

Expedited Review Questions For Property Type: 2 - 4 Units

The following questions have been created to assist loan processors delegate the effort of collecting data to enter into Condo Project Manager ("CPM"). THE QUESTIONS ARE NOT INTENDED TO SUBSTITUTE FOR A CPM SUBMISSION and completion of this document will not result in acceptance of a condominium project. The questions are provided without any warranty, express or implied, as to their legal effect and completeness. The questions should be used as a guide. Please use at your own risk.

Guide Eligibility Questions

Is the project a condominium hotel?	Yes	No
Is the project a timeshare or a segmented ownership project?	Yes	No
Is the project a houseboat project?	Yes	No
Is the condo a multi-dwelling unit condominium (in which ownership of multiple units is evidenced by a single deed and mortgage)?	Yes	No
Does the condominium represent a legal, but nonconforming use of the land (if zoning regulations prohibit rebuilding to current density in the event of destruction)?	Yes	No
Is the project an Investment Security?	Yes	No
Is the project a common interest apartment or community apartment project?	Yes	No
Does the project have any non-incidentual business operation owned or operated by the Homeowners Association?	Yes	No

Answering **Yes** to the above questions will result in Guide Ineligibility

Expedite Eligibility Questions

Is the project a cooperative?	Yes	No
Is the project a planned unit development (PUD)?	Yes	No
Is the project a manufactured housing project?	Yes	No
Is the project the subject of current litigation in which the homeowners association or developer, if the project has not been turned over to the HOA, is named as a party to the litigation? You may also answer NO to this question if the association or developer is named solely as the plaintiff in either a foreclosure action or as a plaintiff for past due association dues.	Yes	No
Does the project contain any commercial space? You may answer NO if : (1) the commercial space comprises no more than 20% of the total space, AND (2) the commercial use is compatible with the residential nature of the property.	Yes	No

Answering **Yes** to the questions marked in **red** will result in a finding of Expedited Ineligible.

Investor concentration

Are at least 1 out of 2 units, 2 out of 3 units, or 3 out of 4 units being sold as owner occupied or second homes? Yes No

Completion

Are all units and common areas in the Project complete and not subject to additional phasing? 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.

Insurance (Lender must ensure that the project's insurance meets all requirements set forth in Part XII, Chapter 7 of the Selling Guide)

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.) Yes No

Is liability insurance in place providing at least \$1 million of coverage for bodily injury and property damage per occurrence? Yes No

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). Yes No

Signature: _____

Date: _____