

Financing Greener Buildings

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Together we'll go far



Outline

- Opportunities
- Walking the walk
- Financing greener buildings
 - Commercial real estate
 - Municipal buildings
 - Affordable homes
 - Residential real estate
 - Retrofits

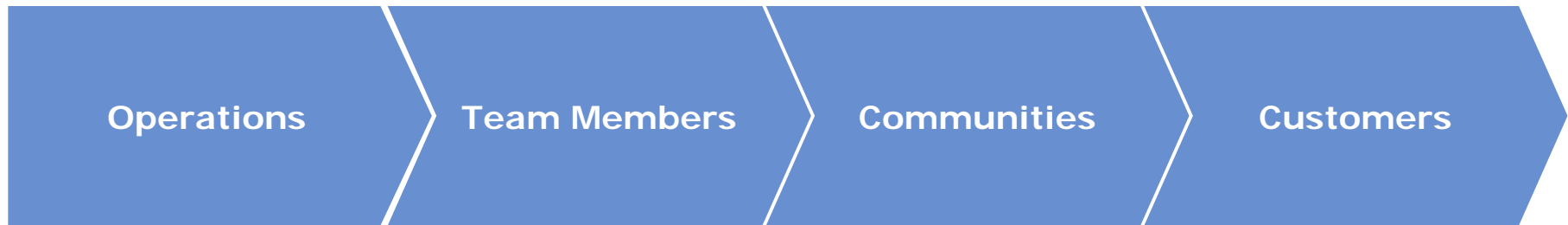
Opportunities

- In the U.S., buildings account for 72% of electricity consumption
- Improving the efficiency of buildings is critical to reducing energy costs and greenhouse gas emissions
- We have tremendous opportunity to work with our customers to promote greener buildings, as the #1 (as of 2Q, 2010)
 - Commercial real estate lender and brokerage in the U.S.
 - Total mortgage provider; retail mortgage provider
 - Prime home equity originator

Wells Fargo's Environmental Commitment

- At Wells Fargo, we work to integrate environmental mindfulness into everything we do – including how and to whom we lend
- We do so because we're concerned about environmental degradation and the affect it is having on our customers, communities and planet

Our environmental framework



- | | | | |
|--|---|---|---|
| <ul style="list-style-type: none">▪ Greenhouse gases▪ Paper reduction▪ Recycling▪ Supply chain▪ Etc. | <ul style="list-style-type: none">▪ Corporate values▪ Engagement▪ Green Teams▪ Internal Education▪ Etc. | <ul style="list-style-type: none">▪ Eco Development▪ Grants▪ Education▪ Alliances▪ Etc. | <ul style="list-style-type: none">▪ Eco Finance▪ Offers▪ Education▪ Online products▪ Etc. |
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Our framework as it relates to greener buildings

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|---|--|---|--|
| <ul style="list-style-type: none">▪ We work to make our buildings greener | <ul style="list-style-type: none">▪ We educate our team members about greener building practices so they can better serve our customers, and so they can maximize our own high performance buildings | <ul style="list-style-type: none">▪ Though grants and hands-on support, we work to support the development of greener and healthier low- to-moderate income homes | <ul style="list-style-type: none">▪ We offer products and services that support the development of greener buildings |
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Walking-the-walk

Below center, the Duke Energy Center, which is owned and operated by Wells Fargo, achieved the highest level of U.S. Green Building Council's ratings --LEED® Platinum. It is located in Charlotte, N.C.



In our retail banking stores...

- All new stores are pre-certified Leadership in Energy and Environmental Design (LEED®) by design helping to save and estimated 20% in energy and 40% in water consumption compared to conventional buildings of the same type
- Efforts are underway to make nearly 50% of our retail banking stores adhere to standards set by the U.S. Green Building Council
- Nearly 50 LEED stores; working to achieve LEED EBOM (Existing Buildings, Operations and Maintenance) certification for our existing stores

Texas



California



Colorado



Collaborating for greener buildings

- **Clinton Climate Initiatives**
 - Take down barriers to energy efficiency retrofits
- **Grid Alternatives**
 - Solar on affordable homes
- **National Housing Trust**
 - Weatherization for multi-family rental developments
- **U.S. Green Building Council**
 - Regreenprogram.org, green renovation “how to’s”
- **Urban Land Institute**
 - Support multi-stakeholder collaboration for greener buildings
- **The Center for Housing Policy**
 - Education for residential communities surrounding energy efficiency and greener building strategies

FINANCING

Commercial Real Estate

- Provided more than \$3 billion for LEED commercial buildings
 - We have great customers; seek long-term relationships
 - We work with them, case-by-case to finance projects
 - Our team is experienced and understands benefits of greener buildings
 - Our underwrites take a “sharpened pencil” approach to greener building transactions



LEED Platinum Certified Signature Center Building- CO
Photo courtesy of Aardex

Municipal buildings

- Wells Fargo's Sustainable Public Infrastructure Group finances energy efficiency upgrades
- In most of these projects, energy service companies identify cost-effective retrofit and upgrade opportunities for existing lighting, heating, ventilation, and air-conditioning equipment
- These projects are budget-neutral for the participating customers, mostly schools and municipalities, reducing their energy usage over the life of the new equipment

Los Vecinos – LEED Platinum Certified

- Wakeland Housing & Development Corporation developed the 42-unit affordable apartment complex located in Chula Vista, CA. All units are for residents earning between 30-60% of the area median income. Residents who are mindful of their electricity use could potentially have no electricity costs as they are effectively offset by Los Vecino's solar power system
- Wells Fargo Community Lending and Investment provided financing for this project



Photographer Mark Lipsky

Residential opportunities

- **Energy-efficient mortgages:** Our energy-efficient mortgages, available through Wells Fargo Home Mortgage Consultants (for FHA qualified loans), offer energy-saving upgrades and can help customers qualify for larger loans based on those savings.
- **Purchase & Renovatesm Program:** Homebuyers who want to make their homes more energy efficient can get loans based on the home's value after improvements are made, including savings from energy-saving upgrades.
- **Home Equity Line of Credit:** Finance energy saving retrofits with larger home improvement projects to take advantage of longer term loans
- **Solar Incentive** (pilot): Customers in Colorado can receive up to \$1,000 in incentives when they purchase a solar system worth \$15,000 or more for their home using funds from a home equity loan or line of credit

Education

- **Green Remodeling Guidelines:** We partnered with BuildItGreen to provide our customers on how to incorporate more environmentally friendly considerations in their home-remodeling projects
 - <https://www.wellsfargo.com/equity/homeimprovement/buildgreen>
- **“The Green Home Guide: Connecting the Green Dots”** video will empower you with the information necessary to buy or remodel green
 - <http://www.nahb.org/generic.aspx?genericContentID=112096>
- **Center for Housing Policy:** We provided a grant to create an online toolbox for residential energy efficiency resources
 - http://www.housingpolicy.org/toolbox/energy_efficiency.htm

Our environment

Everyday actions make a differenceSM