

Complex Name: _____

Complex Address: _____

Form to be completed by the Condo HOA – Please sign and date page 3

Completion

Are all units/common areas complete **AND** the project not subject to additional phasing **AND** at least 90%** of the total units are conveyed **AND** control of the HOA been turned over to the unit purchasers? Yes No*

***Note:** The unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements once control is turned over to the unit owners.*

**** Will allow 80% conveyance if the developer is holding back units as rental stock**

*If NO to any of the above items, STOP.

You must also complete a New Condo Project Form. Please see GMFS website for the correct form.

Guide Eligibility Questions

1. Check Yes if **ANY** of the following are true: Yes No
 - 1) Is the project licensed or managed/operated as a commercial hotel, motel, and resort or hospitality entity? Yes No
 - 2) Does the project restrict owner's ability to occupy the unit during any part of the year? Yes No
 - 3) Does the project require owners to make their unit available for rental pooling (daily or otherwise)? Yes No
 - 4) Does the project require that the unit owners share profits from the rental of units to the HOA, Management Company, or resort or hotel Rental Company? Yes No
2. Is the project a timeshare or a segmented ownership project? Yes No
3. Is the project a houseboat project? Yes No
4. Is the project a multi-dwelling unit condominium (in which ownership of multiple units is evidenced by a single deed and mortgage)? Yes No
5. Are units in the project subject to split ownership arrangements or other arrangements that restrict the unit owner's ability to occupy the unit such as mandatory rental pooling agreements, common interest apartments or community apartment projects? Yes No
6. Does the project/HOA receive non-incidentual income above the amount permitted in the Selling Guide from the ownership and/or operation of amenities or services for use by unit owners and the general public? Yes No
7. Is the project in whole or in part operated or owned as a continuing care facility which provides medical and/or supportive services to unit owners? Yes No

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|--|-----|----|
| 8. Is the project out of compliance related to the lien priority of unpaid common expense assessments (limited to 6 months)? | Yes | No |
| 9. Are residential unit owners required to pay mandatory upfront or periodic membership fees for the use of recreational amenities?
(Not owned by the HOA or master association, instead owned by an outside party) | Yes | No |
| 10. Is the project out of compliance with the selling guide requirements related to the HOA's ownership of the project's facilities, amenities, common elements, or limited common elements?
(i.e. are any of these elements owned by an entity other than the HOA) | Yes | No |
| 11. Are there environmental hazards that have not been appropriately assessed and remediated? | Yes | No |
| 12. Are units in the project subject to resale restrictions? | Yes | No |

Project Information

- | | | |
|---|-----|----|
| 13. Is the project a cooperative? | Yes | No |
| 14. Is the project a manufactured housing project? | Yes | No |
| 15. Is the project a planned unit development (PUD)? | Yes | No |
| 16. Is the project currently in litigation related to the safety, structural soundness, habitability or functional use of the project? | Yes | No |
| 17. Does the project or building in which the project is located contain unacceptable commercial or mixed-use space? (You may answer no if (1) the commercial or mixed-use space does NOT exceed the permissible % of 35% of the total square footage & (2) the commercial or mixed-use space is compatible with the overall residential nature of the project) | Yes | No |
| 18. Does a single entity own more than the following total number of units in the project?
Projects with 2 to 4 units – 1 unit
Projects with 5 to 20 units – 2 units
Projects with 21 or more units - 20% | Yes | No |
| 19. Does the project contain commercial space? You may answer No if:
(1) the commercial space comprises no more than 35% of the total space
AND
(2) the commercial use is compatible with the residential nature of the property | Yes | No |
| 20. For Detached Properties –
Is the property covered by the type of hazard and flood Insurance required for a single-family detached dwelling? | Yes | No |

21. In what year was the project originally built? _____
- Entire Project
- # units _____
- # units for sale (developer unsold units) _____
- # units sold (developer sales only) _____
- # units rented (investor) _____
- # units owner-occupied (Primary/second homes) _____

Common Charge Delinquency

22. Are more than 15% of the total units in a project 60 days or more past due on their condominium/association fee payments?
(In a two –to four-unit project, none can be past 60 days) Yes No

Leasehold

23. If the project is built on a leasehold estate does the project comply with the Fannie Mae leasehold guidelines in the Selling Guide? If the project is not built on a leasehold estate, you may answer YES to this question. Yes No

Budget

24. Does the project's projected budget appear to be adequate (i.e., includes allocations for line items pertinent to the type of condominium), including providing for the funding of replacement reserves for capital expenditures and deferred maintenance (at least 10% of the budget) and adequate funding for insurance deductible amounts?
(Please provide a copy of budget) (Budget not required on 2 to 4 unit projects) Yes No

Insurance

25. Is hazard insurance in place to cover 100% of the insurable replacement cost of the project improvements, **including** the individual units? (The deductible amount must not exceed 5% of the policy's face amount.) Also answer YES if the individual units are not fully covered by the master policy but are supplemented by an appropriate HO6 insurance policy in an amount that meets the requirement for a Fannie Mae loan.
(Please provide a copy of policy) Yes No

26. Is liability insurance in place providing at least \$1 million of coverage for bodily injury and property damage per occurrence?
(Please provide a copy of policy) Yes No

27. Is flood insurance (if required) in place providing coverage at least equal to the lesser of 100% of the insurable value of each building, including all common elements and property or the maximum coverage available under the National Flood Insurance Program?
(Answer YES if the project is not in a flood zone. Answer NO if the maximum deductible is more than the maximum deductible available under the National Flood Insurance Program - currently \$25,000 for a project and \$5,000 for one-to-four family units.)
(Please provide a copy of policy) Yes No

28. If the project has 21 or more units, is fidelity insurance in place covering the maximum amount of funds that will be in the custody of the owners' association or management company at any time? If the project has 20 or fewer units, fidelity insurance is not required and you may answer yes to this question.
(Please provide a copy of policy) Yes No

Please return signed form to gmfscndos@gmfslending.com Include copy of Budget and Insurance.

Form to be completed by the Condo HOA – Please sign and date below

Exceptions to agency guidelines cannot be made or approved by GMFS management. Any and all exceptions to condo approval projects can only be made by the applicable agency through a variance request.

Signature

Date

Print Name

Contact Phone Number

Title