

Products & Terms

# Enterprise Green Accelerator

Available Q1 2025



## Multifamily Financial Products

At Enterprise, we're transforming affordable housing development practices so that homes are climate resilient and leading the transition to a low-carbon economy. We offer a suite of products that will typically serve as additional subsidy in the capital stack, supporting the adoption of clean energy measures and addressing gaps in deep energy projects benefiting low-income and disadvantaged communities across the United States.

- **Subordinate Loan** for hard and soft costs associated with rehab and new construction projects that reduce or avoid greenhouse gas emissions.
- **Bridge Loan** to tax credit equity, rebates, or grant subsidies that become available upon installation/completion.
- **Solar Energy Loan** for solar energy improvements and/or installation of solar energy.

Power Forward Communities is a landmark coalition Enterprise co-leads with some of the country's most trusted community development, climate, and housing organizations. The Environmental Protection Agency has **awarded the coalition** a \$2 billion National Clean Investment Fund (NCIF) grant.

Enterprise Green Accelerator seeks to use this award to deploy a powerful combination of financing, market building, and community engagement to create healthier, safer, and more affordable homes.

Interested housing, community, government, and technical assistance partners can learn more about the coalition and see Frequently Asked Questions by visiting [powerforwardcommunities.org](https://powerforwardcommunities.org).



## Contact Us

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# Enterprise Green Accelerator

## Building Performance Standards

	Building Renovations	New Construction
Category 1	<p><b>Energy Efficiency Rehab Loan</b></p> <ul style="list-style-type: none"> <li>• 20% improvement in energy performance compared to pre-rehabilitation</li> <li>• No new or replacement systems may be powered by fossil fuels; new or replacement systems must be all electric (exceptions for backup power sources and DHW systems for buildings over 7 stories)</li> </ul>	<p><b>Green New Construction Loan</b></p> <p>Certification to Enterprise Green Communities, including:</p> <ul style="list-style-type: none"> <li>• Certification to ENERGY STAR Residential New Construction Program</li> <li>• All electric (exceptions for backup power sources and DHW systems for buildings over 7 stories)</li> </ul>
Category 2	<p><b>Net-Zero Over Time Loan</b></p> <p>Certification to Enterprise Green Communities Zero Carbon Over Time, including:</p> <ul style="list-style-type: none"> <li>• 30% improvement in energy performance compared to pre-rehab</li> <li>• No new or replacement systems may be powered by fossil fuels; new or replacement systems must be all electric (exceptions for backup power sources and DHW systems for buildings over 7 stories)</li> <li>• Pathway to zero scope 1 and 2 emissions over time</li> </ul>	<p><b>Green Plus New Construction Loan</b></p> <p>Certification to Enterprise Green Communities Certification Plus, including:</p> <ul style="list-style-type: none"> <li>• Certification to DOE ZERH, PHI Classic, or PHIUS</li> <li>• All electric (exceptions for backup power sources and DHW systems for buildings over 7 stories)</li> </ul>
Category 3	<p><b>Net-Zero Rehab Loan</b></p> <p>Certification to Enterprise Green Communities Plus as well as compliant with National Zero Emissions Building Definition, including:</p> <ul style="list-style-type: none"> <li>• Energy performance verified as within the top 25% most efficient buildings in the market with similar use, based on measured whole-building energy use</li> <li>• All electric (exceptions for backup power sources and DHW systems for buildings over 7 stories)</li> <li>• Install and/or procure carbon-free energy sources which in sum will produce as much or more energy in a given year than the project is modeled to consume</li> </ul>	<p><b>Net-Zero New Construction Loan</b></p> <p>Certification to Enterprise Green Communities Certification Plus as well as compliant with National Zero Emissions Building Definition, including:</p> <ul style="list-style-type: none"> <li>• Certification to DOE ZERH, PHI, or PHIUS</li> <li>• All electric (exceptions for backup power sources and DHW systems for buildings over 7 stories)</li> <li>• Install and/or procure carbon-free energy sources which in sum will produce as much or more energy in a given year than the project is modeled to consume</li> </ul>

Certifications equivalent to Enterprise Green Communities will be accepted.

