

Lender Questionnaire

Sample Condominium Association



Federal Tax ID #: XX-XXXXXXX

Association Type: Condominium

Borrower: John Doe
Address: 123 Example St
Test, CA 99999

Order Confirmation #: XXXX
Date Ordered: N/A
Date Completed: N/A

Project Completion

1. Are the units within this project attached, detached or both?
2. Is the project complete?
 - (If Yes) What year was the project completed?
 - (If No) Are all of the units within the association completed?
 - (If No) Are all of the common areas completed?
 - (If No) Is the project legally phased?
 - (If No) Total number of planned phases:
 - (If No) Are all planned amenities completed?
 - (If No) Is this a new project where the seller is offering financing structures in excess of Fannie Mae's eligibility policies for individual mortgage loans? The excessive structure type(s) are:
3. Is the project subject to additional annexation or phasing?
4. Has control of the association been turned over to the unit owners?
 - (If Yes) Date control was turned over:
 - (If No) What is the expected date when control will be turned over to the unit owners?
5. Total number of units.
6. Total number of units sold and closed.
7. Total number of units under bona fide sales contract.
8. Owner occupancy is tracked by:
 - (If On-Site/Off-Site Owner Addresses)
 - Number of on-site owner addresses.
 - Number of off-site owner addresses.
 - OR**
 - (If Owner-Occupied Units, Investor Units, & 2nd Homes)
 - Number of owner-occupied units.
 - Number of investor units.
 - Number of units used as second homes.
9. Does any investor group, individual or partnership own more than one unit in the project?
 - (If Yes) Multi-Unit Owners Table

Multi-Unit Owners

Owners with Multiple Units <i>Does not include the developer</i>	% of Total Units Owned by <i>Each Owner or Entity</i>
x owners own x units each	% is calculated
1 owner owns x units	% is calculated
x owners own x units each	% is calculated

10. Does the developer own any of the units in the association?
(If Yes) Total number of units still owned by the developer.
(If Yes) Total number of units owned by the developer that are completed and are actively being sold.
(If Yes) Total number of units owned by the developer that are completed and leased by the developer.
(If Yes) Is the developer current on all fees owed the association?
11. Number of units owned by the HOA.
12. How many buildings comprise the project?
13. Number of floors within the building.
14. List the amenities within the project.

Eligibility Questions

15. Is the project an investment security?
16. Is the project a timeshare, fractional or segmented ownership project?
17. Does the association restrict the owner's ability to occupy the building?
18. Does the association have mandatory rental pooling agreements that require unit owners to either rent their units or give a management firm control over the occupancy of the units?
19. Does the association require mandatory up front or periodic membership fees for the use of recreational amenities such as country club facilities or golf course owned by an outside party including the builder or developer?
20. All features which pertain to the use of the project as if it were a hotel are:
21. Is the project professionally managed by a licensed hotel, motel, resort or hospitality entity that also facilitates short-term rentals for unit owners?
(If Yes) Is the licensed entity an independent division from the property management division?
(If Yes) Is the unit owner required to contract with the transient rental division to rent their unit?
22. Does the HOA or its management agent collect and remit required taxes such as transient, short-term rental, hotel occupancy, sales or excise taxes?
23. Does the HOA charge a fee to either the unit owner or the unit owner's transient renter when the unit is rented on a transient basis, or to a unit owner who does not elect to rent their unit on a transient basis through the HOA/ property manager's preferred rental operator?
24. Are the unit owners required to use a specific rental agency or agencies when renting out their units?
25. Is there a minimum allowable time period for renting a unit?
(If Yes) What is the minimum rental period?

