



Condominium Questionnaire CPM – Full Review – Established Projects (5+ Units)

Borrower Name	Project Name	Unit Number
Project Address		Monthly HOA Dues:

Guide Eligibility Questions		Yes	No
1. Does the project operate as a hotel or motel? (This would include mandatory rental agreements)			
2. Is the project a timeshare or a segmented ownership project?			
3. Is the project a houseboat project?			
4. Is the project a multi-dwelling unit condominium (in which ownership of multiple units is evidenced by a single deed and mortgage)?			
5. Are the units in the project subject to split ownership arrangements or other arrangements that restrict the owner's ability to occupy the unit such as mandatory rental pooling agreements, common interest apartments or community apartment projects?			
6. Does the project/HOA receive non-incidental income above 15% from the ownership and/or operation of amenities or services for use by the unit owners and the general public?			
7. Does the project permit a priority lien for unpaid common expenses in excess of 6 months?			
8. Is the project, in whole or in part, operated as a continuing care facility which provides medical and/or supportive services to unit owners? <i>(Projects that make continuing care services available to residents are only eligible if the continuing care facilities or services are not owned or operated by the HOA, and unit owners are not obligated to purchase or utilize the services through a mandatory membership, contract, or other arrangement.)</i>			
9. Are residential unit owners required to pay mandatory upfront and/or periodic membership fees for the use of recreational amenities (such as country club facilities, golf courses, etc.), that are NOT owned by the HOA or master association and instead are owned by an outside party (including the developer and builder)?			
10. Are any of the HOA project's facilities, amenities, common elements, or limited common elements owned by any entity other than the HOA)?			
11. Are there any environmental hazards that have not been appropriately assessed and remediated?			
12. Are units in the project subject to resale restrictions?			
13. Is the project a cooperative?			
14. Is the project a planned unit development (PUD)?			
15. Is the project a manufactured housing project?			
16. Is the homeowner's association or sponsor/developer (if control of the HOA has not been turned over to unit owners) named as a party to any litigation? (If the answer is no, skip questions 17 & 18)			
17. Is the project currently in litigation related to the safety, structure soundness, habitability or functional use of the project?			
18. Is the project currently in litigation involving minor matters (i.e., non-monetary litigation involving neighbor disputes or rights of quiet enjoyment; litigation for which the claimed amount is known, the insurance carrier has agreed to provide the defense, and the amount is covered by the HOA's corporation's insurance; or the HOA is named as a plaintiff in a foreclosure action, or as a plaintiff in an action for past due HOA assessments) Note: <i>Please provide documentation of the litigation, if applicable</i>			
19. Does the project contain any commercial space? You may answer NO if: (1) the commercial space comprises no more than 35% of the total space, AND (2) the commercial use is compatible with the residential nature of the property? Note: <i>Commercial space managed by or operated under a separate association, as well as rental apartments and/or parking facilities owned by a third party must be considered in this 35% calculation.</i>			
20. A. In what year was the project originally built?		22. B. Date HOA obtained control of project	
23. Investor Concentration			
Number of Units in the entire project:			
Number of Units For Sale:			
Number of Units Sold:			
Number of Units Rented (Investor):			
Number of Units Owner-Occupied (Principal Residences and Second Homes):			
24. Is the project a leasehold? If the project is built on a leasehold estate does the project comply with the Fannie Mae leasehold guideline? (Note: <i>The term of the leasehold must run for at least five years beyond the maturity of the mortgage unless fee simple title will vest at an earlier date in the borrower</i>)			



Condominium Questionnaire

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<p>25. Does a single entity (the same individual, investor group, partnership, or corporation) own more than the following total number of units in the project?</p> <p>26. Projects in which a single entity (the same individual, investor group, partnership, or corporation) owns more than the following total number of units in the project:</p> <ul style="list-style-type: none"> ➤ projects with 5 to 20 units – greater than 2 units? ➤ projects with 21 or more units – greater than 25%? <p>27. The following are excluded from the single—entity ownership calculation:</p> <ul style="list-style-type: none"> ➤ Units are that are owned by the project sponsor or developer and are vacant and being actively marketed for sale. ➤ Exempt units held by non-profits, affordable housing programs (including units subject to non- eviction rent regulation codes), or institutions of higher education <p>28. The single entity ownership requirement may be waived when the transaction is a purchase transaction that will result in a reduction of the single-entity ownership concentration. In such instances, the following requirements must be met:</p> <ul style="list-style-type: none"> ➤ Units owned by the single entity represent no more than 49% of the units; ➤ Evidence is required that the single entity is marketing for sale to further reduce single-entity ownership, with the goal of reducing the concentration to 20% or less of the project units; ➤ The single entity is current on all HOA assessments; and ➤ There are no pending or special assessments in the project. 		
26. Are all units and common areas in the project complete and not subject to additional phasing, and at least 75% of the total units conveyed?		
27. Has control of the HOA been turned over to the unit purchasers?		
28. Are more than 15% of the total units in a project 60 days or more past due on their condominium association fee payments?		
29. Does the project’s annual budget appear to be adequate (i.e., includes allocations for line items pertinent to the type of condominium), including providing for the funding of replacement reserves for capital expenditures and deferred maintenance (at least 10% of the budget) and adequate funding for insurance deductible amounts?		
30. Is hazard insurance in place to cover 100% of the insurable replacement cost of the project improvements, including the individual units? (The deductible may not exceed 5% of the policy’s face amount)		
31. Is liability insurance in place providing at least \$1 million of coverage for bodily injury and property damage per occurrence?		
32. Is flood (if required) in place providing coverage at least equal to the lesser of 80% of the insurable value of each building including all common elements and property or the maximum coverage available under the National Flood Insurance Program		
33. If the project has 21 or more units, is fidelity insurance in place covering the maximum amount of funds that will be in the custody of the owner’s association or Management Company at any time? If the project has 20 or fewer units, fidelity insurance is not required and you may answer yes to this question.		

I certify that the information and statements contained on this form are true and correct.

Printed Name/Title/Phone Number	Management Company Name/Contact Person/Phone/Email
Signature	Date
HOA Name/Contact Person/Phone/Email	Master Insurance Carrier/Agent, Phone/Email
HOA IRS Tax Identification Number (TIN):	Flood Insurance Carrier/Agent, Phone/Email

Documentation Checklist

<input type="checkbox"/>	Condominium Questionnaire – 5+ Units – (Signed/Dated/Completed by the HOA/Management Company)
<input type="checkbox"/>	Current Year Budget and YTD Balance Sheet
<input type="checkbox"/>	Property Master Insurance must cover 100% of the insurable replacement cost of the project improvements, including the individual units in the project
<input type="checkbox"/>	Liability Policy - \$1 Million coverage for bodily injury/property damage per occurrence
<input type="checkbox"/>	Master Flood Policy – The master flood insurance policy must be at least equal to the lower of <ul style="list-style-type: none"> • 80% of the replacement cost, or • The maximum insurance available from NFIP per unit (which is currently \$250,000).
<input type="checkbox"/>	Fidelity Insurance - Required if project has more than 20 Units B7-4-01 Fidelity Insurance
<input type="checkbox"/>	Litigation Letter, if applicable – If the project is currently involved in litigation, please provide documentation –