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Unanimously Approved 09 Sept 2008. Unanimously Amended 01 Dec 2014.

Underwriting Standards' Data & Assumptions are from Green Bond / Sustainable Investment Business Case Released at NYSE (2009), Supported by U.S. Conference of Mayors, & Updated by Leading Economists (2013). The peer-reviewed Business Case consists of over 30 reports, consensus standards and investor surveys including statistically valid data documenting that sustainable investment and green bonds are more profitable, less risky, & preferred by investors. The Business Case and Underwriting Standards were reviewed at national public meetings at Federal Reserve Offices and independently by Treasury & the Fed.

The Underwriting Standards were approved in an American National Standards Institute (ANSI) Accredited Consensus Process. Consensus standards are democratically approved thus protecting entities that adopt them from restraint of trade and antitrust litigation because interested and affected parties' constitutional due process rights are protected, including notice and an opportunity to be heard. By statute, consensus standards are required to be used by federal agencies where there is no pre-existing federal standard. These transparent Underwriting Standards are available for sale at the ANSI web site under "MTS."

Underwriting Standards Covered

Green Buildings
Green Homes
Green Buildings & Homes: Productivity
Resilient Buildings + Homes
Green + Resilient Infrastructure
Resiliency Checklist
Sustainable Manufacturing, Retailing & Clean Vehicles
National Public Meeting for Standards' Approved Amendments

GREEN BUILDING UNDERWRITING STANDARD

- 1.0 Introduction
- 2.0 Scope and Objective
- 3.0 Standard Adoption – Financial Institutions
- 4.0 Additional Underwriting Information
 - 4.1 Implementation – Underwriting Data Requirements
- 5.0 Consensus Standards – Background Information
 - 5.1 USGBC LEED®
 - 5.2 EPA ENERGY STAR
 - 5.3 Climate Neutral Certification
 - 5.4 International Green Construction Code (IgCC™)
- 6.0 Emergency Nature of the Standard
- 7.0 Risk Reduction
- 8.0 Intangible Value and Market Goodwill
- 9.0 CMP Green Value Score® Scoring System
 - 9.1 Validation Requirement
 - 9.2 Calculation Overview
 - 9.3 Discussion of “Value Ratio”
 - 9.4 Tracking Over Time
 - 9.5 CMP Green Value Score® Scoring Examples
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- 10.0 LEED Standard Selection – LEED-NC, LEED-CS and LEED-OM
 - 10.1 LEED NC and LEED-CS Equivalency
- 11.0 Green Building Investment Underwriting Standard Methodology
 - 11.1 CMP Green Value Score® Discussion of “Adjustment Factor”
 - 11.2 CMP Green Value Score® Scoring Mechanics (diagram)
 - 11.3 CMP Green Value Score® Scoring Process (diagram)
- 12.0 Proforma Revenue Inputs
 - 12.1 Proforma Revenue Adjustments
 - 12.2 Other Green Strategies
 - 12.3 LEED-NC Proforma Revenue Considerations (diagram)
- 13.0 Proforma Expense Adjustments
 - 13.1 LEED® Proforma Expense Adjustments
 - 13.2 Summary: Proforma Expense Considerations (diagram)
- 14.0 SUMMARY – All Proforma Considerations (diagram)
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- 16.0 Mandatory Revision

APPENDIX – EPA Score Background Information
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MANDATORY ANNEX – Blank Scorecards & Legally Binding Certification

GREEN HOME UNDERWRITING STANDARD

- 1.0 Introduction
- 2.0 Scope and Objective
- 3.0 Standard Adoption – Financial Institutions
- 3.1 Due Diligence Overlay
- 3.2 Reporting – Underwriting Exhibit or Appraisal Attachment
- 3.3 Uses – Primary and Secondary Market
- 4.0 Additional Underwriting Information
 - 4.1 Implementation – Underwriting Data Requirements
- 5.0 Consensus Standards – Background Information
 - 5.1 USGBC LEED
 - 5.2 EPA ENERGY STAR

- 5.3 Climate Neutral Certification
- 6.0 Emergency Nature of the Standard
- 7.0 Risk Reduction
- 8.0 Intangibles: Market Goodwill and Externalities
- 9.0 Utility Expense Reduction Assumptions / Areas of Value Creation
- 10.0 CMP Green Score™ Scoring System
- 10.1 Validation
- 10.2 CMP Green Score Calculation – Overview
- 10.3 CMP Green Score “Value Ratio”
- 10.4 ENERGY STAR Score Determination
- 10.5 Tracking Over Time
- 10.6 Scoring Examples
- 11.0 Green Building Underwriting Standard – Calculation and Scoring
- 11.1 “Adjustment Factor” Discussion
- 12.0 Green Building Underwriting Standard – Scoring Mechanics
- 12.1 Four Step Scoring Process
- 13.0 Utility and Expense Reductions
- 14.0 Other Positive Value Attributes
- 15.0 SUMMARY: Residential Asset Attribute – Expense / Value Analysis
- 16.0 Mandatory Revision

