Introduction to the ENERGY STAR Multifamily New Construction (MFNC) Program

The U.S. Environmental Protection Agency’s ENERGY STAR MFNC program is designed to reduce energy usage in multifamily buildings while improving comfort, indoor air quality, and durability.

What buildings are eligible to participate in the ENERGY STAR MFNC program?

All site-built or modular multifamily buildings that are not single-family detached homes or duplexes are eligible to participate in the Multifamily New Construction program, including townhomes. Mixed-use buildings may use this program if they are at least 50% residential. The program is primarily intended for new construction. You can learn about other ENERGY STAR Residential New Construction programs for single-family and manufactured new homes on EPA’s website.

What are the elements of an ENERGY STAR MFNC building?

| Efficiency & Testing             | • Above-code performance of dwelling units and common spaces  |
|                                  | • Third-party inspections and functional tests               |
| Comfort                         | • Complete thermal enclosure system                         |
|                                  | • Individually-sealed dwelling units                        |
|                                  | • Properly sized and installed HVAC system                  |
| Air Quality                     | • Dwelling-unit fresh air system                            |
|                                  | • Kitchen and bath fans that perform well and exhaust outside|
|                                  | • Combustion safety                                        |
| Durability                      | • Complete water management system                         |

It all starts with above-code performance. All ENERGY STAR multifamily buildings must demonstrate energy savings of at least 10% over their state’s energy code using an Energy Rating Index (ERI) score, ASHRAE 90.1 model, or EPA’s prescriptive energy efficiency features. Buildings must also include mandatory efficiency measures related to lighting and HVAC controls for common spaces, central systems, and garages. Buildings ≥ 50,000 ft² must have a strategy to collect energy data and allow benchmarking of performance once occupied.

Verified by third-party inspections and tests. Raters and HVAC professionals ensure that required efficiency features are included, verify critical construction details, and perform system tests to ensure proper operation.

- **Rater inspections and field tests.** An independent Rater verifies that efficiency measures and key required features are installed and that dwelling-unit air-tightness, dwelling-unit and central exhaust duct tightness, ventilation fan airflow in dwelling units and common spaces, and dwelling-unit hot water temperatures all meet performance thresholds.
- **HVAC functional testing:** All HVAC systems, including central systems and those serving common spaces, must undergo functional testing. Depending
And adds seven key features. If your buildings already achieve above-code energy performance, you’re well on your way to ENERGY STAR. Now, just include these seven key features, which your Rater will verify during their inspections:

1. **Complete thermal enclosure system.** Minimum requirements for insulation levels and window performance, properly installed insulation, comprehensive air sealing, and strategies to reduce thermal bridges from framing, slabs, and columns. This helps maintain year-round comfort.

2. **Individually-sealed dwelling units.** Dwelling units must be individually air-sealed from outdoors, adjacent units, and common spaces, as well as meet a tested air-tightness limit. This reduces energy loss while also minimizing pest, odor, and sound transfer between units.

3. **Properly sized and installed HVAC systems.** Dwelling-unit HVAC systems must be properly sized with sealed ductwork and have a thermostat within the unit, a return-air pathway for bedrooms (where applicable), and a properly installed MERV 6 or better filter. For common spaces and central systems, loads must be documented, and applicable controls installed. These measures improve comfort through even temperatures and good air circulation.

4. **Dwelling-unit fresh air system.** This system delivers a consistent amount of air into each dwelling unit (e.g., using a bath fan with a controller, a motorized damper on the HVAC system, or a heat recovery ventilator). This dilutes contaminants inside to improve indoor air quality.

5. **Kitchen and bath fans that perform well and exhaust outside.** A range hood or exhaust fan in kitchens and full baths that vents outside and meets minimum airflow rates. This removes moisture and contaminants at the source.

6. **Combustion safety.** To prevent dangerous combustion gases from accumulating in the dwelling unit, furnaces, boilers, water heaters, and fireplaces must be power-vented or direct-vented; or installed in lower-risk areas such as exterior balcony closets.

7. **Complete water management system.** Construction details (like proper flashing), which developers are responsible for implementing, ensure that bulk moisture drains away from the building and safeguards materials inside.

To view the full program requirements, visit: energystar.gov/newhomesrequirements.

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**How can ENERGY STAR certified buildings earn the federal tax credit?**

The Inflation Reduction Act revised the 45L New Energy Efficient Home Credit and extended it through 2032. A dwelling unit that meets ENERGY STAR MFNC Program Requirements can earn $2,500 (or $500, if prevailing wage requirements are not met). EPA is awaiting guidance from the IRS on the applicability timeline for different program versions to earn the tax credit.

**How can a developer get started?**

1. [Find a Rater](#) to analyze how close your buildings are to achieving ENERGY STAR.
2. Sign EPA’s free [Partnership Agreement](#) to make you eligible to certify your buildings.