

# Fannie Mae Limited Condo Project Review (5+ Attached Units) HOA Certification

Loan Number: \_\_\_\_\_ Borrower(s) Name: \_\_\_\_\_  
 Property Address: \_\_\_\_\_  
 Project Name: \_\_\_\_\_  
 Project Address: \_\_\_\_\_

***This 2-page form must be completed & executed by an authorized signatory of the Homeowners Association.***

**If the answer to any question is "No," please provide additional information/explanation in the space provided.**

1. The project contains 5 or more attached units and is not located in the state of Florida?  Yes  No
2. The project does not consist of manufactured homes?  Yes  No
3. The project is not an ineligible project (see page 2, "Ineligible Project Types Checklist")?  Yes  No
4. At least 90% of the total units in the project have been conveyed to the unit purchasers?  Yes  No
5. No more than 15% of the total units are 30 days or more past due on their HOA dues?  Yes  No
6. The mortgagee is not responsible for more than 6 months of delinquent dues if a unit is acquired through foreclosure?  Yes  No
7. All rehabilitation work involved in a condo conversion has been completed in a professional manner?  N/A  Yes  No
8. Project does not contain "live/work" units?  Yes  No
9. There are no age-related deed restrictions?  Yes  No
10. There is no "Right of Refusal" verbiage in the condo project documents?  Yes  No
11. There are no pending special assessments?  Yes  No
12. There is no outstanding litigation?  Yes  No
13. HOA is named as the insured on the unexpired master insurance policy?  Yes  No
14. Common elements/limited common elements are insured to 100% of the replacement cost?  Yes  No
15. The master insurance policy includes "walls-in" coverage?  Yes  No
16. Insurance deductible does not exceed 5% of the face value of the policy?  Yes  No
17. If units or common improvements are located in a flood zone, flood insurance is in force that covers at least 100% of the replacement cost or it provides the coverage maximum available per the federal flood program and the deductible doesn't exceed \$25,000 per building located in the flood zone?  N/A  Yes  No
18. The HOA maintains general liability insurance for the project with coverage of at least \$1 million for bodily injury & property damage for a single occurrence?  Yes  No  
(Note: In CA, the state required coverage is \$2 million for projects with ≤ 100 unit owners, and \$3 million for projects with > 100 unit owners)
19. If the project contains more than 20 units, the HOA maintains blanket fidelity insurance coverage equal to at least three months of assessments on all units in the project?  N/A  Yes  No
20. At least 10-days written notice will be given by the insurance carrier before the policy can be canceled or substantially modified for any reason?  Yes  No

Additional Information:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

HOA Representative Name: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_ Phone #: \_\_\_\_\_

HOA Address: \_\_\_\_\_

On behalf of the Board of Directors of the \_\_\_\_\_ HOA,  
 I HEREBY CERTIFY that the above information is true and correct:

HOA Representative Signature: \_\_\_\_\_

# Fannie Mae Ineligible Project Types Checklist (5+ Attached Units)

If any of the items below are checked, please provide additional information/explanation in the space provided.

✓	Ineligible Project Types
	Projects in which individual units are operated as a commercial hotel or motel
	Projects that include registration services and offer rentals of units on a daily basis
	Projects with names that include the words "hotel" or "motel"
	Projects that restrict the owner's ability to occupy the unit
	Projects with mandatory rental pooling agreements that require unit owners to either rent their units or give a management firm control over the occupancy of the units. <i>(Note: These formal agreements between the developer, homeowners' association, and/or the individual unit owners, obligate the unit owner to rent the property on a seasonal, monthly, weekly, or daily basis. In many cases, the agreements include blackout dates, continuous occupancy limitations, and other such use restrictions. In return, the unit owner receives a share of the revenue generated from the rental of the unit.)</i>
	Projects with non-incidentual business operations owned or operated by the homeowners' association such as, but not limited to, a restaurant, a spa, a health club, etc.
	Investment securities (i.e., projects that have documents on file with the Securities and Exchange Commission, or projects where unit ownership is characterized or promoted as an investment opportunity)
	Common interest apartments or community apartment projects are projects or buildings that are owned by several owners as tenants-in-common or by a homeowners' association in which individuals have an undivided interest in a residential apartment building and land, and have the right of exclusive occupancy of a specific apartment in the building
	Timeshare or segmented ownership projects
	Houseboat projects
	New projects where the seller is offering sale/financing structures in excess of Fannie Mae's eligibility policies for individual mortgage loans. These excessive structures include, but are not limited to, builder/developer contributions, sales concessions, HOA or principal and interest payment abatements, and/or contributions not disclosed on the HUD-1 Settlement Statement.
	Projects where more than 20% of the total space is used for nonresidential purposes
	Projects where a single entity (the same individual, investor group, partnership, or corporation) owns more than 10% of the total units in the project
	Multi-dwelling unit condos—projects that permit an owner to hold title (or stock ownership and the accompanying occupancy rights) to more than one dwelling unit, with ownership of all of his or her owned units evidenced by a single deed and financed by a single mortgage
	Condo project that represent a legal, but non-conforming, use of the land, if zoning regulations prohibit rebuilding the improvements to current density in the event of their partial or full destruction
	Any project for which the homeowners' association is named as a party to current litigation or, any project for which the project sponsor or developer is named as a party to current litigation that relates to the project, if the project has not been turned over to the association or corporation.

**Identification of Condominium Hotels (aka: Condotels)**

The appraisal report may identify project characteristics that do not definitively determine that the project is a condominium or cooperative hotel; however the report may provide evidence that would require the lender to perform additional research. Such project characteristics include, but are not limited to:

- Central telephone system
- Room service
- Daily cleaning service
- Advertising of rental rates
- Registration service
- Restrictions on interior decorating
- Franchise agreements
- Central key systems
- Location of the project in a resort area
- Projects converted from a hotel or motel
- Interior doors that adjoin other units
- Units that do not contain full-sized kitchen appliances
- Owner-occupancy density — the project may have few or even no owner occupants

**Additional Information:**

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**By checking this box, I confirm that none of the above items are applicable and this project is 100% complete.**

**My signature below verifies that all information provided herein is true and correct to the best of my knowledge.**

\_\_\_\_\_  
HOA or Management Co. Representative Name (Print)

\_\_\_\_\_  
HOA or Management Co. Representative Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Contact Phone #

\_\_\_\_\_  
Project Name

\_\_\_\_\_  
Address of Project