APPENDIX – Blank Scorecards

APPENDIX – ENERGY STAR Residential Information

APPENDIX - US Conference of Mayors Resolution

GREEN BUILDINGS & HOMES: PRODUCTIVITY UNDERWRITING STANDARD

- 1. Sources / Referenced Standards
- 2. Background / Perspective / Valuation Goals & Principles
- 3. Significance of Productivity
- 4. Productivity Case Studies
- 5. Amendment: Green Value Score Recognition of Productivity for Green Properties

RESILIENCE UNDERWRITING CHECKLIST STANDARD

SAFE + RESILIENT STRUCTURES, INFRASTRUCTURE + COMMUNITIES

A Checklist + Strategic Resource Incorporated into the Green Property Underwriting Standards

ACUTE / SHORT-TERM HAZARD PREPAREDNESS, MITIGATION + ADAPTATION

Hazard Preparedness

Hazard Mitigation + Adaptation

CHRONIC / LONG-TERM ADAPTATION + RESILIENCE

Community Social + Economic Capital

Health, Diversity + Productivity

Water, Energy + On-Site Food Production

Materials + Resource Flows

Innovation + Region

RESILIENT BUILDINGS & HOMES UNDERWRITING STANDARD

1. Sources / Referenced Standards
2. Background / Perspective / Valuation Goals & Principles
 - a. Underwriting definition
 - b. Resilient definition
 - c. Wall St. Due Diligence findings
 - d. Design, construction & valuation principles & goals
3. Underwriting Standards Scoring Mechanics & Bond & Portfolio Certification

INTEGRATIVE PROCESS + HOLISTIC PLANNING

4. Short-Term Hazard Preparedness + Mitigation: prerequisite
5. Integrative Process: prerequisite
6. Commissioning + Energy & Water Performance Disclosure: prerequisite

ACUTE / SHORT-TERM HAZARD PREPAREDNESS, MITIGATION + ADAPTION

7. Extreme Events: Emergency Planning: prerequisite for buildings
8. Back-up Power Above Flood Level: prerequisite
9. Access to First Aid, Communications, Food, Supplies, Potable Water: prerequisite
10. Sites of Avoidance, Flood Plain, Storm Surge + Sea Rise: prerequisite
11. Safe Design for Extreme Weather, Wildfire, Fire + Seismic Events: prerequisite
12. Adaptive Design for Flooding, Sea Rise, Storm Surge, Extreme Weather Events + Hazards
13. Stormwater and Flood Management – Conventional & natural systems
14. Transit + Transportation Connectivity + Protection

CHRONIC LONG TERM RESILIENCY + ADAPTATION

15. Protect Wetlands + Avoid Steep Slopes and Adverse Geology
16. Resilient Food Production Access, Edible Landscaping, Urban Agriculture
17. Legally Logged Wood Certification
18. No Pesticides, Herbicides
19. Intangibles

RESILIENT VALUE SCORE

APPENDIX

GREEN + RESILIENT INFRASTRUCTURE UNDERWRITING STANDARD

1. Sources / Referenced Standards
2. Background / Perspective / Valuation Goals & Principles
 - a. Underwriting definition
 - b. Resilient definition
 - c. Wall St. Due Diligence findings
 - d. Design, construction & valuation principles & goals
3. Underwriting Standards Scoring Mechanics & Bond & Portfolio Certification

INTEGRATIVE PROCESS / HOLISTIC PLANNING

4. Short-Term Hazard Preparedness + Mitigation: prerequisite
5. Integrative Process prerequisite
6. Commissioning + Energy & Water Performance Disclosure: prerequisite
7. Business + Community Case Analysis, Post-Development Evaluation and Reporting: prerequisite

ACUTE / SHORT TERM HAZARD PREPAREDNESS, MITIGATION + ADAPTATION

8. Extreme Events: Emergency Planning: prerequisite
9. Back-up Power Above Flood Level: prerequisite
10. Access to First Aid, Communications, Food, Supplies + Potable Water: prerequisite
11. Sites of Avoidance: Flood Plain, Storm Surge + Sea Rise: prerequisite
12. Safe Design for Extreme Weather, Wildfire, Fire + Seismic Events: prerequisite
13. Adaptive Design for Flooding, Sea Rise, Extreme Weather, Events + Hazards
14. Stormwater and Flood Management – Conventional & Natural Systems
15. Transit + Transportation Connectivity + Protection

