



Attached PUD Project Questionnaire

Borrower:

Date:

Co-Borrower:

Loan #:

Project Name:

Unit #:

Subject Phase #:

Project Address

City, State, Zip:

This PUD Project Questionnaire is required for any attached PUD property. It is not required for detached units. Questions may be completed by the HOA or the management company.

1. Does the project contain ANY of the following characteristics:

Yes No

- Projects currently involved in litigation or pending litigation, without HSOA approval
- Hotel Condominiums (Condominium Hotel): A hotel condominium is any condominium project that is operated as a hotel even though the units are owned individually. Hotel condominiums are typically found in resort areas or in the downtown district of major cities. Condominium projects meeting any one of the following will be classified as a hotel condominium:
 - Physical characteristics indicating that the project has a hotel identity or hotel-like characteristics, or offers hotel-like services include but are not limited to the following:
 - Daily/seasonal or monthly rentals
 - Central telephone systems
 - Room service (food or beverage) is available to the unit owners
 - Units that do not contain full kitchens
 - Daily cleaning
 - Advertising of rental rates
 - Registration service (check-in desk on or off site)
 - Restrictions on interior decorating or furnishings, or the units are sold “fully furnished,” or the purchaser must choose from a list of “approved” furniture, floor and wall coverings for the unit
 - Franchise agreements
 - Central key systems
 - Owner occupancy density – the project may have few or even no owner occupants.
 - Projects converted from a hotel or motel
 - Interior doors that adjoin other units
 - Lockable storage closets, cabinets, safes or mini-bars
 - The project name includes hotel, resort, motel, inn or lodge; has an affiliation with, and/or is managed by an entity, usually a hotel chain or hospitality entity.
 - The project is located at the same address as a hotel or resort, or within a hotel or resort, or has hotel hospitality identity.
 - The project is publicly advertised as a hotel condominium or resort (e.g., the project advertises on travel or hotel websites, or has a website on the internet and presents itself as a condominium hotel) or websites are available to determine room availability and reservations can be made online.
 - Projects that impose black-out dates or do not have year-round access
 - The project shares facilities, common elements or amenities with a hotel, resort and/or lodge that is owned and managed by the developer or another third-party entity.
 - The sales contact or offering circular states that ownership may include the opportunity to place the unit in a rental agreement.
- Marketing and project management practices such as:
 - The developer or a third-party entity expects to retain ownership or control of the project.
 - The developer or another third-party entity retains ownership or control of any common elements or amenities.
 - Unit owners have no control over any third-party entity that succeeds the developer.
 - The project includes commercial space over which the unit owners have no control.
- The condominium constituent documents and any amendments are silent on the presence of common elements and/or amenities, their use and/or ownership, or they state that common elements and/or amenities may be added to, expanded, or deleted as determined by the developer or another third-party entity without the consent of the unit owners or the homeowners association.
- Projects with mandatory rental pooling agreements
- Manufactured housing projects
- Projects with revenue sharing: If any unit owner or the homeowners' association is a party to a revenue-sharing agreement.
- Timeshare or segmented (fragmented) ownership projects - A real estate development in which a purchaser can buy the exclusive right to occupy a unit for a specified period of time each year. A form of property ownership under which a property is held by a number of people, each with the right of possession for a specified time interval. Timesharing is most commonly applied to resort and vacation properties. Timeshare projects are examples of segmented (fragmented) ownership and fractured interest projects.
- The developer, another third-party entity, or the homeowners' association operates commercial facilities within the project or master association, such as retail stores, restaurants, bar/lounge, and/or a golf course, common areas, recreational facilities and amenities are available within the project or master association that are usually associated with luxury hotels and resorts.
- Assisted Living or Senior Care Facilities that have a minimum age requirement and provide services and provide meal or healthcare services
- Continuing Care Retirement Community (CCRC) - A CCRC is a residential project designed to meet the health and housing needs of seniors as their needs change over time. CCRCs are distinguished from age-restricted communities in that residents in CCRCs contract in advance for a lifetime commitment from the facility to care for them, regardless of the future health or housing needs. CCRCs may also be known as Life-Care Facilities
- Houseboat projects: A project comprised of boats that have been designed or modified to be used primarily as dwelling units
- “Live-work” type condominiums; usually used for artist’s studio, workshops, factories, or galleries
- Multi-dwelling unit projects that permit an owner to hold title to more than one dwelling unit under a single deed and are financed by a single mortgage.



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- 1.b Do the bylaws, CC&Rs, or the HOA allow short-term and seasonal rentals (periods of less than one month), or fractional or time-share ownership? Yes No
- 1.c Does the HOA budget include items that suggest hotel-type features, such as housekeeping costs, business income, membership fee income, personnel costs (lifeguard, maid, concierge, front desk, shuttle service, internet service fees, etc.)? Yes No

If you answered "Yes" to any of the above, stop here, the project is ineligible.

