



OFFICE OF HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

Green MIP Annual Compliance Info Sheet

MULTIFAMILY GREEN MORTGAGE INSURANCE PREMIUM (MIP)

In 2016 HUD instituted a reduced MIP program, [Green Housing MIP](#), to encourage the adoption of more energy efficient and sustainable standards for construction, rehabilitation, repairs, maintenance, and property operations. Owners who have an outstanding loan with a reduced MIP under this program are contractually obligated to various reporting requirements to ensure compliance.

ANNUAL GREEN MIP COMPLIANCE EXPECTATIONS

Properties subject to the Green MIP program must achieve and maintain an ENERGY STAR® Statement of Energy Performance (SEP) score of 75 or higher as evidenced by a report from [ENERGY STAR Portfolio Manager®](#). Portfolio Manager produces the SEP, which summarizes a calendar year energy consumption for the property. A Qualified Energy Professional, as defined in the MAP Guide Chapter 6.4.8, must sign the SEP to verify the data. Twelve full months of energy (and/or water) data are necessary to construct these reports. ENERGY STAR® provides a [Quick-Start Guide](#), [resources for Multifamily properties](#), and [a video on how to create reports](#). Owners are expected to submit a verified and signed ENERGY STAR® Statement of Energy Performance by **March 31st** directly to the appropriate field office's incoming mail box on an annual basis.

INFORMATION FOR PROPERTIES WITH SCORES BELOW 75

If the property receives a score below 75, the property's energy usage will be reviewed to determine if the noncompliant score is the result of a significant increase in energy usage, the property must implement corrective actions identified in:

- An ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers) Level II Energy Audit if the score is above 25 and this is the first instance of noncompliance.
- ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers) Level III Energy Audit if the score is 25 or below and/or this represents a consecutive occurrence of non-compliance.

Such implementation will be monitored through the submission of monthly progress updates to the appropriate field office. The adequacy of the implemented corrective action plan will be evaluated upon next year's submission of SEP, and further enforcement actions may apply. Owners are expected to discuss corrective actions with their assigned account executive.

IN THE EVENT OF NON-COMPLIANCE:

Owners who agree to receive the Green MIP rate enter into a legally binding agreement for a significant monetary benefit. In the event of noncompliance, HUD will implement protocols for unacceptable property standards to ensure the owner brings the property into compliance, some remedies include but are not limited to:

- APPS flags, which may jeopardize future business opportunities with HUD
- Prohibited/limited from making distributions of surplus cash
- May be grounds for rejection for future Green MIP applications

Similar remedies may be used if an owner fails to submit an SEP, their SEP is incomplete, or they fail to take sufficient action for a property with a score below 75.