

FREDDIE MAC CONDOMINIUM QUESTIONNAIRE – FULL REVIEW

Answer Key

Date:	Loan No.:	Borrower Name:	
Project Name (Exact)			
Project Address (including county)			

Homebridge is processing a mortgage loan on the subject property listed above.

The following information is required to complete the process. Your timely response is appreciated.

PROJECT PROFILE (TO BE COMPLETED BY HOA, MANAGING AGENT OR DEVELOPER)

1. Unit Sales

The project consists of _____ total units

_____ Total number of units (principal residence and second home) that are under contract but have not closed

_____ Total number of units (investor) that are under contract but have not closed

_____ Total number of principal residence and second home units that have closed

_____ Total number of investor owned units that have closed

_____ Total number of unsold units

_____ Total number of units with a square footage of less than 400 square feet

2. Number of Units ____ / ____ % Units greater than 60 days delinquent in Common Charges/HOA dues. (> 15% ineligible)

3. What are the monthly dues for the subject unit? _____

Yes No

- 4a. Project with 21+ Units: Does any individual(s) or entity own more than 25% of total units? # of units ____ / ____ %
(if yes, ineligible*) *If purchase transaction eligible up to 49% of total units, if evidence provided the single investor is marketing units to lower their concentration to ≤ 25%. Investor must be current on all HOA dues
- 4b. Project with 5 to 20 Units: Does any single investor own more than two units? (if yes, ineligible)
5. Is project (including all common areas) complete (per Public Offering Statement/Prospectus)?
 Number of units planned: _____ Number of legal phases planned: _____
 Number of units completed: _____ Number of legal phases completed: _____
 If project is not complete, expected date of completion: ____ / ____
Month Year
6. Is the project subject to further expansion? If yes, # of additional units to be built: _____
7. Are there any pending special assessments? (if yes, single investor concentration limited to ≤ 25%)
 If yes, please explain: _____
8. Is there any significant deferred maintenance, unsafe conditions, or any adverse environmental factors affecting the project as a whole or as individual unit? If yes, please explain: _____ (if yes, refer to Condo Dept. for review)
9. Does the owner's association have a reserve fund separate from the operating account?
 If yes, is it adequate to prevent deferred maintenance? Current amount in fund: \$ _____
 Total income budgeted for the year: \$ _____ Total reserves budgeted for the year: \$ _____
10% budget reserve required; a reserve study is not allowed
10. Is the unit part of a legally established condominium project, in which unit owners own common areas jointly?
(if no, ineligible)
11. Can units be rented on a daily basis? (if yes, ineligible)
12. Is there an on-site rental desk? (if yes, ineligible)
13. Is daily maid/cleaning service offered and/or is there on-site restaurant/food service? (if yes, ineligible)
14. Is project subject to time-share ownership or mandatory rental pools? (if yes, ineligible)
15. Is project a conversion? If yes, give date: ____ / ____
Month Year
16. Was the conversion a "gut rehab"? (if < 3 years and not "gut rehab", ineligible)
17. Has control of the HOA been turned over to the homeowners? If yes, date: ____ / ____
Month Year
18. Is the **lender** liable for delinquent common charges? If yes, how many months? _____ (if yes, refer to Condo Dept.)

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- | | Yes | No | |
|-----|--------------------------|--------------------------|---|
| 19. | <input type="checkbox"/> | <input type="checkbox"/> | Is more than 35% of the total above and below grade square footage of the project used for commercial or non-residential purposes? (Commercially owned/operated parking not included in the calculation) (if > 35%, ineligible) |
| 20. | <input type="checkbox"/> | <input type="checkbox"/> | Does the project have any non-incidental business operation owned or operated by the HOA? (> 15%, ineligible) |
| 21. | <input type="checkbox"/> | <input type="checkbox"/> | Is the project a condo-hotel? (if yes, ineligible) |
| 22. | <input type="checkbox"/> | <input type="checkbox"/> | Does the project legal name contain the word "resort" or "hotel/motel"? (if yes, master assn. legal documents required and Condo Dept. must review) |
| 23. | <input type="checkbox"/> | <input type="checkbox"/> | Does the project contain manufactured homes? (if yes, ineligible) |
| 24. | <input type="checkbox"/> | <input type="checkbox"/> | Is the HOA a party to any current/pending litigation or pre-litigation (e.g. arbitration or mediation)? If yes, please provide details separately. (if yes, refer to Condo Dept. for review) |
| 25. | <input type="checkbox"/> | <input type="checkbox"/> | Is the HOA subject to a Master or Umbrella association? Name: _____ |
| 26. | <input type="checkbox"/> | <input type="checkbox"/> | Is project professionally managed? Managing Agent: _____
Phone: _____ Contact: _____
Insurance Agent: _____ Phone: _____ |
| 27. | <input type="checkbox"/> | <input type="checkbox"/> | Are any units subject to resale restrictions? If yes, _____ number of below market rate units (or other restrictions such as low-income or moderate-income purchasers or on the basis of age that affect the resale)?
List of unit #'s that are subject to resale restrictions (attach separate page if necessary):
_____ |
| 28. | <input type="checkbox"/> | <input type="checkbox"/> | Projects consisting of 5-20 units: Does any individual/entity own more than 2 units? If yes, # of units _____ (if >2 ineligible) |
| 29. | <input type="checkbox"/> | <input type="checkbox"/> | Is the project owned or operated as a continuing care facility? (if yes, ineligible) |
| 30. | <input type="checkbox"/> | <input type="checkbox"/> | Is the project a live-work project? If yes, is it mostly residential in character and are the unit owner's operators of the business? <input type="checkbox"/> Yes <input type="checkbox"/> No (if no to "mostly residential", ineligible) |
| 31. | <input type="checkbox"/> | <input type="checkbox"/> | Is the project an investment security? (if yes, ineligible) |
| 32. | <input type="checkbox"/> | <input type="checkbox"/> | Is the land owned? If no, and land is leased, expiration date is: _____/_____
Month Year |
| 33. | <input type="checkbox"/> | <input type="checkbox"/> | Are the recreational facilities owned by the HOA? (if no, ineligible) |
| 34. | <input type="checkbox"/> | <input type="checkbox"/> | Does the project have shared amenities? If yes, please explain (attach separate page if necessary and HOA agreement that specifies the terms):
_____ |

Insurance

35. Who is named insured on HOA's master insurance policy? _____

- | | Yes | No | |
|-----|--------------------------|--------------------------|---|
| 36. | <input type="checkbox"/> | <input type="checkbox"/> | Are common elements/limited common elements insured to 100% replacement cost?
Coverage: \$ _____ Deductible: \$ _____ Expiration Date: _____ |
| 37. | <input type="checkbox"/> | <input type="checkbox"/> | Are units or common improvements located in a flood zone? |
| 38. | <input type="checkbox"/> | <input type="checkbox"/> | If yes, is flood insurance in force? |
| 39. | <input type="checkbox"/> | <input type="checkbox"/> | Does the flood insurance cover 100% replacement? OR |
| 40. | <input type="checkbox"/> | <input type="checkbox"/> | Is the coverage the maximum available per federal flood program? |
| 41. | <input type="checkbox"/> | <input type="checkbox"/> | Is the HOA insured for general liability? If yes, amount of coverage \$ _____ |
| 42. | <input type="checkbox"/> | <input type="checkbox"/> | Is the HOA insured for Fidelity Bond? If yes, amount \$ _____
Amount carried by management company \$ _____ |

Minimum number of days required for written notification to be given to HOA or insurance trustee before any substantial changes to project coverage can be made or before project coverage can be canceled: _____ (> 30 days, ineligible)