

Bulletin 26-06

Fannie Mae and Freddie Mac Condominium Project Review Requirements

Fannie Mae [Lender Letter 2026-03](#) and Freddie Mac [Bulletin 2026-C](#) announced significant changes to condominium project review requirements which are highlighted below.

The effective date of these updates vary as detailed below. Brokers should carefully review this communication in its entirety

Update	Policy Change	Effective Date
Expansion of Fannie Mae Project Review Waiver/Freddie Mac Exempt from Review Eligibility	<ul style="list-style-type: none"> A Fannie Mae project review waiver/Freddie Mac exempt from review is now eligible for projects with 2 to 10 units (previously 2 to 4 units). All existing general requirements for project review/exempt from review continue to apply, including the requirement that the project cannot be listed as “Unavailable” in CPM or “Not Eligible” in CPA <ul style="list-style-type: none"> Fannie Mae: Projects with 5 to 10 units cannot be part of a master association or larger development Freddie Mac: Projects with 5 to 10 units the project cannot be part of a master association, and each unit must be separately deeded with a separate legal description 	Effective Immediately
Retirement of Investor Concentration Limits- Established Projects	<ul style="list-style-type: none"> Investment property transactions in established projects no longer require a minimum of 50% of the total units in the project to be conveyed to owner-occupants or second home homeowners 	Effective Immediately
Retirement of Requirements Specific to New, Attached Florida Condominium Projects	<p>While FNMA/FHLMC have removed their restrictions for new, attached condominium projects in Florida, new, attached condo projects continue to be ineligible in <u>all</u> states with Homebridge unless the project has an existing, unexpired PERS approval</p> <p>FNMA/FHLMC Update (provided for reference only):</p> <ul style="list-style-type: none"> A PERS approval is no longer required for new, attached projects in Florida With the retirement of the Limited/Streamlined review options the LTV restrictions for new, attached Florida projects no longer apply <p>NOTE: There is no change to the requirement for the Florida Condominium Project Addendum; it will continue to be required on all transactions secured by a condominium in the state of Florida</p>	Effective for Loan Applications Dated on or after August 3, 2026

Update	Policy Change	Effective Date
Retirement of Fannie Mae Limited Review and Freddie Mac Streamlined Review	<p>Fannie Mae and Freddie Mac announced the retirement of the Limited/Streamlined review options for condominium projects. With the retirement of the Limited/Streamlined review options the following will apply</p> <ul style="list-style-type: none"> Fannie Mae's Condo Project Questionnaire (Form 1076) and a Full Review, completed by the Homebridge Condo Department, will be required unless the project has a current, unexpired Fannie Mae Project Eligibility Review Service (PERS) approval. <p>IMPORTANT NOTE: Fannie Mae form 1076 and a Full Review, completed by the Homebridge Condo Dept., will also be required, when applicable, on the following:</p> <ul style="list-style-type: none"> Access Program Elite Access Program DSCR Plus FNMA transactions where a Value Acceptance or Value Acceptance + Property Data was accepted FHLMC transactions where an ACE or ACE + PDR was accepted 	Effective for Loan Applications Dated on or after August 3, 2026
Reserve Study Requirements	<p>When a reserve study is provided to demonstrate a project has sufficient reserves when the project is not budgeting for replacement reserves, Homebridge is required to verify the project's budget includes the highest recommended reserve allocation amount in the reserve study to adequately cover the costs identified</p>	Effective for Loan Applications Dated on or after August 3, 2026
Increased Replacement Reserve Requirements	<p>The reserve allocation requirement for capital expenditures and deferred maintenance is being increased to 15% of the annual budgeted income assessment (previously 10%)</p>	Effective for Loan Applications Dated on or after January 4, 2027

The Fannie Mae, Freddie Mac, Access, Elite Access and DSCR Plus guidelines have been updated, as applicable, and posted on the Homebridge website on the [Products and Guidelines](#) page.

Fannie Mae updated DU June 26, 2026 to reflect these changes including the retirement of the limited project review message. While DU may not provide for a Limited Review option, Limited Reviews are still available for eligible transactions with a loan application dated prior to August 3, 2026.

Freddie Mac has not yet communicated when LPA messaging will be updated with these changes.

Homebridge condominium related forms will be retired or updated, as applicable. Condo forms may be found on the [Forms](#) page of the Homebridge website under **Condo Specific**

If you have any questions, please contact your Account Executive