

Benefits of Green Building Underwriting

- Q: Would you like to measure the worth of green buildings, homes and portfolios?
- Q: Do you need to sell the value of your green building project?
- Q: Trying to get green building financing?

Commercial and Multifamily Real Estate

The **Commercial Real Estate National Consensus Green Building Underwriting Standard**® provides a quantitative **CMP Green Value Score**® showing increased cash flow and reduced expenses. This relates directly to net operating income, the industry measure of a building's investment value.

Residential Real Estate

The **Residential Green Building Underwriting Standard**® provides a quantitative **CMP Green Value Score**® score showing reduced expenses and increased value.

Background on the Standards

The consensus Standards were launched by JPMorgan Chase and Wells Fargo Wachovia and unanimously approved on September 2, 2008. The Capital Markets Partnership / MTS is an American National Standards Institute-Accredited Standards Developer.

For the capital markets and the building industry, consensus standards have the highest value and are a prerequisite for use and adoption because they substantially reduce risk and uncertainty, and have regulated the industry since 1898.

The Standards are part of Wall Street's *Capital Markets Briefing Paper: Sustainable Investment Business Case*®.

These Underwriting Standards, as adopted by leading investment banks and global building management and investment firms:

- **Document** higher valued collateral and reduced risk for lending and investors
- **Provide** increased investor confidence and preference
- **Stimulate** green building financing by providing the basis for cheaper cost of capital and higher bond ratings
- **Cover** LEED, ENERGY STAR, and certified Climate Neutral Certified Buildings with five (5) categories of attributes to score value
- **Rank** the most valuable green building attributes

The Abstract, which provides detailed information, is available at this link:

<http://www.capitalmarketpartnership.com/UserFiles/Admin%20Abstract%20-%20Green%20Building%20Underwriting%20Standard.pdf>

CMP GREEN SCORE FORMULA

NATIONAL CONSENSUS *GREEN BUILDING UNDERWRITING STANDARDS* ©

	Score	Value Ratio	Adjusted Score
ENERGYSTAR Score		40%	
Green Building Underwriting Standard Score		35%	
LEED Rating (intangible value)	NONE	0%	
	CERTIFIED	2%	
	SILVER	5%	
	GOLD	10%	
	PLATINUM	15%	
Climate Neutral Certified	YES	10%	
	NO	0%	
CMP GREEN SCORE		100%	

The CMP Green Value Score is part of the approved *Green Building Underwriting Standards*© providing a 1-100 score for all properties and portfolios, documenting increased cash flow and value, and reduced expenses.

The Standards are the exclusive jurisdiction of CMP’s Green Building Underwriting Standards Committee that is conducting Standards Education and adoption with leading financial institutions and developers.

CMP’s *Capital Markets Briefing Paper: Sustainable Investment Business Case*© documents four years of due diligence with investors, investment banks and rating agencies, that green buildings and certified sustainable products are more profitable, less risky, and preferred by investors in a Survey initiated with S&P covering over \$3.2 trillion in assets. The Paper is supported by the Bank of America and Energy Foundations, the Federal Home Loan Bank, and an anonymous green affordable housing investment foundation.

The Standards are available at: http://webstore.ansi.org/ansidocstore/dept.asp?dept_id=3144