2. **Association Litigation:** There is no pending litigation. **Note:** Projects where the homeowners' association is named as the plaintiff in a foreclosure action or as a plaintiff in an action for past due homeowners' association dues are not considered ineligible projects. Yes (no pending litigation) No
3. The title to the units is held in Fee Simple. Yes No
4. The Project meets the insurance requirements as indicated below: Yes No

The same type of hazard and flood insurance that is required for a single-family dwelling is required for each individual PUD unit. If hazard and flood insurance for the PUD unit is included under the project's master policy, a copy of the master policy must be provided to show the unit is covered and that the coverage is still in effect.

When a first mortgage is secured by a unit in a PUD project, and the legal documents for the project allow for blanket insurance policies to cover either (1) the common elements or (2) both the individual units and the common elements, the lender must verify that the homeowners' association is maintaining a "master" or "blanket" policy that provides for premiums to be paid as a common expense.

The insurance policy must at least protect against fire and all other hazards that are normally covered by the standard extended coverage endorsement, and all other perils customarily covered for similar types of projects, including those covered by the standard "all risk" endorsement. If the policy does not include an "all risk" endorsement, Fannie Mae will accept a policy that includes the "broad form" covered causes of loss. The policy must meet the requirements described below:

• **PUD Common Elements** - The homeowners' association must maintain a property insurance policy, with premiums being paid as a common expense. The policy must cover all of the common element buildings and any other common property except for those that are normally excluded from coverage, such as land, foundation, excavations, etc. Fixtures and building service equipment that are considered part of the common elements, as well as common personal property and supplies, should be covered. The policy must show the homeowner's association as the named insured

• **Individual Units** - Individual insurance policies are also required for each unit mortgage in a PUD project. If the project's legal documents allow for blanket insurance policies to cover both the individual units and the common elements, Fannie Mae will accept the blanket policies in satisfaction of its insurance requirements for the units.

• **Special Endorsements**

- Inflation Guard Endorsement, when it can be obtained.
- Building Ordinance or Law Endorsement, if the enforcement of any building, zoning, or land-use law results in loss or damage, increased cost of repairs or reconstruction, or additional demolition and removal costs. (The endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction.), and
- Steam Boiler and Machinery Coverage Endorsement, if the project has central heating or cooling. This endorsement should provide for the insurer's minimum liability per accident to at least equal the lesser of \$2MM or the insurable value of the building(s) housing the boiler or machinery).

Liability Insurance

\$1 million

Fidelity Insurance

Not required



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5. Has control of the Homeowners' Association been turned over to the unit owners? Yes No

If the answer to #5 is Yes, skip to #8, if the answer is No, 6 and 7 must be answered.

6. If the answer to #5 is No, are all homes in the project one-unit properties? Yes No

7. All of the following are correct: Yes No

- At least 50% of the total units in the project (or legal phase) have been conveyed, or are under contract to, unit purchasers. In addition, the project contains enough sold units to support the responsibilities of the homeowner's association
- The project was not created by the conversion of existing buildings into a planned unit development.
- All common area improvements in the project or subject phase (other than greenbelts, private streets, and parking areas) are complete.
- Unit purchasers will have the sole ownership/interest in, and the right to use the project's facilities once control of the homeowner's association has been turned over to them.
- The project's budget provides for replacement reserve funds that are consistent with the responsibilities of the homeowner's association.

Homeowner's Association contact information:

- Name:
- Title & Organization or Company Name:
- Phone or e-mail :

Required Documentation

Evidence of the following Project insurance policies, as applicable

- a. Hazard
- b. Flood
- c. Liability

If the project is located near water, snow, or a resort or recreation area, provide the following additional documentation:

- d. CC&Rs and bylaws
- e. Budget

HOME OWNERS ASSOCIATION CERTIFICATION

The undersigned hereby certifies that to the best of his/her knowledge and belief that the information and statements contained on this form and any attachments are true and correct. The undersigned further represents that he/she is authorized by the HOA to provide this information on behalf of the HOA.

Signature

Date

Name

Title

Phone



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PUD Type E eligibility: answer to #1 must be No; answers to #2-5 and 8-9 must be yes.
PUD Type F eligibility: answer to #1 and 5 must be No; answers to #2-4, and 6-9 must be yes.

LENDER CERTIFICATION

8.	Underwriter has completed an Internet search on the project name as well as the project address, and has found no indications of offerings for nightly or short-term rentals. (Question 1.a)	<input type="checkbox"/> Yes <input type="checkbox"/> No
9.	If the project is near water, snow or a recreation area, the bylaws and CC&Rs do not allow short-term rentals, and the budget shows no hotel-like income or expense items. (Question 1.b and 1.c)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

(To be completed by HSOA Underwriter). The undersigned hereby certifies that to the best of his/her knowledge and belief that the information and statements contained on this form and any attachments are true and correct. The undersigned further represents that he/she is authorized by the Seller to provide this information on behalf of the Lender and is authorized representative with document signing authority.

Signature

Date

Name

Title