



## Attached PUD Project Questionnaire

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**Borrower:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Co-Borrower:** \_\_\_\_\_ **Loan #:** \_\_\_\_\_  
**Project Name:** \_\_\_\_\_ **Unit #:** \_\_\_\_\_ **Subject Phase #:** \_\_\_\_\_  
**Project Address** \_\_\_\_\_ **City, State, Zip:** \_\_\_\_\_

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**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. Is the project any of the following: manufactured home, houseboat, timeshare or segmented ownership, non-conforming zoning, "Own-Your-Own" or project owned as tenants-in common, project of multi-unit properties, condotel, live-work condo, resort condominium, an investment ownership, or project with businesses owned or operated by the HOA (restaurant, spa, health club, etc.)?  Yes  No
- Does the project exhibit any of the following?
- Is publicly advertised as a condominium hotel or resort (for example, the project advertises on travel or hotel Web sites, or has a Web site on the Internet and presents itself as a condominium hotel) or Web sites are available to determine room availability and/or to make reservations.
  - Has hotel-like amenities (such as front desk, maid service, concierge service, on site recreational activities, lifeguard on duty, towel or linen service, etc.)
  - Shares facilities, common elements, or amenities with a hotel, resort, and/or lodge owned and managed by the developer or another third-party entity (pool, spa, fitness center, parking, business center, conference facility, etc.)
  - Has units that do not have full size kitchen appliances, or that have efficiency kitchens
  - Has a name that 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.
  - Is located at the same address as a hotel or resort, or within a hotel or resort, or has a hotel or hospitality identity
  - Has non-incidentual businesses operated or owned by the homeowner's association (for example, restaurant, health club, spa, etc.).
  - Has a revenue sharing arrangement between a rental management firm and the HOA
  - Requires mandatory membership (tennis, golf, health club, etc.)
  - Requires a mandatory rental pooling agreement or has blackout periods.
- 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



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(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

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.



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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

**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<br><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