

**TWO-TO-FOUR-UNIT CONDOMINIUM PROJECT REVIEW
 WORKSHEET AND CERTIFICATION**

DATE:	LOAN NO:
BORROWER:	
CO BORROWER:	
PROJECT NAME:	
SUBJECT PHASE:	UNIT#
PROJECT ADDRESS:	

PROJECT INFORMATION TO BE COMPLETED BY HOA OR THE MANAGEMENT COMPANY

1.a Is the project any of the 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.)?

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", "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 Yes No

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

a. Is the project subject to any additional phasing or add-ons? Yes No

b. If the project was a conversion, when was the conversion complete? _____

3. Is the project an attached condominium with 2-4 units? Yes No

4. Has control of the Homeowners' Association been turned over to the unit owner's Yes No

5. Does the project meet one of these criteria: (a) Only one unit is not sold and all sold units are owner-occupied or (b) all units are sold and no more than one unit is an investment property?
Note: Sold means under contract or closed. Yes No

If any of your answers were "No" to questions 3-5, this project does not qualify under the Established Condominium Project Review type, and must be processed using an alternate review type.

**TWO-TO-FOUR-UNIT CONDOMINIUM PROJECT REVIEW
WORKSHEET AND CERTIFICATION**

6. Do the unit owners have sole ownership in and exclusive right to use the project facilities? Yes No
7. Are the facilities related to the project owned by the unit's owners or HOA with no ownership interest retained by the developer or third party? Yes No
8. Are the project amenities or facilities, including parking and recreational facilities, subject to a lease between the unit owners and/or HOA and another party? Yes No
9. **Association Litigation:** Is there pending litigation? If there is, attach a detailed explanation. The lawsuit must not impact marketability and/or liability policy covers potential loss. The lawsuit must be reviewed by TMSfunding Credit Review. Yes No
10. The title to the units is held in Fee Simple. Yes No
11. The Project meets the insurance requirements as indicated below: Yes No
- 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.
 - 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 is 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.
12. a. Does a single entity, individual or group own more than 1 unit? Yes No
- b. Commercial use in project is less than 20% of project space? Yes No
13. Are the individual units in the project separately metered, OR do the projects plans provide For the ready adoption of unit metering? Yes No
14. If the homeowners voted for a special assessment within the last two years, will the special Assessment for the subject unit be paid at closing? Yes No NA
15. The number of units that are more than 30 days delinquent is less than 15% of the total number of units? Yes No
16. There is no professional management company or the Homeowner's Association has an Agreement which is reasonable (generally, a one year renewable term) and can be Cancelled, with or without cause, by the HOA with no more than 90 days notice? Yes No
17. What is the total number of units in the project? _____
18. The monthly Homeowner's Association Dues is? _____
19. Is there a check-in-desk/registration desk for leased/rented units? Yes No
20. Does the budget include any rental income? Yes No
21. Are any services or amenities within the project provided by hotel motel or resort operator? Yes No

**TWO-TO-FOUR-UNIT CONDOMINIUM PROJECT REVIEW
WORKSHEET AND CERTIFICATION**

Homeowner's Association contact information:

Name: _____

Title & Organization or Company Name: _____

Phone or e-mail: _____

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

Required Documentation

1. CC&Rs, Bylaws, Regulations and Declarations of Condominium
2. HOA budget: most recent audited financials and most recent monthly budget
3. Appraisal for subject property
4. Evidence of the following Project insurance policies, as applicable
 - A. Hazard
 - B. Flood
 - C. Liability
 - D. Legal documents
 - E. Engineer's Report or State equivalent addressing any conversion

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.

TO BE COMPLETED BY LENDER

22. The budget is adequate, provided for the funding of replacement reserves for capital Expenditures and deferred maintenance (at least 10% of the budget), and provides adequate funding for insurance deductible amounts? Yes No
23. Is the project well managed from a physical and financial perspective (i.e., well Maintained, no deferred maintenance and adequate budget and reserves? Yes No
24. The condominium association and association documents meet Fannie Mae's legal and compliance requirements as follows:
 - a) Are created in accordance to state law and other applicable laws and regulations? Yes No
 - b) If there is a right of first refusal, it does not adversely impact the rights of the Mortgagees or its assignees to: Yes No NA
 - Foreclose or take title to a unit
 - Accept a deed or assignment in lieu of foreclosure or;
 - Sell or Lease a unit acquired by the mortgagee or its assignee
 - c) Can only be amended with respect to items that have a materially adverse impact to mortgagees with the approval of 51% of the mortgagees? Yes No
 - d) Can only be terminated for substantial destruction or condemnation without mortgagee approval or with other cause and 51% of the mortgagees? Yes No

**TWO-TO-FOUR-UNIT CONDOMINIUM PROJECT REVIEW
WORKSHEET AND CERTIFICATION**

e) May provide for implied mortgagee approval when a mortgagee fails to respond after 60 days written notice provided notice was delivered by certified or registered mail with a return receipt requested. Yes No

Note: if documents were recorded prior to Aug. 23, 2007 the notice may be a Minimum of 30 days

f) Provide for notification under the following circumstances: Condemnation or Casualty loss, 60 day delinquency for the association assessment on a mortgaged Unit, lapse-cancellation or material change to the master insurance policy, any action that requires consent of a specified % of mortgagees. Yes No

g) Do not grant any party priority over the first mortgagee regarding the insurance Proceeds or condemnation awards Yes No

h) State that the mortgagee is not responsible for more than six months unpaid Dues when a unit is obtained through foreclosure or deed-in-lieu Yes No

25. In lieu of a response to any of the specific items in question #26, an attorney's Opinion letter is attached which was prepared by a qualified attorney in accordance with Fannie Mae's legal review requirements Yes No NA

26. 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

27. 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

If any of the answers were "No" for questions 6-16 or 22-27, or "Yes" to 19-21, the project is not eligible for the Established Condominium Project Review and must be processed using an alternate review type.

LENDER CERTIFICATION

(To be completed by TMS Funding 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

Enter "S" as condominium Project type