CHRONIC / LONG-TERM RESILIENCY + ADAPTATION

16. Improve Community Quality of Life
17. Improved access and walkability, reductions in commute times, traverse times to existing facilities and transportation
18. Energy Efficiency, Onsite Renewable Energy + Atmospheric Protection: prerequisite
19. Ensuring Healthy, Non-Toxic Materials: prerequisite
20. Funds & Resources are Committed for Long Term Maintenance & Monitoring for Energy Efficiency & Renewable Energy
21. Ensuring Safe & Healthy Materials & Products: prerequisite
22. Water Efficiency & Protection. Protect Fresh Water Availability, Reduce Potable Water Consumption: prerequisite
23. Protect Wetlands + Avoid Steep Slopes and Adverse Geology
24. Legally Logged Wood Certification
25. No Pesticides, Herbicides
26. Water Efficient Sites + Resilient Water and Landscapes: Building + Site
27. Reduced Site Environmental Impacts: Lighting, Heat-Island
28. Intangibles

SUSTAINABLE + RESILIENT VALUE SCORE

APPENDIX

UNDERWRITING STANDARD FOR SUSTAINABLE MANUFACTURING, RETAILING & CLEAN VEHICLES / FLEETS

Executive Summary

- 1.0 Introduction
- 2.0 Scope and Objective
- 3.0 Standard Adoption – Financial Institutions / Capital Markets
- 4.0 Additional Underwriting Information Requirements
- 4.1 Implementation – Underwriting Data Requirements
- 5.0 Consensus Standards – Background Information
- 6.0 Emergency Nature of the Standard
- 7.0 Risk Reduction
- 8.0 Brand and Market Goodwill
- 9.0 CMP Green Value Score© Scoring System
- 9.1 Validation Requirement
- 9.2 Calculation Overview
- 9.3 Discussion – Green Value Score©: Underwriting & Brand Value Score
- 9.4 Tracking Over Time
- 9.5 CMP Green Value Score© Scoring Examples
- 10.0 Sustainable Manufacturing Underwriting Standard Methodology
- 10.1 Discussion of Points Assigned Underwriting Score Credits
- 10.2 CMP Green Value Score© Rational for Assigning Point Totals
- 10.3 CMP Green Value Score© Scoring Process (diagram)
- 11.0 Proforma Revenue Inputs
- 12.0 Mandatory Revision

MANDATORY ANNEX - Proforma Revenue Inputs, Expense Assumptions

1. Proforma Revenue Adjustments
2. Summary: Proforma Revenue Considerations
3. Proforma Expense Assumptions
4. Proforma Expense Adjustments
5. Summary: Proforma Expense Considerations (diagram)
6. Summary: All Proforma Considerations (diagram)
7. Applying the Standard in Proformas

MANDATORY ANNEX 2 – Blank Scorecards

MANDATORY ANNEX 3 – Legally Binding Certification

APPENDIX – Green Value Score© Report

APPENDIX – US Conference of Mayors Support Resolution

NATIONAL PUBLIC MEETING FOR STANDARDS' APPROVED AMENDMENTS

Underwriting for Green + Resilient Buildings, Homes + Infrastructure Bonds



National Ballot Vote of Approval + Request for Your Vote



We are seeking your written ballot vote for the Resilient Homes + Buildings & Sustainable + Resilient Infrastructure Amendments + Checklist. The Ballot Form & Amendments & Checklist are available at: <http://mts.sustainableproducts.com/resiliency>

What are the benefits of Consensus-based Underwriting Standards? What is the need?

Green Properties are a \$450B/yr. US industry with explosive growth. The Consensus-based Underwriting Standards' Green Value Score covers homes, buildings, community infrastructure, & manufacturing. They identify important Green + Resilient property attributes that increase economic value and mobilize funding for sustainability and adaptation at multiple scales. The Standards are being used for Green Property Bonds being issued in 2014 and Green + Resilient Bonds in 2015. The standards also support higher credit ratings for cities by reducing cost and risk through sustainability + resiliency. They cover 90% of global economic activity throughout the supply chain.

Underwriting Standards are used to raise capital for debt + equity, including bonds. Consensus standards are developed through a national vote of approval in a democratic process, and are required by regulators and rating agencies to reduce legal, technical, political and business risk and uncertainty.

Key Resiliency Attributes for Property, Infrastructure + Communities:

Reduced Economic Risk to Property Value from exposure to acute Natural Disasters, Climate Change + Social Stress

- Extreme weather, rain, drought, wildfire, earthquakes, sea level rise, terrorism + more

Increased Property Value + Recognition through Sustainability, Ecological Well-being + Long-term Resiliency

- Energy & water efficiency, renewable power, improved indoor air, commissioning, proximity to transit, productivity, integrative process
- Human + Ecological Health, vitality, diversity + productivity, community connectivity, local & regional economic vitality + more

Sequoias are a good example of resiliency; withstanding storms, fire, drought, and disease—living over 3000 years.



The National Consensus Green Property Underwriting Standards are being amended to include Resiliency.

Along with carbon mitigation and reduction, they will now include climate adaptation + infrastructure for communities.

Please Vote at:

<http://mts.sustainableproducts.com/resiliency>



PERKINS + WILL

