details
 - When is the product applicable? – acquisition, refinancing, mid-cycle
 - Interest rate – Determined by loan committee case-by-case
 - Maturity – 10 years but can be shorter for a mid-cycle loan
 - Security – Secured – mortgage
- Results/Impact
 - Total number of loans issued per year - 15
 - Total loan volume per year - \$2,000,000
 - Other impact metrics available - >33,000 units in 760 buildings retrofitted, resulting in 621 jobs created, 7.9M therms saved, 21.5M kWh saved, and 61,690 metric tons CO₂e avoided.
- Additional Information
 - Point of contact - Katherine Elmore, Katherine.elmore@cicchicago.com
 - Notes
 - Link to additional information - <http://www.cicchicago.com/energy-savers/>

Transactions Details

- Transaction details
 - Lender
 - Location
 - Property Type
 - Property ownership
 - Type of building
 - Type of project
 - Buildings (#) and units (#)
 - Scope of efficiency work
- Financing details
 - Loan type
 - Total delivery cost
 - Equity type and amount
 - Loan amount and term
 - Incentives/rebates
 - Funding sources
 - Status of completion

Transactions Details

- Transaction details
 - Lender – Community Investment Corporation
 - Location – Chicago, IL
 - Borrower – Undisclosed
 - Property Type – Unsubsidized
 - Property ownership – For-profit
 - Type of building - Corner brick 3-story building, built 1909, located in low-mod income census tract
 - Type of project – Acquisition/rehab
 - Buildings (#) and units (#) – 1 building, 8 units
 - Scope of efficiency work - Gas forced air furnaces (95%+ AFUE); roof cavity air seal and insulation (R-49); exterior wall insulation (R-19); ENERGY STAR refrigerators; High efficiency DHW heaters (90%); LED lighting; Low flow faucets; WaterSense toilets; Efficient windows - Advance Windows series 6000
- Financing details
 - Loan type - Construction loan followed by long term permanent loan
 - Total delivery cost - \$427,500
 - Equity type and amount – 127,140 borrower equity
 - Loan amount and term - \$427,500, 10 years
 - Loan repayment source – utility and operations savings, rental income
 - Incentives/rebates - <5,000
 - Status of completion - In construction, expected complete 3/31/2018

Transactions Details Cont.

- Underwriting considerations
 - Security
 - Repayment risk – expected cash flow
 - Repayment risk – debt service coverage ratio
 - Organizational risk – will borrower guarantee loan?
 - Organizational risk – is the borrower mission aligned?
 - Technical risk – how are energy savings calculated?
 - Technical risk - % projected savings discounted
- Additional information
 - Point of contact
 - Notes
 - Link to additional information

Transactions Details Cont.

- Underwriting considerations
 - Security – Secured
 - Recourse – Full recourse loan
 - Repayment risk – expected income - \$39,088
 - Repayment risk – debt service coverage ratio – 1.34
 - Project Mission Alignment - How did the lender determine the project is aligned with their mission? Projected rents are at or below 60% AMI
 - Technical risk – how are energy savings calculated? Comparable to ASHRAE Level 1+; BPI Standard Practice for Multifamily Energy Auditing
 - Technical risk - % projected savings discounted - n/a; case by case
- Additional information
 - Point of contact - Katherine Elmore, Katherine.elmore@cicchicago.com
 - Notes
 - Link to additional information - <http://www.cicchicago.com/energy-savers/>

Format

- Currently excel workbook format as database develops, but the public version will be in a more attractive, sortable format on the Lender Learning Network website

AMF Lending Programs and Transactions Database Dec2017 - Excel

Bergoo, Bettina

File Home Insert Page Layout Formulas Data Review View Developer Tell me what you want to do

Clipboard Font Alignment Number Styles Cells Editing

Times New Roma 11 A A Wrap Text Custom Conditional Formatting Format as Table Cell Styles Insert Delete Format AutoSum Fill Clear Sort & Find & Filter