# Enterprise Green Accelerator

## Products & Terms: Subordinate Loan

<b>Key Project Requirements</b>	<ul style="list-style-type: none"><li>• Meets the Building Performance Standard requirements of Existing Building Renovations or New Construction Category 1, 2, or 3.</li><li>• Loan proceeds will be limited to filling project financing gaps based on Eligible Costs (see below).</li><li>• The greenhouse gas reducing scope of work is expected to be larger for Category 2 and Category 3 projects, and these projects will support more GGRF financing.</li><li>• Financing of construction activities will trigger Davis-Bacon and Related Acts compliance requirements. Some project types may trigger Build America Buy America requirements.</li></ul>
<b>Project Types</b>	Multifamily affordable housing, mixed-use, charter schools, community facilities.
<b>Eligible Costs</b>	Hard and soft costs associated with the scope of work that reduces or avoids greenhouse gas emissions.
<b>Loan Type</b>	Construction converting to Permanent; Permanent
<b>Interest Rate</b>	1-3%, lower rates within the range available for higher impact projects.
<b>Collateral</b>	Subordinate lien on real estate.
<b>Term</b>	Flexible, with maturity tied to terms of other sources in capital stack.
<b>Amortization/Repayment</b>	Flexible based on review of project cash flows and intercreditor negotiation. Generally expected to include must-pay interest only; amortizing principal and interest payments when possible; cash flow contingent principal payments if necessary. Balloon repayment at maturity, with the opportunity for rolling over the loan at future capital event, if needed.
<b>Loan-to-Value</b>	N/A
<b>Debt Service Coverage Ratio</b>	Minimum 1.05x for all must-pay debt; percentage of surplus cashflow for residual receipt loan.
<b>Guarantees</b>	Limited recourse guaranty for bad acts from corporate sponsor and/or individual sponsor.
<b>Diligence Requirements</b>	<ul style="list-style-type: none"><li>• Third-party reports modeling the reduction in greenhouse gas emissions.</li><li>• Standard due diligence for real estate secured construction financing; appraisal, environment site assessment(s), capital needs assessment, plan and cost review construction inspector, payment and performance bond, title insurance survey.</li><li>• Ongoing reporting requirements to be determined.</li></ul>
<b>Loan Fees</b>	Up to 1.5% of loan amount plus legal fees.

# Enterprise Green Accelerator

## Products & Terms: Other Products

Terms	Bridge Loan	Solar Energy Loan
<b>Purpose</b>	Provide a bridge to tax credit equity, rebates, or grant subsidies that become available upon installation/completion.	Construction to permanent financing for solar energy improvements and/or installation of solar energy.
<b>Eligible Costs</b>	Hard and soft costs associated with the scope of work that reduces greenhouse gas emissions.	Residential rooftop solar systems, carport solar systems, ground-mounted solar, storage, fuel cells, and enabling upgrades, including interconnection expenses.
<b>Project Requirements</b>	Financing of construction activities will trigger Davis-Bacon and Related Acts compliance requirements. Some forms of financing may trigger Build America Buy America requirements.	
<b>Interest Rate</b>	Up to 3%, with potential for preferred rates for higher impact projects	Up to 4% with potential for preferred rates for higher impact projects
<b>Collateral</b>	Senior lien on and/or assignment of bridged sources. Possible lien on equipment being financed and/or subordinate lien on project real estate.	Senior lien on equipment and, if applicable, assignment of Power Purchase Agreement (PPAs); Energy Service Agreements; SREC sale contracts; Engineering Performance Guarantees, Production Insurance
<b>Term</b>	1–3 years	15–25 years
<b>Amortization/ Repayment</b>	Interest-only; repayment upon receipt of bridged source	Interest only during the construction period; amortizing principal and interest payments once placed in service, amortization schedule up to 25 years; balloon repayment at maturity, unless fully amortizing
<b>Loan-to-Value / Advance Rate</b>	Advance rate up to 100%	Up to 100%
<b>Debt Service Coverage Ratio</b>	N/A	Minimum 1.10x
<b>Guarantees</b>	Guaranty from corporate sponsor; Personal Guarantees from for-profit owners of 20% or more of Project. All Guarantees joint and several.	
<b>Diligence Requirements</b>	To be determined for these products.	
<b>Loan Fees</b>	Up to 1.5% of loan amount plus legal fees.	