26. Are owners required to share profits from rental of their units with the HOA, management company, rental operator or hotel rental company?
27. Do the project's covenants, conditions and restrictions allow split ownership of the property or curtail an individual's right to utilize the property?
(If Yes) Is the project a common interest apartment or community apartment project?
28. Is the project a houseboat or any other type of non-real property?
29. Is the project owned or operated as a Continuing Care Community or Assisted Living Facility?
30. Is this project a site condominium?
31. Is the project a conversion of an existing building?
(If Yes) What was the purpose or prior use of the original building?
(If Yes) In what year was the property originally built?
(If Yes) In what year was the project converted?
(If Yes) Was the conversion a full gut rehabilitation of the existing structure(s) including replacement of all major mechanical components?
32. Does this project allow unit owners to hold title to more than one dwelling unit, with ownership of all of his or her owned units evidenced by a single deed and financed by a single mortgage?
33. Does the project represent a legal, but nonconforming, use of the land?
(If Yes) Do the zoning regulations prohibit rebuilding the improvements to current density in the event of their partial or full destruction?
34. Does the project contain any manufactured housing units?
35. Is the project located on contiguous parcels of land?

Title and Ownership

36. Is the project located on leased land?
37. The type of unit ownership is:
38. Do unit owners in the project have sole ownership interest in, and rights to the use of the project's facilities, common elements, and limited common elements?
(If No) Does the developer or declarant have any ownership rights to the project's facilities or common areas?
39. Are any of the project's amenities or facilities leased from a third party?

Commercial Information

40. Amount of commercial or nonresidential space within the project (as a % of total project square footage).
(If Less than or equal to 20%) Total square footage of all commercial space.
(If Less than or equal to 20%) Total square footage of the project.

(If Greater than 20%) Total square footage of the project.
(If Greater than 20%) Commercial/Nonresidential Use Table

Commercial/Nonresidential Use

Type of Commercial or Non-Residential Use	# of Units	Square Footage	% of Total Project Square Footage
Commercial Use 1	x	xxxx	% is calculated
Commercial Use 2	x	xxxx	% is calculated
Total Commercial	x	xxxx	% is calculated

41. Does the project contain live/work units?

(If Yes) Is the overall character of the project residential?

(If Yes) Are the live/work units limited to residential units that are occupied as primary residences in which the unit owner is the owner and operator of the small business?

(If Yes) Are the live/work units primarily residential in nature with minimal space designated to or modifications made to accommodate the unit owner's commercial activity?

(If Yes) Is the commercial activity consistent with the residential nature of the project?

(If Yes) Do the project documents permit commercial use and do they define the types of commercial use permitted?

(If Yes) Does the project conform to all applicable local ordinances governing the structure and operation of live/work projects including limitations on the number of live/work units or the percentage of live/work unit space permitted?

42. Does the project have any non-incidental business operations owned or operated by the homeowners association including but not limited to spas, restaurants or health clubs?

Legal Information

Legal Information > Lender Responsibility for Delinquent Assessments

The maximum number of months of delinquent HOA common assessments for which the lender is responsible:

43. In the event a lender acquires a unit through foreclosure.

44. In the event a lender acquires a unit through deed-in-lieu of foreclosure.

45. The association legal documents include the following restrictions:

46. Is there a right of first refusal?

(If Yes) Is the right waived in the event of foreclosure?

(If Yes) How many days does the HOA have to exercise this right?

(If Yes) Does the right of first refusal adversely affect the rights of a mortgagee or its assignee to: foreclose or take title to a condominium unit pursuant to the remedies in the mortgage; accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or sell or lease a unit acquired by the mortgagee or its assignee?

47. Is the HOA involved in any litigation, mediation, arbitration, or other dispute resolution?

(If Yes) Describe the litigation:

(If Yes) Plaintiff:

(If Yes) Defendant:

(If Yes) Attorney Name:

(If Yes) Attorney phone number:

48. Do the condo project documents give a condo unit owner or any other party priority over any rights of the first mortgagee of the condo unit pursuant to its mortgage in the case of payment to the unit owner of insurance proceeds or condemnation awards for losses to or taking of condo units and/or common elements?
49. Is asbestos, lead-based paint or any other environmental toxin present in any unit or common area of the development?

