

Determining Condominium Project and Mortgage Eligibility

AS EASY AS **1-2-3**

STEP

1

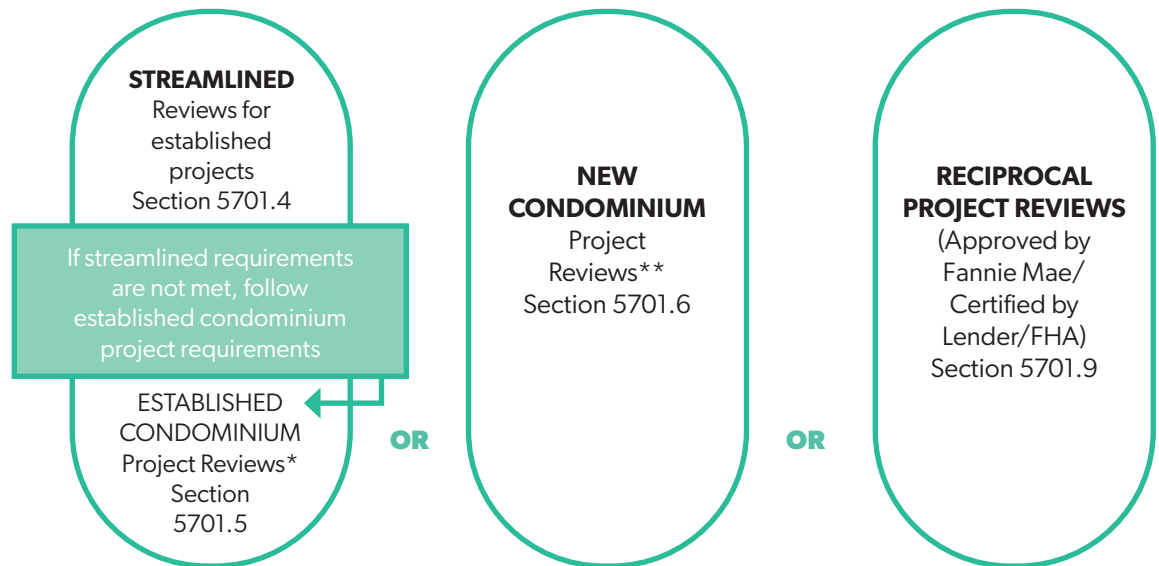
Make sure you comply with our condominium project review and general condominium project eligibility requirements in *Single-Family Seller/ Servicer Guide (Guide) Section 5701.2.*

A condominium project and condominium unit mortgage must comply with our requirements in Section 5701.2, except for condominium projects with a Project Certified status or condominium unit mortgages eligible under Exempt From Review. These need to meet the general condominium project eligibility requirements in section 5701.2(b). Condominium unit mortgages eligible under Exempt From Review must also meet certain requirements in Section 5701.3. See the table in Section 5701.2(d) for more details.

Determine which one of the project review types applies.

STEP

2



* Established condominium project: Completed project and not subject to additional phasing, unit owners control the homeowners association, and at least 75% sold to others.

**New condominium project: Incomplete or subject to additional phasing, developer still controls the home owners association, or fewer than 75% sold to others.

STEP

3

Follow our condominium delivery requirements (Section 5701.12). See section 6302.16(b)(ii) for additional delivery requirements for Freddie Mac-owned "no cash-out" refinance Condominium Unit Mortgages.

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STREAMLINED REVIEW FOR ESTABLISHED PROJECTS

Projects that do not meet the requirements under streamlined review may be eligible under the established condominium project review

STREAMLINED REVIEWS

For established projects, Section 5701.4

- ✓ Special LTV/TLTV/HTLTV requirements.
- ✓ No requirement for owner occupancy, project budget, and delinquent assessments.

**If streamlined requirements
are NOT met, follow
Established Condominium**

ESTABLISHED CONDOMINIUM

Project Review Section 5701.5

- ✓ All occupancy types allowed.
- ✓ Higher LTV/TLTV HTLTV allowed. Follow Guide Section 4203.4.
- ✓ Requirements for project completion, owner occupancy, project budget, and delinquent assessments.

RECIPROCAL PROJECT REVIEWS

Mortgages with review approvals by other secondary market participants are eligible for sale to Freddie Mac.

RECIPROCAL PROJECT REVIEWS

Section 5701.9

- ✓ "Approved by Fannie Mae" status designation in Fannie Mae's Condo Project Manager™
- ✓ Seller has approved as a Fannie Mae "Full Review", ensured all data entered into CPM is correct and received a "Certified by Lender" status designation in Fannie Mae's legacy or updated CPM platform
- ✓ Reciprocal reviews (with an "Approved by Fannie Mae" or "Certified by Lender" status designations) can be used regardless of the Fannie Mae project type.
- * Condo Project Manager and CPM are trademarks of Fannie Mae.
- ✓ FHA approved project review
- ✓ Projects must still meet Freddie Mac's general condominium project eligibility requirements (5701.2(b))