



Limited Review Condominium Project Questionnaire

Borrower:

Date:

Co-Borrower:

Loan #:

Project Name:

Unit #:

Subject Phase #:

Project Address:

City, State, Zip:

This Limited Review Questionnaire is be used on projects **with 5 or more units** when FNMA DU findings authorize a “limited review” on an established project, or other programs where a limited review is allowed.

Questions 1-12 may be completed by the HOA or the management company; questions 13-15 to be completed by the lender.

1.a 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 contract 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. Are all the units, common elements, and facilities within the project 100% complete? Yes
 No
3. The project is not subject to any additional phasing or add-ons? Yes (not subject to phasing) No
4. Has control of the Homeowners' Association been turned over to the unit owner's? Yes No
5. Has at least 90% of the units in the project been sold and closed? Yes
 No
6. Does the project contain at least 5 units? Yes
 No
7. **Association Litigation:** There is no pending litigation. Yes (no pending litigation) No
8. The title to the units is held in Fee Simple. Yes
 No
9. No single entity, individual, or group owns more than 10% of the total units in the project? Yes No
10. Commercial use in project is less than 20% of project space? Yes
 No
11. The project is not subject to deed restrictions or inclusionary zoning that limit a foreclosing lender's ability to sell a foreclosed property in any manner. Yes (no deed restrictions) No
12. The Project meets the insurance requirements as indicated below:
- The insurance policy is in the exact name of the Condominium Association
 - Policy is active, Expiration Date:
 - Policy includes 100% current replacement cost hazard coverage on common structures with a deductible not to exceed 5% of the policy face value. Yes
 No
 - Policy meets the higher of state required liability coverage or \$1million general liability coverage for homeowners' association
 - Policy includes flood Insurance (only if common structures located in flood zone) with a deductible that not greater than \$25,000 of the policy face amount unless state law allows for a higher deductible – Attach an explanation if accepting state mandated higher deductibles

Condominium project insurance master or blanket policies do NOT contain either of the following:

- A blanket policy that covers multiple unaffiliated condominium associations or projects, or
- A self insurance arrangement whereby the owners' association is self insured or has banded together with other unaffiliated associations to self insure all of the general and limited common elements of the various associations.

Homeowner's Association contact information:

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



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Required Documentation

Evidence of the following Project insurance policies, as applicable

- a. Hazard
- b. Flood
- c. Liability
- d. Fidelity Bond (if >20 units)

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

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

Note: Individual unit Insurance coverage requirements:

Must be a 'walls-in' policy, often called a HO-6 policy; coverage amount to be at least 20% of the appraised value.

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

TO BE COMPLETED BY LENDER

- 13. 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) Yes No
- 14. 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) Yes No N/A
- 15. DU findings include a notation that the subject loan is eligible for Limited Review condominium determination (enter condo type "Q" on the 1008) Yes No

If any of the answers were "No" for questions 2-15, the project is not eligible for the Limited Review.

LENDER CERTIFICATION

(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.

FNMA Project Type coding: Enter "Q"

Signature

Date

Name

Title