Financial Information

50. Total number of unit owners currently **more than 30 days** delinquent in homeowner association assessments.
51. Total dollar amount of delinquencies for the unit assessment **over 30 days**.
52. Total number of unit owners currently **more than 60 days** delinquent in homeowner association assessments.
53. Total dollar amount of delinquencies for the unit assessment **over 60 days**.
54. Are all units assessed equally?
(If Yes) All units are assessed equally at:
(If No) Assessments range from:
(If No) Assessments range to:
55. What is the frequency of the assessment charge?
56. What is the fiscal year-end **month**?
57. What is the fiscal year-end **day of month**?
58. What is the current budgeted total income for the fiscal year?
59. What is the budgeted income from regular assessments for the fiscal year?
60. What are the current budgeted reserves for the fiscal year?
61. Is the budget adequate and does it provide for the funding of replacement reserves for capital expenditures and deferred maintenance that is at least 10% of the budget?
62. What is the current amount in the association's operating fund?
63. What is the current amount in the association's reserve funds?
64. Has the project experienced a Financial Distress Event within the last 36 months?
(If Yes) Is there a dated legal document evidencing resolution and a letter of explanation describing the cause of the event and measures taken by the Condominium Association to prevent a future event?
65. Is the reserve account funded as required by FHA?
66. Are the units separately metered for utilities?
(If No) Is having multiple units on a single meter common and customary in the local market where the project is located?
(If No) Does project budget include adequate funding for utility payments?
67. Indicate what utilities and services are included in the regular assessments:

68. Is there a current or board-approved special assessment against the unit owners?
(If Yes) What is the total amount of the special assessment?
(If Yes) When was the special assessment assessed?
(If Yes) What is the due date of final payment?
(If Yes) What is the total special assessment amount per unit?
(If Yes) What is the payment amount per unit?
(If Yes) What is the frequency of the special assessment payment?
(If Yes) Current total balance of special assessment due:
(If Yes) What is the purpose for the special assessment?
69. Is the project part of a larger development (subject to a master association)?
(If Yes) Are all common areas and facilities complete within the master association?
(If Yes) Are the unit owners in control of all related associations?
(If Yes) What is the name of the master association?
(If Yes) What are the regular assessment fees for the master association?
(If Yes) What is the frequency of the master association regular assessments?
(If Yes) What is the contact phone number for the master association?
(If Yes) Please provide the name of the master management company agent.

Financial Controls

70. Does the homeowners association have separate accounts for the operating and reserve funds?
71. Are appropriate access controls in place for each account?
72. Are monthly bank account statements being sent directly to the homeowners association?
73. Are two or more board members required to authorize disbursements from the reserve account?
74. Does the management company maintain separate records and bank accounts for each association it manages?
75. Does the management firm have the authority to disburse funds (i.e., draw checks on or transfer funds) from the reserve account?

Management Company Contract

76. What is the length of the current management contract (in years)?
77. Is the management contract automatically renewable unless canceled?
78. Does the management contract require a penalty for cancellation or an advanced notice of at least ninety days?

Insurance Information

Only an authorized agent can provide insurance information. For all insurance questions, please contact the insurance agent.

79. Are units or common elements located in a flood zone?
(If Yes) Is flood insurance in force?
(If Yes) Flood insurance agent's company name (if applicable):
(If Yes) Flood insurance agent's name (if applicable):
(If Yes) Flood insurance agent's phone number (if applicable):
(If Yes) Flood insurance agent's email (if applicable):

80. Insurance broker's or agent's company name:

81. Insurance agent's name:

82. Insurance agent's phone number:

83. Insurance agent's fax number:

84. Insurance agent's email address:

XYZ Management Company, LLC
231 Test St.
Fairfield, CT 92222

Test Manager

Test Manager
Community Manager
XYZ Management Company, LLC
123-456-6789

Comments Addendum

Comments from individual questions display here.

General comments display here, such as:

THIS DISCLOSURE IS INTENDED STRICTLY FOR THE USE OF REAL ESTATE AND LENDING PROFESSIONALS. THIS INFORMATION, WHILE DEEMED TO COME FROM RELIABLE SOURCES, IS NOT GUARANTEED. PROSPECTIVE BUYERS OF REAL ESTATE SHOULD SEEK APPROPRIATE AND COMPLETE DISCLOSURES FROM THE SELLER OF THE SUBJECT PROPERTY.

THE RESPONSES HEREIN ARE MADE IN GOOD FAITH AND TO THE BEST OF MY ABILITY AS TO THEIR ACCURACY.

Sample Only