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Project Overview										Financial				
Lender	Location	Property Type	Property Ownership	Type of Project	Buildings	Total Units	Scope of Efficiency Work	Loan Type	Total Delivery Cost	Equity	5-Year Debt	10-Year Debt	15-Year Debt	
(Name)	City	State	(Subsidized, unsubsidized, public housing)	(For-profit, non-profit, mixed non- and for-profit, HUD)	(Renovation, retrofit, new construction, acquisition)	(#)	(#)	(List of efficiency improvements undertaken)	(Construction loan, permanent loan, weatherization assistance program (VAP))	(\$ including but not limited to efficiency upgrades)	(ITC, other)	(\$)	(\$)	(\$)
Community Preservation Corporation (CPC)	Troy	NY	Subsidized	Mixed non- and for-profit	Retrofit/Renovation	1	89	Ground source heat pump, condensing hot water heater, exterior wall and roof insulation, heat recovery ventilation, ENERGY STAR washers dryers, low-e insulated windows, occupancy sensors for lighting	Long Term Permanent	\$ 1,650,000	\$ 495,000	\$ -	\$ -	\$ 1,955,000
Community Preservation Corporation (CPC)	Bronx	NY	Subsidized	For-profit	Retrofit/Renovation	1	35	Heating system upgrade, new boiler, pipe insulation, new control, radiator valves, separate hot water heater, temperature adjustment, new roof sealing leaks, low-e coated windows, efficient bulbs, rewiring lights, low-flow plumbing fixtures, ENERGY STAR refrigerators	Construction - Long Term Permanent	\$ 1,400,000	\$ 420,000	\$ -	\$ -	\$ 980,000
Community Preservation Corporation (CPC)	Auburn	NY	Subsidized	HUD	Retrofit	31	188	ENERGY STAR refrigerators, low-flow plumbing fixtures, sealed ductwork, efficient bulbs, sealed combustion furnaces and hot water heaters	VAP	\$ 1,100,000	\$ 330,000	\$ -	\$ -	\$ 770,000
Community Preservation Corporation (CPC)	Poughkeepsie	NY	Unsubsidized	For-profit	Retrofit/Renovation	8	40	5kW solar, net metered to utility, insulated windows, ground source heat pump, rainwater collectors	Long Term Permanent	\$ 4,400,000	\$ 1,320,000	\$ -	\$ -	\$ 3,080,000
National Housing Trust	Washington	DC		Non-profit	Retrofit	1	223	Solar Photovoltaic systems (electricity), solar thermal (hot water)	Construction	\$ 1,712,071	\$ 513,821	\$ -	\$ -	\$ 1,198,450
National Housing Trust	Burlington	VT		Mixed non- and for-profit	Retrofit/Renovation	1	82	Installation of occupancy sensors and controls to retrofit the common area lighting, LED lighting	Retrofit	\$ 225,000	\$ -	\$ -	\$ 9,000	\$ -
National Housing Trust	Washington	DC		Mixed non- and for-profit	Retrofit	3	63	Installation of solar producing technology on 3 office buildings	Long Term Permanent	\$ 695,212	\$ 208,564	\$ -	\$ -	\$ -
National Housing Trust	Milton	VT		Mixed non- and for-profit	New Construction	1	30	Passive House Design	Long Term Permanent	\$ 8,224,125	\$ 6,332,576	\$ -	\$ 100,000	\$ -
National Housing Trust	Brattleboro	VT		Non-profit	New Construction/Renovation	1	35	Energy efficient upgrades coinciding with total renovation and expansion of property, Commons Energy Public Purpose ESCO project	Construction followed by fully amortizing/long term permanent	\$ 5,320,000	\$ 1,596,000	\$ -	\$ 600,000	\$ -
Community Investment Corporation	Chicago	IL	unsubsidized	For-profit	Acquisition/rehab	1	9	Gas forced air furnaces (95% AFUE); insulation; ENERGY STAR refrigerators; High efficiency DHW heaters (80%); LED lighting; Low flow faucets; WaterSense toilets; Efficient windows - Advance Windows series 8000	Construction followed by fully amortizing/long term permanent	\$ 427,500	\$ 127,140	\$ -	\$ -	\$ 300,360
								92% AFUE direct vent furnaces; ENERGY STAR power vent tank water heater; Programmable	Construction followed by fully					

Lending Programs Transactions

Ready 60%

Request for feedback

- For lenders interested in integrating efficiency into your affordable housing lending:
 - Would your organization use the information in this resource?
 - What additional data fields would be useful to you?
 - What other resources could the Lender Learning Network develop that would be useful to you?
- For lenders already active in lending to efficiency in multifamily affordable housing:
 - Are there data fields missing you would want to know about other lenders' programs/transactions or that you would like to share about your own?

Next steps on Program and Transaction Database

- Lender Learning Network Advisory Group will finalize initial database content and work with a web developer to develop a web-based display format for it
- We welcome your data contributions to the program and transaction database. Please email Bettina Bergoo, bbergoo@nrdc.org and we work with you to insert data.
- The database will be posted on the Lender Learning Network's public website when it is launched in early 2018

Engage with the Lender Learning Network

- We welcome all to join the Sustainability in Affordable Housing Lender Learning Network! Email Bettina Bergoo, bbergoo@nrdc.org to join our mailing list. We will notify you of upcoming webinars, the website launch, and the public release of the database.
- For experienced efficiency lenders, we welcome you to join the network Advisory Group's biweekly meetings and working groups. Email Bettina Bergoo, bbergoo@nrdc.org with your interest and we will be happy to plug you in.

Q&A

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