

REQUIREMENTS FOR A LIMITED REVIEW OR STREAMLINE REVIEW – CONVENTIONAL LOANS

To qualify, a project must meet the following criteria:

1. In order to be considered an Established project (FNMA 'Type S'), a project must be complete with no additional phasing, control turned over to the unit owners from the Developer and 90% of the units must be conveyed (closed). Fannie Mae will consider a project as established with less than 90% of the units sold to unit purchasers if Developer has no more than 20% of the total units held back for rentals as long as these units' fees are current and there are no special assessments. Freddie Mac requires at least 75% conveyed. All other projects would be classified as FNMA 'Type R' or FHLMC 'New'.
2. All units, common elements, and facilities within the project, or legal phase must be 100% complete.
3. No single entity, other than units owned by developer still for sale, may own more than 25% of the units for Freddie loans or 20% of the units for Fannie loans. If a project consists of 5-20 units, no one can own more than 2 units.
4. The hazard (including confirmation of wind) and flood insurance requirements must be met.
5. If the master or blanket insurance policy **does not provide coverage for the interior of the unit**, the borrower will be required to obtain a **“walls in” coverage policy** (commonly known as HO-6 insurance policy).
6. No more than 35% of the total square footage of the project can be used for non-residential purposes.
7. The units in the project must be owned fee simple or leasehold. If the project is located on leased land, any approval will be subject to a review of the lease by an attorney retained by lender.
8. All facilities and amenities related to the project must be owned by the unit owners or the homeowner's association and not subject to a recreational lease. No mandatory club membership fees are allowed unless amenities are owned exclusively by the HOA or Master Association.
9. Projects with special assessments and/or loans will require separate documentation which shall include the reason for the special assessment or loan, the total amount assessed and total amount per unit, repayment terms, documentation to support no negative impact to the financial stability, viability, condition and marketability of the project.

CHECKLIST OF ITEMS



DOCUMENTS below can be submitted via client portal or email to reviews@condoreviews.com. To register, go to www.CondoReviews.com, click on “Client Portal” and then “Register”.



DEPENDING ON VOLUME AND COMPLEXITY, this review may take several business days. We strive to respond as quickly as possible, and may request further information, as circumstances dictate.

_____ Condominium Questionnaire
 _____ DU/LP Findings or 1008
 _____ *Additional items as requested

_____ Appraisal of subject unit
 _____ Balance sheet within past 90 days
 _____ Insurance certificate for applicable types
 _____ Flood cert

*Additional items as requested (meeting minutes, reserve study, etc.)